



Payroll Bulletin

Office of the State Comptroller

Bureau of State Payroll Services

Date: July 14, 2010

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Subject Retroactive April 1, 2010 Salary Increase for Employees Represented by the Public Employees Federation (PEF)

Purpose To explain OSC's automatic processing and to provide instructions for agency processing for the portion of the 2010 Salary Increases not already paid.

Affected Employees Employees in Bargaining Unit 05 who meet the eligibility criteria

Background Legislation has been enacted authorizing the payment of the 4% retroactive increase for the payroll periods dated 3/25/10-5/5/10 (Institution) and 4/1/10-4/28/10 (Administration)

OSC will be processing the retroactive salary increases in paychecks dated August 4, 2010 (Administration) and August 12, 2010 (Institution)

Effective Dates

	Effective Dates	Paycheck Date
Administration Lag	4/1/10-4/28/10	8/4/10
Administration Extra Lag	3/25/10-4/21/10	8/4/10
Institution Lag	3/25/10-5/5/10	8/12/10
Institution Extra Lag	4/1/10-4/28/10	8/12/10

Contract Provisions and Eligibility Criteria

General Salary Increase

The legislation provides for a 4% salary increase for employees in graded and NS (SG 600) positions, trainees (SG 800) and hourly employees.

The agreement also provides for an additional increase to the job rate of certain salary grades on the 2010 salary schedule. Employees whose salaries were increased to the Job Rate with the application of the 2010 performance advance and those already at Job Rate will be eligible.

- [April 2010 Salary Schedule](#)
- Grades 4 and 7 - 37 are affected by the increase to Job Rate.
- Annual employees whose salaries are below Job Rate receive a 4% increase rounded to the nearest dollar.
- Annual employees whose salaries are equal to Job Rate will be increased to the new Job Rate.
- Annual employees whose salaries are greater than Job Rate will receive a 4% increase rounded to the nearest dollar or the new Job Rate, whichever is greater.
- Hourly employees receive a 4% increase rounded to the nearest cent.

Exceptions:

- No increase for **FEE** basis employees, except for employees budgeted as per diem but paid as **FEE**.
- No increase for employees who were on a Leave of Absence (other than Workers' Compensation Leave) on the effective date of the increase until the employee returns from leave.

Control-D Report Available Prior to Processing

The following Control-D report will be available for agency review on 7/8/10 (Administration) and 7/15/10 (Institution):

NHRPTP31 Mass Salary Increase Exception Report

This report identifies all employees who did not receive an automatic salary increase on one or more Job Data rows. Fields on the report include EmplID, Employee Record Number, Employee Name, Grade, Bargaining Unit, Pay Basis Code, Part-time Percentage and Salary. The report identifies the reason the employee's salary was not increased with one of the following messages:

- NYS Position has both equated grade and NTE
- Position and job do not match
- Salary below hiring rate

OSC Actions: Automatic Processing of Increases

After payroll processing for Pay Period 8 (Administration) and Pay Period 9 (Institution) are completed, OSC will process the Salary Increase for the dates listed above for eligible employees whose Pay Basis Code is **ANN, 21P, CAL** or **HR** as follows:

