



FAQs

Compensation Changes Authorized by Chapter 665, 2015 Acts of Assembly May 4, 2015

Summary

The following compensation changes authorized in Chapter 665, 2015 Acts of Assembly to become effective on August 10, 2015, excluding the \$1,000 increase for Security Officers I and III, are contingent upon there being no downward adjustment in the Commonwealth's revenue forecast (Item 467, paragraph O) and on employees' performing at the Contributor level or higher (Item 467 paragraph P):

- A 2% base salary adjustment for state employees (full- and part-time classified and other salaried employees [appointed, at-will, and faculty employees]) (Item 467, paragraph P);
- A salary compression adjustment of \$65 (\$80 for sworn employees of the Department of State Police) per full year of service for eligible classified and other salaried employees (excluding faculty and other employees of public institutions of higher education not subject to the Virginia Personnel Act) with at least five completed years of continuous salaried service (three years for sworn employees of the Department of State Police) (Item 467, paragraph Q);
- An additional 2% salary adjustment for classified employees in certain high-turnover roles pursuant to the recommendations of the state employee compensation workgroup established in Item 255, paragraph B, of Chapter 806, 2013 Acts of Assembly (Item 467, paragraph T);
- A \$1,000 increase for classified employees in the roles Security Officer I and Security Officer III (Item 384, paragraph Q); and
- Adjustment of the Commonwealth's classified salary structure of 2% at the minimum and 2% plus \$2,400 at the maximum (Item 467, paragraph P).

Frequently asked questions and related instructions on how to apply the salary adjustments are provided throughout this document.

Employee Eligibility

1. Who is subject to the August 10, 2015, 2% base salary adjustment authorized in Item 467, paragraph P?

Pursuant to Item 467, paragraph Q.4, all classified and other salaried employees, except elected officials, who were employed in salaried positions as of May 10, 2015, and who received a rating of “Contributor” or “Extraordinary Contributor” on their last performance evaluation or interim evaluation are eligible to receive the 2% base salary adjustment effective August 10, 2015.

2. Who is NOT subject to the August 10, 2015, 2% base salary adjustment authorized in Item 467, paragraph P?

Employees who were hired or rehired after May 10, 2015, and employees who received a rating of “Below Contributor” on their last performance evaluation or interim evaluation are not eligible to receive the 2% base salary adjustment effective August 10, 2015.

3. Why was May 10, 2015, selected as the cutoff employment date?

The 2% base salary adjustment is a performance-driven increase. The three-month period from May 10, 2015, to August 10, 2015, provides a reasonable period for an agency to assess the probationary progress of a new employee. Please see Question 42 for additional information regarding employees hired after May 10, 2015.

4. Who is subject to the August 10, 2015, salary compression compensation adjustment authorized in Item 467, paragraph Q?

Classified and other salaried employees, except elected officials and faculty and other employees of public institutions of higher education not subject to the Virginia Personnel Act, who received a rating of “Contributor” or “Extraordinary Contributor” on their last performance evaluation or interim evaluation and who have completed at least five years of continuous service as of August 10, 2015, (i.e., those with state begin dates of August 10, 2010, or before) will receive a salary increase of \$65 per year of service, up to 30 years.

Sworn employees of the Department of State Police who received a rating of “Contributor” or “Extraordinary Contributor” on their last performance evaluation and who have completed at least three years of continuous service as of August 10, 2015, (i.e., those with state begin dates of August 10, 2012, or before) will receive \$80 per year of service, up to 30 years, effective August 10, 2015.

5. Who is NOT subject to the August 10, 2015, salary compression compensation adjustment authorized in Item 467, paragraph Q?

Employees who have not completed five years of continuous service as of August 10, 2015 (i.e., those with state begin dates after August 10, 2010), sworn employees of the Department of State Police who have not completed three years of continuous service as of August 10, 2015 (i.e., those with state begin dates after August 10, 2012), and employees who received a rating of “Below Contributor” on their last performance evaluation or interim evaluation are not eligible to receive the salary compression compensation adjustment of \$65 or \$80 per year of completed service, up to 30 years, effective August 10, 2015. In addition, elected officials and faculty and other employees of public institutions of higher education not subject to the Virginia Personnel Act are not included in the salary compression compensation adjustment.

