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DIRECTOR

**COMMONWEALTH OF VIRGINIA**  
*Department Of Human Resource Management*

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June 27, 2022

MEMORANDUM

TO: Agency Human Resource Directors

FROM: Rue Collins White  
Chief Deputy Director, Department of Human Resource Management (DHRM)

SUBJECT: Fiscal Year 2023 Authorizations and Compensation Activities

Please be advised of the following information concerning compensation activities for Fiscal Year 2023 (July 1, 2022, through June 30, 2023). The following compensation activities are included in the directives found in Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I.

**1) July 10, 2022 Employee Salary Increases**

Item 483 S. Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I authorizes a five percent salary increase effective July 10, 2022 for eligible full- and part-time classified and other salaried state employees, including appointed, at-will, and faculty employees, *except those employees who will be receiving a targeted salary noted in 3-5 below and unless otherwise specified in this memorandum.* Adjunct Faculty employees at two- and four-year colleges and universities are also eligible for the five percent salary increase.

**2) July 10, 2022 DBHDS Direct Care Staff Increases**

Items 318 D., 323, 328, and 486 A.2.g. Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I authorizes an increase in compensation for direct care staff in state facilities to fifty percent of the benchmark for such positions. These employees will also be eligible to receive the five percent salary increase mentioned above.

**3) July 10, 2022 DOC Correctional Officer Increases**

MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 2 of 7

Item 402 O. Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I authorizes an increase in starting pay for DOC Correctional Officers up to \$42,000 and provides an increase based on rank and years of service in addition to the base pay increase. Those employees who will be receiving a targeted salary increase at or above 7.5 percent in fiscal year 2023 will be eligible to receive a 2.5 percent statewide increase.

**4) July 10, 2022 Virginia State Police Sworn Officer Increases**

Item 431 E. of Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I authorizes an increase to starting pay for sworn officers of the State Police up to \$51,500 (\$64,383 in Northern Virginia), as well as increases based on rank and years of service in addition to the base pay increase. Those employees who will be receiving a targeted salary increase at or above 7.5 percent in fiscal year 2023 will be eligible to receive a 2.5 percent statewide increase.

**5) July 10, 2022 DOC Probation and Parole Officer Increases**

Item 399 E. of Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I authorizes a \$3,000.00 increase to base pay for Probation and Parole Officers, including senior officers and supervisors. Those employees who will be receiving a targeted salary increase at or above 7.5 percent in fiscal year 2023 will be eligible to receive a 2.5 percent statewide increase.

**6) July 10, 2022 Additional Targeted Increases**

Chapter 2 of the 2022 Virginia Acts of Assembly, Special Session I also includes funding for salary compression increases for specific employees within the following agencies:

- DGS Division of Consolidated Laboratory Services staff
- DGS State Mail Services staff
- DVS Appeals Attorneys
- VDACS Veterinary Staff and Environmental Specialists

Those employees who will be receiving a targeted salary increase at or above 7.5 percent in fiscal year 2023 will be eligible to receive a 2.5 percent statewide increase.

## MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 3 of 7

### **7) Employment Dates and Eligibility Requirements**

All employees in salaried positions as of April 10, 2022 and remaining employed on July 10, 2022 are eligible for the statewide salary increase.

Employees covered by the Virginia Personnel Act must also have achieved a performance rating of Contributor or higher to be eligible.

Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance assessments for employees. This documentation could include annual performance evaluations, interim evaluations, probationary progress review forms, and notice of sub-standard performance forms.

Salary increases for state employees **not** subject to the Virginia Personnel Act shall be consistent with the performance eligibility provisions as determined by the appointing or governing authority.

The governing authorities of those state institutions of higher education with non-classified employees may provide a salary adjustment based on performance and other employment related factors, as long as the increases do not exceed the five percent increase, on average. In addition, in recognition of differing financial circumstances and factors at this time, the governing authorities shall have the flexibility, for employee groups other than for classified employees, to provide for an overall percentage increase that is less than five percent.

### **8) Wage Employees**

The base rates of pay for wage employees may be increased by up to five percent effective no earlier than July 10, 2022. The cost of such increases for wage employees shall be borne by existing funds appropriated to each agency. Agencies using the PMIS Wage3 system should enter transaction PSW090 with reason code 215 to increase salaries of wage employees.

Agencies using Cardinal HCM should either enter these increases online using an Action of Pay Rate Change (PAY) and a Reason of FY23 Statewide Increase (SLI), or may provide a Job Data Mass Upload File. Refer to the Cardinal HCM [Performing a Mass Upload Job Aid](#) for additional guidance. Cardinal HCM interfacing agencies may make salary adjustments in their system and include on the HR003 Employee Data Upload Interface file.

### **9) Elected Officials**

MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 4 of 7

Elected Officials are not eligible for the five percent salary increase.

**10) December 1, 2022 Bonus**

Item 483 paragraph W.1 authorizes a one-time bonus payment of \$1,000 on December 1, 2022 for all classified employees of the Executive Branch and other full-time employees of the Commonwealth, except for elected officials, who are employed as of August 10, 2022 and remained employed until at least November 10, 2022. *Additional details and instructions will be provided at a later date.*

**11) December 1, 2022 Bonus**

Item 483 paragraph Z.1 authorizes a one-time bonus payment of \$3,000 on December 1, 2022 for all sworn law-enforcement employees of the Department of Conservation and Recreation and the Marine Resources Commission, who are employed as of August 10, 2022 and remained employed until at least November 10, 2022. Employees are eligible to receive the bonus payment only if they have attained an equivalent rating of at least “Contributor” on their performance evaluation and have no active written notices under the Standards of Conduct within the preceding twelve-month period. *Additional details and instructions will be provided at a later date.*

**12) Classified Salary Structure**

The Department of Human Resource Management shall increase the minimums and maximums of the state classified salary plans (Statewide and NOVA) by five percent on July 10, 2022. No salary increase shall be granted to any employee as a result of this action. A table of the proposed new salary bands is provided at the end of this memorandum.

