




DEPARTMENT OF PERSONNEL
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MEMO PERD #28/11
June 17, 2011

TO: Department Directors
Division Administrators
Agency Personnel Officers
Agency Personnel Representatives
Agency Payroll Clerks

FROM: Teresa Thienhaus, Director 
Department of Personnel

SUBJECT: 2011 FISCAL YEAR END INSTRUCTIONS

Senate Bill 505 in the 2011 Legislature implemented a 2.5% pay reduction for classified, unclassified and non-classified state employees effective July 1, 2011. In addition, most full-time employees are required to take 48 hours of furlough leave per fiscal year. Finally, a retirement contribution rate increase will take effect on July 11, 2011 for all employees on the Employee/Employer, Employer, and Police-Fire pay plans. To ensure smooth implementation of these legislative mandates, your agency's adherence to the following year end instructions are requested.

Legislatively Mandated Pay Reduction (LMPR)

A 2.5% reduction in employee pay effective July 1, 2011 has been approved by the 2011 Legislature. The Department of Personnel will be conducting a MASS entry on all classified, unclassified and non-classified employees within ADVANTAGE-HR to implement this change. The Personnel Action/Reason Code of LMPR/M11 will be placed on employees' records after the pay cycle run of July 1, 2011.

An appointing authority has the option to set the salary for unclassified and non-classified employees at or below the authorized maximum salary approved by the Legislature. The 2.5% salary decrease will be systematically generated for all unclassified and non-classified employees. ESMT-A Turnarounds reflecting this change for unclassified and non-classified employees will be available for agencies to pick up from Central Records on July 18, 2011. Should an agency wish to set the salary at a rate lower than the 2.5% reduction indicated on the compensation schedule effective July 1, 2011, the ESMT-A Turnaround must be resubmitted with the revised amount. The ESMT-A must have the effective date of July 1, 2011 and the Personnel Action/Reason Code of LMPR/M11. Additionally, a

notation must be made under the “Remarks” section indicating, *“This action reflects a change due to legislatively mandated pay reductions.”*

Employees currently on a retained rate with an employment status of “M”, “N” and “U” will have the 2.5% reduction systematically adjusted from their hourly amount.

A backup ESMT-A document with an effective date of July 1, 2011 will be required to process transactions with an effective date of June 27, 2011 through June 30, 2011 due to Pay Period 02 falling after the system MASS has been implemented.

Agency/Home Organization Consolidations/Splits

The Department of Personnel is aware of many agency and home organizational consolidations approved during the 2011 Legislature. The Department of Personnel, Central Records section will work with those agencies affected on an individual basis to determine if a MASS system change can be performed or if manual ESMTs will need to be provided by the agency. If manual ESMTs are required, **ESMTs with a July 1, 2011 effective date must be completed and submitted to Central Records no later than June 24, 2011.** Entry of the ESMTs will be handled by Central Records.

Benefit Deduction Policy

Agencies are currently being contacted by PEBP regarding employees who declined health insurance coverage during the 2011 enrollment period. If you have employees declining coverage, their benefit deduction policy code must be changed to DP21 on their ESMT. **Please indicate the Personnel Action code of MISC with an effective date of June 13, 2011.** The purpose for this effective date is so your agency won't be charged the July AGEIS assessment. The completed ESMTs must be submitted to Central Records by no later than Friday, June 24, 2011.

Compensation Schedules

The compensation schedules are currently being revised by Department of Personnel staff and will be distributed as soon as the review is completed.

Furloughs

New regulations are being drafted on the administration of the 48 hour furlough requirements. The Department of Personnel will distribute further correspondence and update FAQs on the DOP website (<http://dop.nv.gov/Furlough.html>) following the Personnel Commission meeting on June 21, 2011.

Longevity Pay and Merit Pay Increases Suspended

Longevity pay – Per AB 560 of the 2011 Legislature, longevity pay for the period of July 1, 2011 through June 30, 2013 has been suspended and will not be paid.

Merit Salary Increases (MSI) – Per AB 560 of the 2011 Legislature, state employees (if normally eligible) will not be receiving MSIs from July 1, 2011 through June 30, 2013. Both Longevity and Merit Salary suspension will be addressed internally by the system, so no actions are needed from the agencies.

Timesheet Processing

If your agency is undergoing an agency code and/or home organization change your employees' timesheets, leave requests and security access will need to be converted accordingly. Staff from DOP,

ITS will be contacting your agency shortly with information regarding timesheets, leave requests, and security processing instructions.

Holiday and Other Compensation Changes

AB 560 of the 2011 Legislature reduces the holiday premium pay (PHPRM) entitlement from time and one-half to simply straight time. This change will be effective July 1, 2011. Employees will be paid at this revised rate for time recorded to PHPRM after this date.

The Personnel Commission has also approved the elimination of certain comp-time accrual events. This includes call back (ACALL, ACALX), holiday premium (AHPRM), and standby (ASNTD). Therefore, for time recorded on June 27, 2011 and after, employees can only receive pay for call back, standby, and holiday premium events.

July 11, 2011 Retirement Rate Changes

PERS has implemented increased contribution rates effective the first retirement reporting period of July 2011. For employees paid by Central Payroll, these new rates will be effective July 11, 2011. Additional information regarding these rate changes can be found on the PERS website: <http://www.nvpers.org/public/whatsNew/notices/Cntrb-Rte-Chg-Notfictin-for-St-Agncies-Jul-2011.pdf>

If you have any questions or concerns regarding Agency/Home Organization Consolidations/Splits, please contact Cynthia Willden, Manager, Central Records at 775-687-9088. Questions regarding Timesheet Processing should be directed to Tricia Buckner, ITS at 775-687-9090.