6. Who is subject to the August 10, 2015, additional 2% salary adjustment for high-turnover roles authorized in Item 467, paragraph T?

Pursuant to the [recommendations](#) of the state employee compensation workgroup established by Chapter 806, Item 255, paragraph B, 2013 Acts of Assembly, employees in the roles listed below who were employed in salaried positions as of May 10, 2015, and who received a rating of “Contributor” or “Extraordinary Contributor” on their last performance evaluation or interim evaluation are eligible to receive the 2% salary adjustment for high-turnover roles effective August 10, 2015.

*Law Enforcement Officer I
Direct Service Associate I
Direct Service Associate II
Direct Service Associate III
Housekeeping and/or Apparel Worker I
Probation Officer Assistant
Emergency Coordinator I
Emergency Coordinator II
Registered Nurse I
Registered Nurse II/Nurse Practitioner I/Physician's Assistant
Licensed Practical Nurse
Therapy Assistant/Therapist I
Therapist II
Compliance/Safety Officer II*

7. Who is NOT subject to the August 10, 2015, additional 2% salary adjustment for high-turnover roles authorized in Item 467, paragraph T?

Employees who are not in the high-turnover roles listed in Question 6 and employees who are in the high-turnover roles listed in Question 6 but were hired or rehired after May 10, 2015, or received a rating of “Below Contributor” on their

last performance evaluation or interim evaluation are not eligible to receive the 2% salary adjustment for high-turnover roles effective August 10, 2015.

8. Who is subject to the August 10, 2015, \$1,000 additional salary adjustment authorized in Item 384, paragraph Q?

Employees in the roles Security Officer I and Security Officer III are eligible to receive the \$1,000 salary adjustment effective August 10, 2015.

9. Who is NOT subject to the August 10, 2015, \$1,000 additional salary adjustment authorized in Item 384, paragraph Q?

Employees who are not in the roles Security Officer I and Security Officer III are not eligible to receive the \$1,000 salary adjustment effective August 10, 2015.

10. Are faculty members eligible for the August 10, 2015, salary adjustments authorized in paragraphs P, Q, and T?

The Act authorizes public institutions of higher education to provide a variable salary adjustment effective August 10, 2015, based on performance and other employment-related factors, as long as the increases do not exceed the two percent increase on average. In addition, institutions of higher education may reallocate funds from educational and general program funds to provide an additional 2.5% average faculty salary increase for teaching and research faculty. Institutions may provide this increase consistent with faculty pay plans. Faculty will be assumed eligible for the 2% increase unless agencies submit an "INCREASE-MANUAL-BLOCK" spreadsheet (listing agency/position/employee-ID) to notify DHRM of faculty employees whose performance does not qualify them to receive the August 10, 2015 salary adjustments. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

Faculty and other employees of public institutions of higher education not subject to the Virginia Personnel Act are not included in the salary compression compensation adjustment.

11. Will employee performance ratings affect eligibility for the August 10, 2015, salary adjustments?

Yes. The August 10, 2015, salary adjustments, excluding the \$1,000 salary adjustment for employees in the roles Security Officer I and Security Officer III, are performance-driven. Employees must have received a rating of "Contributor" or "Extraordinary Contributor" on their latest performance evaluation or interim evaluation in order to be eligible to receive either the general 2% base salary adjustment, the salary compression compensation adjustment of \$65 or \$80 per year of completed service, up to 30 years, or the 2% salary adjustment for high-turnover roles effective August 10, 2015.

12. Can written notices under the Standards of Conduct policy be used to deny the August 10, 2015, salary adjustments?

No. Written Notices were not included in the eligibility criteria approved by the Governor and General Assembly. For this reason, and because written notices are issued for a wide range of infractions, they should not be used exclusively to deny the increase. If an employee's performance has declined to the extent that it is at the "Below Contributor" level, the supervisor should conduct an interim evaluation. Interim evaluations may be completed at any time before the August 3, 2015 file upload deadline.