Salary ranges for unclassified roles (role codes over 90000) will also be adjusted by five percent at the minimum and the maximum effective July 10, 2022.

**13) Differential Authorizations**

P-14 authorizations for differentials that are scheduled to end on June 30, 2022, are

## MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 5 of 7

extended through June 30, 2023 unless otherwise noted on the approval document. Please continue to use the P-14 form to authorize any new differential payments. If your agency is a member of a parent agency (e.g., Department of Corrections), to support compensation practices that are consistent in all facilities or sub-agencies under the parent, you may choose to send in a single P-14 form rather than a separate form for each sub-agency. However, the agency codes for all sub-agencies covered by the authorization should be listed on the form. Individual P-14 forms will still be required for practices that are unique to single sub-agencies.

### **14) Supplements**

Supplements, decentralized to agencies in 2000, are payments that are made only when employees meet the criteria for earning them. The decentralized supplements that have been identified include: On-Call Pay, Call-Back Pay, Camp Supplement, Charge Duty, Medication Supplement, Shift Pay, and Working Conditions Supplement.

Agencies that may need to pay a supplement that has not been previously identified should submit a P-14 request to [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) at DHRM for approval. If appropriate, any approved new supplements will be available for use by all agencies.

### **15) Wage Authorizations**

For agencies that have not transitioned to Cardinal HCM, the employment records of all existing and new wage employees must be recorded and maintained in the Wage 3 sub-system of PMIS. Form P-14 for wage employment is not required for hourly employees hired into any existing Role. Contact [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) at DHRM if you need to establish an additional Role solely for the purpose of wage employment. DHRM will continue to monitor use of the pre-approved Roles for wage employees.

### **16) Demonstration Projects**

Agencies may consider compensation demonstration projects. Demonstration projects must have clearly defined objectives and specified time frames. They are limited to two years' duration. Any requests for projects should be discussed with [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) at DHRM before being submitted for approval.

### **17) Alternate Bands and Sub-bands**

Where appropriate, the alternate band fields in PMIS and Cardinal may be used by agencies to establish sub-bands within pay bands. Sub-bands are intended for situations where a clear distinction must be maintained within roles, such as for rank structures in

MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 6 of 7

law enforcement agencies.

*Please note:* Any changes or additions to alternate/sub bands must be programmed directly by DHRM. Please submit requests for alternate/sub band changes or additions to [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) at DHRM.

**18) Language Pursuant to Workforce Transition Act Retirement**

The Appropriation Act, Item 483, paragraph L.1, requires enhanced retirement actions be pre-certified by DPB and DHRM to be fully funded by the VRS:

Notwithstanding the provisions of § 2.2-3205(A), Code of Virginia, the terminating agency shall not be required to pay the Virginia Retirement System the costs of enhanced retirement benefits provided for in § 2.2-3204(A), Code of Virginia, for employees who are involuntarily separated from employment with the Commonwealth if the Director of the Department of Planning and Budget certifies that such action results from 1. budget reduction enacted in the Appropriation Act, 2. budget reduction executed in response to the withholding of appropriations by the Governor pursuant to § 4-1.02 of the Act, 3. reorganization or reform actions taken by state agencies to increase efficiency of operations or improve service delivery provided such actions have been approved by the Governor, or 4. downsizing actions taken by state agencies as the result of the loss of federal or other grants, private donations, or other non-general fund revenue, and if the Director of the Department of Human Resource Management certifies that the action comports with personnel policy. Under these conditions, the entire cost of such benefits for involuntarily separated employees shall be factored into the employer contribution rates paid to the Virginia Retirement System.

[Note: Code of Virginia §§ 2.2-3200 through 2.2-3206 comprise Title 2.2, Chapter 32, the Workforce Transition Act of 1995.]

If you have questions about the certification process, please contact [policy@dhrm.virginia.gov](mailto:policy@dhrm.virginia.gov).

**19) 2021 Performance Evaluations**

Performance evaluations for the current performance cycle need to be completed for classified employees as required by [Policy 1.40](#). Agencies are responsible for tracking and keeping records of 2021 performance cycle evaluation ratings for all employees that may be needed to manage pay and compensation activities. PMIS is no longer available to provide IPP system functions or to centrally record and track performance evaluation ratings for employees. This functionality will be made available to agencies that have

MEMORANDUM

Agency Human Resource Directors

June 27, 2022

Page 7 of 7

transitioned to Cardinal HCM after the implementation of R3.

The following list of resources, including:

- FAQs;
- Agency instructions regarding the submission of files listing employees who are ineligible for the increase and should be BLOCKED in the PMIS and Cardinal HCM automated July 10, 2022 salary increase processing;
- The revised salary structure related resources are available at [July 10, 2022 Salary Increase Resources](#).

Please ensure that a copy of this memorandum is provided to all human resource staff and to your agency's fiscal officer. If you have questions, please contact [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) at DHRM.

cc: Janet L. Lawson, Director of Human Resource Management  
Lewis R. McCabe, State Comptroller  
Michael Maul, Director of Planning and Budget  
Adam Rosatelli, Senate Finance and Appropriations Committee  
Michael Jay, House Appropriations Committee