



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Division of Human Resource Management
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MEMORANDUM

HR#54-16

June 15, 2016

TO: DHRM Listserv Recipients

FROM: Peter Long, Administrator *Peter Long*
Division of Human Resource Management

SUBJECT: PROCESS TO IMPLEMENT 2% COST OF LIVING ADJUSTMENT

The 2015 Legislature, in AB 489, approved a 2% cost-of-living adjustment for classified, unclassified, and non-classified State employees effective July 1, 2016. Contribution rates for all retirement plans remain unchanged. The compensation schedules for Pay Policy 01 through Pay Policy 12 reflect the 2% increase. All compensation schedules can be found on the Division of Human Resource Management's website at <http://hr.nv.gov/Sections/Compensation/2016/Compensation-July/>. Below are the special processing instructions and deadline dates. Please follow these instructions to ensure accurate pay for the employees affected by these changes.

CLASSIFIED EMPLOYEES

Classified employees are granted a 2% cost-of-living adjustment (COLA) on July 1, 2016. The Personnel Action/Reason Code of COLA/M17 will be placed on the employees' record for the July 1, 2016 increase.

Special Processing Instructions: The increase will automatically be implemented in the ADVANTAGE HR™ system, and there will be no need to submit individual Employee Status Maintenance Transaction (ESMT-A) documents with the exception of select employees on retained rate.

- Employees on retained rate with an "N", "R", or "U" employment status, are not eligible for a pay increase and therefore, an ESMT-A is not needed.

- Employees on a retained rate less than two years as of July 1, 2016 that have an employment status of “M” are eligible for the 2% increase which will be automatically generated by the system, an ESMT-A is not needed.
- To avoid an overpayment, any employees currently with an employment status of “M” that have been on a retained rate for two years or more as of June 30, 2016, will require the processing of an ESMT-A updating their employment status to a “U” code using Personnel Action/Reason Code STCHG. The ESMT-A effective date must reflect the two-year expiration date and the employee’s current salary information. Do not include the 2% COLA in the hourly rate.
- Employee signatures **are** required on any ESMT-A documents being submitted for any pay changes.

Note: You may obtain a list of employees currently on retained rate through the Human Resources Data Warehouse (HRDW). Select Employee Rosters/Action History, and select the appropriate agency. Under View options, select Empl and a spreadsheet will be displayed which contains the Employee Status for all agency employees. The retained rate employees will have the Employee Status codes as noted above. If you need assistance obtaining this report, please contact the HR Help Desk at (775) 687-9099 or 1-866-NVNEATS.

UNCLASSIFIED AND NON-CLASSIFIED EMPLOYEES

Unclassified and non-classified employees are granted a 2% COLA July 1, 2016. The Personnel Action/Reason Code of COLA/M17 will be placed on the employees’ record for the July 1, 2016 increase.

Special Processing Instructions: The 2% salary increase will be systematically generated on unclassified and non-classified employees. However, an appointing authority has the option to set the salary for unclassified or non-classified employees **at or below** the authorized maximum salary approved by the Legislature. If your agency wishes to set the salary at a rate different from the 2% increase over the current salary, an ESMT-A must be submitted. The ESMT-A must have an effective date of July 1, 2016, along with a notation under the “Remarks” section indicating the action reflects an adjustment to the COLA and requires the employee’s signature.

ELECTED OFFICIALS

Pursuant to various provisions in NRS, the salaries of elected officials must be increased by an amount equal to the cumulative percentage increase in the salaries of the classified employees on the first Monday in January 2017.

AGENCY /HOME ORGANIZATIONAL CHANGES

The Division of Human Resource Management, Central Records section is aware of some agency and home organizational changes approved during the 2015 Legislature. In order to effect these changes, agencies will need to submit ESMT-A’s to Central Records. Use the appropriate Personnel Action and Reason Codes when submitting the transactions.

TURNAROUND DOCUMENTS

Turn-around documents noting the 2% increase will be generated after the cycle on July 8, 2016, **only** for employees who are unclassified, classified medical, non-classified or on a retained rate. Once your agency has received the turn-around documents, they are to be reviewed by your agency personnel liaison for any adjustments that would need to be made and submitted by the PP03 Central Records deadline. Carefully review the hourly rate for those employees who are paid the maximum salary. There could be a slight difference between the compensation schedule and the amount calculated by the system. Failure to complete this timely could result in an under/overpayment.

Turn-around documents noting the 2% increase **will not** be generated for employees who are classified table driven paid employees.

AUTOMATED MERIT SALARY INCREASES (MSI) DURING FY END PROCESSING

Agencies are advised to review all employees due their MSI in Pay Period 02 to ensure their pay records are correct. If discrepancies are found, the agency is required to make the necessary corrections on an ESMT-A. If the correction being made is effective prior to July 1, 2016, the agency will need to submit two ESMT-A's; one for the MSI and one as a back-up document for the July 1, 2016 COLA.

DEADLINE DATES

ESMT-A documents with an effective date of June 30, 2016 or earlier must be submitted to Central Records no later than **Noon on June 27, 2016**. **Do NOT enter documents with a June 30, 2016 or earlier effective date into ADVANTAGE HR™ until Monday June 27, 2016**. Entry by agencies **must be completed by noon on Tuesday, June 28, 2016** in order for Central Records to audit and approve all transactions keyed by close of business on June 30, 2016. Agencies will need to keep a copy of their submissions in order to key into ADVANTAGE HR™.

If the Special Processing Instructions noted above require the submittal of an ESMT-A using an effective date of July 1, 2016, the documents must also be received in Central Records no later than **Noon on June 27, 2016**. **Please do NOT enter the documents with a July 1, 2016 effective date into ADVANTAGE HR™**. Due to special processing times for the COLA, these documents cannot be keyed into the system until July 2, 2016.

Failure to adhere to the above dates and times could potentially result in under/over payment to the employee and result in added back-up ESMT documents and payroll documents.

MONITORING SUSE (EMPLOYEE TRANSACTION LISTING)

To ensure that the pay adjustments are calculated correctly, all transactions effective June 30, 2016 and earlier will need to be cleared from SUSE by noon on Tuesday June 30, 2016. If there are transactions in SUSE after this time and Central Records does not have the original ESMT's, any remaining transactions will be deleted. The agency will be required

to re-process deleted transactions on or after July 2, 2016. An ESMT-A indicating “back-up” for the COLA effective 7/1/16 will also be required. We appreciate your assistance in monitoring the SUSE file to ensure all of your transactions are processed.

Should you have any questions regarding the implementation of the pay adjustments addressed above, please contact your designated personnel representative in Central Records.