13. Are employees whose ratings for the 2014 performance evaluation were recorded as "On Leave" eligible for the August 10, 2015, salary adjustments?

Yes. An entry of "On Leave" in the 2014 IPP database will not automatically disqualify an employee from receiving the August 10, 2015, salary adjustments if the employee is in active status on August 10, 2015, and the employee's agency certifies that the employee meets the requirement for satisfactory performance. The employee must also meet the five-year service requirement in order to be eligible for the salary compression compensation adjustment. The FY16 Compensation Memorandum outlines the steps for submitting an INCREASE-MANUAL-CERTIFY spreadsheet (listing agency/position/employee-ID) to notify DHRM of unrated employees whose performance qualifies them to receive the fiscal year 2016 salary adjustments. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

The impact on employees on leave on August 10, 2015, is discussed in Question 377.

14. Are employees whose performance was not rated in 2014 eligible for the August 10, 2015, salary adjustments?

Yes. Absence of a rating in the 2014 IPP database will not automatically disqualify an employee from receiving the August 10, 2015, salary adjustments if the employee is in active status on August 10, 2015, and the employee's agency certifies that the employee meets the requirement for satisfactory performance. The employee must also meet the five-year service requirement in order to be eligible for the salary compression compensation adjustment. The FY16 Compensation Memorandum outlines the steps for submitting an INCREASE-MANUAL-CERTIFY spreadsheet (listing agency/position/employee-ID) to notify DHRM of unrated employees whose performance qualifies them to receive the fiscal year 2016 salary adjustments. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

15. How should agencies treat employees whose performance has changed significantly since their 2014 evaluation so that their eligibility for the August 10, 2015, salary increases cannot reasonably be based on that evaluation?

The FY16 Compensation Memorandum outlines the steps for submitting INCREASE-MANUAL-BLOCK or INCREASE-MANUAL-UNBLOCK spreadsheets (listing agency/position/employee-ID) to notify DHRM of employees for whom increases should be blocked or unblocked based on significant changes in performance. Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for any employees who are unblocked or unsatisfactory performance for employees who are blocked. This documentation could include: interim evaluations; probationary progress review forms; and notice of sub-standard performance forms. Agencies should ensure that the documentation has been communicated to the affected employees. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

16. An employee hired on May 10, 2015, meets the employment date for eligibility for the general 2% base salary adjustment authorized in Item 467, paragraph P. Because this employee will not have a performance rating in the 2014 IPP database, how should the agency document that the employee meets the required performance level?

Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for newly-hired and other employees who have no rating in the 2014 IPP database. This documentation could include: interim evaluations; and probationary progress review forms. The FY16 Compensation Memorandum outlines the steps for submitting an INCREASE-MANUAL-CERTIFY spreadsheet (listing agency/position/employee-ID) to notify DHRM of unrated employees whose performance qualifies them to receive the fiscal year 2016 salary adjustments. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

17. An employee hired into a Housekeeping and/or Apparel Worker I position on May 10, 2015, meets the employment date for eligibility for both the general 2% base salary adjustment authorized in Item 467, paragraph P, and the additional 2% adjustment for high-turnover roles authorized in Item 467, paragraph T. Because this employee will not have a performance rating in the 2014 IPP database, how should the agency document that the employee meets the required performance level?

Agencies are responsible for ensuring that sufficient documentation exists to support satisfactory performance for newly-hired and other employees who have no rating in the 2014 IPP database. This documentation could include: interim evaluations; and probationary progress review forms. The FY16 Compensation Memorandum outlines the steps for submitting an INCREASE-MANUAL-CERTIFY spreadsheet (listing agency/position/employee-ID) to notify DHRM of unrated employees whose performance qualifies them to receive the fiscal year 2016 salary

adjustments. Agencies may upload the spreadsheet to HuRMan using the secure file upload utility or e-mail it to [Nancy Tobin](#) by August 3, 2015.

18. Are employees whose positions are funded entirely by federal grants or other special funding sources subject to the August 10, 2015, salary changes?

Yes. As with other general, performance, or across-the-board increases that are funded in the state budget, the increases apply to employees whose positions are funded by grants or other special funding sources in addition to those funded by the General Fund, except as noted for positions in institutions of higher education.

19. Are wage employees eligible for the 2% base salary adjustment authorized in Item 467, paragraph P?

Yes. The base rates of pay for wage employees may be adjusted by up to 2% no earlier than August 10, 2015. The cost of such increases for wage employees shall be borne by existing funds appropriated to each agency.

20. Are wage employees eligible for the \$65 or \$80 per year salary compression compensation adjustment authorized in Item 467, paragraph Q?

No. Wage employees are intended to cover peak workloads and seasonal or short-term needs and are, therefore, not eligible to receive the salary compression compensation adjustment effective August 10, 2015.

21. Are wage employees eligible for the additional 2% salary increase provided for high-turnover roles (Item 467, paragraph T) or the \$1,000 salary increase for Security Officers I and III (Item 384, paragraph Q)?

No. As noted in Question 19, the Act authorizes agencies to adjust the base rates of pay for wage employees by up to 2% no earlier than August 10, 2015. The additional 2% salary increase for high-turnover roles and the \$1,000 salary increase for employees in the roles Security Officer I and Security Officer III apply to salaried classified employees.

22. Will employees whose salaries are at or near the maximum of their pay bands receive the August 10, 2015, salary adjustments?

Yes, provided that they meet the eligibility criteria. If the salary adjustments will place an employee's new salary over the maximum of the new pay band, the employee's base pay will be increased to the new maximum and the remaining amount will be paid as a bonus.

23. Will employees whose salaries are frozen above the maximum of their current pay bands receive the August 10, 2015, salary adjustments?

Yes, provided that they meet the required eligibility criteria. If an employee's salary is frozen at an amount that exceeds the maximum of the new pay band, the

employee will receive a bonus rather than a salary increase for the amount in excess of the new pay band maximum.

24. For employees separating effective August 10, 2015, will the August 10, 2015 salary adjustments apply to their leave payments or other benefits?

No. The last day worked for an employee separating effective August 10, 2015, is August 9, 2015. Therefore, the employee is not employed on August 10, 2015, and is not eligible for the August 10, 2015, salary increases.

Effect on Employees' Compensation

25. How will this change affect my "take-home pay"?

*Each employee's situation is somewhat unique, depending on his or her salary and the deductions that are taken from his or her paycheck. The higher annual salary will result in an increase in all payroll tax withholdings and other salary-based withholdings like Optional Life Insurance. Therefore, it is likely that the change in take-home amounts may vary somewhat among employees as a result of payroll deductions. **Note:** Optional Group Life withholding only changes on January 1 of each year, regardless of salary changes during the year.*

26. When will I see the changes in my paycheck?

The August 10, 2015, salary adjustments will first appear in the September 1, 2015, paycheck.

27. Can all or part of the August 10, 2015, salary adjustments be deposited into Deferred Compensation?

Yes. The August 10, 2015, salary adjustments become part of an employee's new regular salary. As such, part or all of the increase may be deferred, subject to VRS Defined Contribution Plan guidelines and limitations. The enrollment or change in contribution amount must be elected by August 31, 2015, to be effective on the first available pay period following the salary increase, which would be September 16, 2015. See plan information at www.varetire.org for instructions.

28. How will the August 10, 2015, salary adjustments affect my retirement benefit calculation?

The August 10, 2015, salary adjustments will increase employees' creditable compensation. Any future salary increases will be applied to this higher, August 10, 2015, salary. Therefore, any months beginning September 2015 that are included in an employee's Average Final Compensation (AFC) will increase the employee's retirement benefit accordingly.

29. Will the August 10, 2015, salary adjustments affect my other benefits?

The salary increase amount is subject to payroll deductions for Social Security and Medicare as well as federal and state income taxes. This may result in an increase in an employee's future Social Security entitlement depending on his or her individual situation. It will also affect the rate used in calculating payments for accrued leave hours.

Calculating the Salary Adjustments

30. Which increase will be applied first?

In accordance with language in Chapter 665, 2015 Acts of Assembly, the salary adjustments will be applied in the following order.

- 1. The general 2% base salary increase authorized in Item 467, paragraph P will be calculated and applied first.*
- 2. If the employee is also eligible for the salary compression adjustment authorized in Item 467, paragraph Q, that amount will then be calculated and applied second.*
- 3. Either:
 - A. If the employee is also eligible for the 2% increase for high-turnover roles authorized in Item 467, paragraph T, that amount will then be calculated and applied third; OR*
 - B. If the employee is also eligible for the \$1,000 increase for the roles Security Officer I and Security Officer III authorized in Item 384, paragraph Q, that amount will be applied third.**

The following examples illustrate the calculations of the salary adjustments for a full-time classified employee, a sworn officer of the Department of State Police, an employee in a high-turner role, and a Security Officer I or Security Officer III with a current salary of \$50,000 and 10 years of continuous service.

For a full-time classified employee, the calculation would be as follows:

$$\begin{aligned} \$50,000 + 2\% (\$1,000) &= \$51,000 \\ \$65 \times 10 \text{ years} &= \$650 \\ \text{Total new salary} &= \$51,000 + \$650 = \$51,650 \end{aligned}$$

For a sworn officer of the Department of State Police, the calculation would be as follows:

$$\begin{aligned} \$50,000 + 2\% (\$1,000) &= \$51,000 \\ \$80 \times 10 \text{ years} &= \$800 \\ \text{Total new salary} &= \$51,000 + \$800 = \$51,800 \end{aligned}$$

For an employee in a position in a high-turnover role listed in Item 467, paragraph T, the calculation would be as follows:

$\$50,000 + 2\% (\$1,000) = \$51,000$
 $\$65 \times 10 \text{ years} = \650
New salary after 2% and compression adjustment = \$51,650
2% adjustment for high-turnover role = \$1,033
Total new salary = \$51,650 + \$1,033 = \$52,683

For an employee in a Security Officer I or Security Officer III position, the calculation would be as follows:

$\$50,000 + 2\% (\$1,000) = \$51,000$
 $\$65 \times 10 \text{ years} = \650
New salary after 2% and compression adjustment = \$51,650
\$1,000 adjustment for Security Officer III role = \$1,000
Total new salary = \$51,650 + \$1,000 = \$52,650

31. How will the employee's new salary be calculated?

If PMIS indicates that an employee is employed 100% (40 hours per week for 12 months), PMIS will multiply the employee's current annual salary (including cents if there are any) by 1.02 and the result will be rounded to the nearest dollar (.5 and above rounds up). Then, the salary compression adjustment will be added to the result. This result will then be multiplied by 1.02, for employees eligible for the 2% increase for high-turnover roles, and the result will be rounded to the nearest dollar.

*If the employee is eligible for the \$1,000 increase for the roles Security Officer I and Security Officer III, the \$1,000 will be added to the employee's salary **after** the general 2% base salary increase (Item 467, paragraph P) and compression adjustments (Item 467, paragraph Q) are applied.*

If the employee is employed for less than 100% and 12 months, the salary compression adjustment will be prorated based on the employee's percent of full time with the calculated result being rounded to the nearest cent, just as part-time salaries are currently prorated in PMIS.

32. Is the general 2% base salary adjustment authorized in Item 467, paragraph P, calculated on base pay or total state pay?

PMIS records for affected employees will automatically reflect a 2% adjustment to base state salary effective August 10, 2015. Special rate differentials and non-state salary supplements, which are entered into PMIS as annual salary amounts, will be adjusted by employees' agencies if appropriate.

33. Do special rates count toward the calculation of the salary adjustments?

No. Special rate differentials, which are entered into PMIS as annual salary amounts, will be adjusted by employees' agencies if appropriate. Agencies paying special rate differentials as flat amounts will determine whether or not to increase those amounts.

34. Do “non-state salary” supplements count toward the calculation of the salary adjustments?

No. The amounts of non-state salary supplements are determined by non-state entities. Therefore, the amounts will not be increased automatically effective August 10, 2015. Affected state agencies will need to process any adjustments to non-state supplements individually.

35. Does Temporary Pay count toward the calculation of the salary adjustments?

No. Temporary Pay is paid when an agency assigns an employee to perform different key (essential) duties on an interim basis, for critical assignments associated with a special time-limited project, or for employees serving in an acting capacity in a higher level position. Because these assignments are temporary, the additional pay associated with them is not creditable for retirement purposes. Therefore, these amounts will not be automatically adjusted effective August 10, 2015.

Processing the Increases

36. What sequence will be followed if there are other employee status changes effective August 10, 2015?

Actions such as promotions that are keyed into PMIS prior to August 10, 2015, to become effective on that date will be processed before the 2% adjustment and compression adjustment are applied. Such actions should be keyed into PMIS by the close of business on August 9, 2015. Promotions or other actions that change employees' salaries after August 10, 2015, should not be keyed into PMIS until after the August 10, 2015, salary adjustments have been applied.

37. What happens to employees on leave?

- a) Otherwise-qualified employees who are on short-term disability or other paid leave will receive the salary adjustments effective August 10, 2015.*
- b) Employees on long-term disability-working will also have the August 10, 2015, salary adjustments applied to their current rates of pay. The adjustments do not apply to individuals who are on long-term disability-non-working.*
- c) Employees on leave without pay are not eligible for the August 10, 2015, salary adjustments until they return to work or paid leave.*

- d) *Eligible employees on leave without pay-military will have their active military supplements adjusted to reflect the August 10, 2015, salary adjustments.*
- e) *The August 10, 2015, salary adjustments will not be automatically applied for any employee who has an overdue leave end-date in PMIS as of August 10, 2015. Agencies should review and update these employees' records on an individual basis and process their salary increases after their Return-to-Work transactions have been entered into PMIS.*

NOTE: These rules are based on policies that apply to classified employees.

38. What PMIS transaction should agencies use to update the salaries of employees on leave without pay or, for less than 12-month employees who are not actively working on August 10, 2015, in order to grant the August 10, 2015, salary adjustments when they return to work?

The transaction PSE215 should be used to effect the increases for these employees on the appropriate effective date. A transaction to return the employees from leave should be entered before the PSE215 is entered.

In situations where there are over 100 employees to be entered, agencies may use the secure file upload utility in HuRMan to send a file for batch processing rather than keying in the PSE215 transactions. Agencies may send one batch file for all of these employees (e.g., one file for those effective 8/25 and those effective 9/10, which DHRM could process on 8/25 and 9/10, respectively) or separate files for different effective dates where there are over 100 employees per file. Name your file INCREASE-UPLOAD. The batch file(s) can be either in Excel or a text file, but all fields must be text data type, retaining any leading zeros. Files should contain agency-number, position, employee-id, and effective-date (YYYYMMDD, e.g., 20150825) to fully identify the employee in PMIS. The salary adjustment will be calculated using the current base salary (see Question 32) in PMIS on the effective date.

39. How will the August 10, 2015, salary adjustments be processed for employees who are indicated in PMIS as working less than 12 months each year?

The salaries of employees in this group will not be processed automatically effective August 10, 2015, because PMIS will not know whether the employees are in an active employment period on that date.

- a) *For employees who are actively employed on August 10, 2015, agencies should process the increase effective on that date using the PSE215 transaction or by uploading a file as described in the answer to Question 38 above. Files to implement the August 10, 2015, increases should be uploaded to HuRMan using the secure file upload utility or e-mailed to [Nancy Tobin](#) no later than August 3, 2015, to ensure timely processing of the salary adjustments.*

- b) *If there are employees in the above category (working less than 12 months and working on August 10, 2015) who will be paid part of their annual salary after their work period has been completed (e.g., work 10 months but paid over 12 months), agencies should apply the August 10, 2015, salary adjustments to their pay for the work performed beginning August 10, 2015, and to the additional pay due after their work periods have been completed. DOA will provide separate communication to agencies with employees in this category.*
- c) *For employees who have completed their annual work period before August 10, 2015, and are not active on that date, agencies should effect the August 10, 2015, salary adjustments when the employees return to work.*

40. Will DHRM provide data review files to PMIS agencies as were provided for the July 25, 2013 salary adjustments?

Yes, files will be delivered to the applicable agency HuRMan files and reports repository folders on 7/17, 7/24, 7/31, 8/7, and 8/11 as described below:

- a) *A bar-delimited file named INCREASE-agency-date.txt, listing PMIS employees eligible for the fiscal year 2016 salary adjustments effective August 10, 2015, will be placed in agencies' HuRMan repository folders.*
- b) *Another file, named INCREASE-12MO-agency-date.txt, will list those employees who are indicated in PMIS as working less than 12 months each year that will not be processed automatically effective August 10, 2015, because PMIS will not know whether the employees are in an active employment period on that date file as described in the answer to Question 39 above.*
- c) *A third file, named INCREASE-EXC-agency-date.txt, will list those employees whose salary increases will not be processed automatically because they are:*
- *excluded due to expired ordinary leave-with-pay return dates (record is tagged with message "LV-EXP"); **OR***
 - *excluded due to their performance evaluation rating (record tagged with "BELOWC"); **OR***
 - *blocked manually (record tagged with "MANUAL") because the agency has included them on an INCREASE-MANUAL-BLOCK file submitted to indicate that their increases should not be processed.*
- d) *A fourth file, named INCREASE-BYPASS-agency-date.txt, will list those employees not listed above who will not have salary increases processed effective August 10, 2015, because the employees are indicated in PMIS as being on "Leave Without Pay" or having state begin dates later than May 10, 2015.*

Agencies should review the reports for accuracy and completeness. For more information about the review files and to keep abreast of ITech's broadcast messages, agencies can visit ITech's website, <http://web1.dhrm.virginia.gov/itech/>.

Other

41. Will the Commonwealth's Salary Structure be adjusted?

Yes. The minimum for each salary band in the classified salary structure is being increased by two percent effective August 10, 2015, pursuant to Item 467, paragraph P.3. The maximum for each salary band is being increased by two percent plus an additional \$2,400, also on August 10, 2015, for purposes of implementing the salary compression compensation adjustment. No salary increase shall be granted to any employee as a result of these actions.

42. What happens to employees who were hired after May 10, 2015, at salaries that will be below the new pay band minimums on August 10, 2015?

Agencies may apply pay practices under [DHRM Policy 3.05, Compensation](#), consistent with agency Salary Administration Plans, to adjust the salaries of these employees, if appropriate. In-Band Adjustments effective June 25, 2015, or later will count against the 10% limit for fiscal year 2016. However, DHRM will work with agencies where necessary to allow an additional 2% for employees hired at the pay band minimum during the May 10 to August 9, 2015, time period.

43. What happens to employees whose salaries will fall below the new pay band minimums on August 10, 2015, due to "Below Contributor" performance that disqualifies them from the 2% salary adjustment?

Agencies should continue to monitor and document the performance of these employees through probationary progress reviews, interim evaluations, and the formal 2015 performance evaluation process. If employees' performance improves to the "Contributor" level, agencies may apply pay practices under [DHRM Policy 3.05, Compensation](#), consistent with agency Salary Administration Plans, to adjust the salaries of these employees, if appropriate.

44. How should agencies communicate the August 10, 2015, compensation changes to employees?

DHRM will distribute an Employee Communication Strategy Guide in the near future. This guide will provide suggested approaches for communicating the salary increases to classified and other salaried employees, excluding faculty, and includes talking points and letter templates based on the most common scenarios. Agencies may use this tool as necessary to meet their communication needs.

45. Will there be a performance-based pay increase effective November 25, 2015, in addition to the August 10, 2015, salary adjustments?

No. The General Assembly did not approve additional funding for performance increases effective November 25, 2015. Therefore, agencies, except for those excluded in Chapter 665, 2015 Acts of Assembly, Item 467, paragraph P.5, may not provide salary increases at that time based on performance during the October 25, 2014, through October 24, 2015, performance cycle.