- OSC will automatically insert a row in the employee's Job Data page to reflect the Salary Increase using the Action/Reason code of **PAY/SAC** (Pay Rate Change/Mass Salary Increase) for employees who are Active, on a Paid Leave of Absence (except Military Stipend) or on Worker's Compensation Leave. The row will be inserted using the payment effective date.
- OSC will automatically insert a row in the employee's Job Data page to reflect the Salary Increase using the Action/Reason code of **PAY/CSL** (Pay Rate Change/Correct Salary) for annual employees and **PAY/CRT** (Pay Rate Change/Change Rate) for hourly employees who are Inactive or on a Leave of Absence (except Workers' Compensation Leave) only if the employee subsequently returned to Active status in an eligible position within the retroactive period but after the effective date of the increase. The row will be inserted using the effective date of the Rehire or Return from Leave action.
- OSC will automatically insert a row in the employee's Job Data page to reflect the Salary Increase using the Action/Reason code of **PAY/CSL** (Pay Rate Change/Correct Salary) for annual employees and **PAY/CRT** (Pay Rate Change/Change Rate) for hourly employees who had been newly appointed or who had transferred into an eligible position within the retroactive period but after the effective date of the increase. The row will be inserted using the effective date of the Hire, Position Change or Transfer action.
- OSC will automatically insert rows in the employee's Job Data page to reflect the Salary Increase using the Action/Reason code of **PAY/CSL** (Pay Rate Change/Correct Salary) for annual employees and **PAY/CRT** (Pay Rate Change/Change Rate) for hourly employees for all subsequent rows through the last day of the retroactive period, provided the employee remained in an eligible position.

Exceptions:

- If the employee's NYS Grade equals 600 and the Equated to Grade and Approved Salary Rate fields on Position Data are both populated, a row will not be automatically inserted.
- If the employee's Sal Admin Plan, Bargaining Unit or Grade on Job Data does not match the corresponding fields on Position Data; a row will not be automatically inserted.

- If the employee's salary on a Job row is less than the Hiring Rate of the grade on the existing 2009 Salary Schedule, a row will not be automatically inserted.
- If an employee has an increment code of 2222, a row will not be automatically inserted.

Agency Actions

Composite Salaries

Employees with composite salaries will not be processed automatically. For any time during the retroactive period, agencies must review employees in composite positions (identified by Increment Code **2222**) and submit a Job Action Request using the appropriate Action/Reason code indicated below to pay the proper salary increase.

1. **PAY/SAC** - For transactions effective on 3/25/10 (Institution) and 4/1/10 (Administration)
2. **PAY/CSL** – For transactions effective after 3/25/10 (Institution) and 4/1/10 (Administration)

Agencies must also update General Comments.

Employees Who Receive an Increased Hiring Rate prior to the processing of the 2010 Salary Increase

Employees who receive an Increased Hiring Rate on or after the payment effective date may not be entitled to have the increase applied to their entire salary. OSC will manually update the salaries after the automatic increase is applied. If any additional corrections are needed, agencies should submit transactions as soon as possible in order to avoid an overpayment to the employee.

Employees Whose Promotion Calculation Included PEF Longevity Lump Sum (LLS) Portability

Employees who were promoted on or after the payment effective date whose salary upon promotion was a result of the PEF LLS portability calculation are not entitled to have the increase applied to their entire salary. The LLS portion of the salary should not be increased. OSC will manually update the salaries after the automatic increase is applied. If any additional corrections are needed, agencies should submit transactions as soon as possible in order to avoid an overpayment to the employee.

Employees Who Entered a Traineeship and Held the Salary of their Prior Graded Position

Agencies must review the salaries of employees who, upon entering a traineeship, held their prior graded salary that was at job rate or within one performance advance to job rate to determine if eligible to receive the increased job rate. To be eligible, the increased job rate must be payable prior to the trainee's first 26 week evaluation effective date.

Control-D Reports Available After Processing

The following Control-D reports will be available for agency review after processing of the general salary increases on 7/23/10 (Administration) and 7/30/10 (Institution):

NHRP704 Mass Salary Increase Report

This report identifies all employees who received the salary increase and identifies all employees' salaries that were automatically increased in an eligible bargaining unit. Other fields on the report include the EmplID, Employee Record Number, Employee Name, Effective Date, Effective Sequence, Grade, Bargaining Unit, Pay Basis Code, Part-time Percentage, Action Reason and Increment Code.

NHRPTP31 Mass Salary Increase Exception Report

This report identifies all employees who did not receive an automatic salary increase on one or more Job Data rows. Fields on the report include EmplID, Employee Record Number, Employee Name, Grade, Bargaining Unit, Pay Basis Code, Part-time Percentage and Salary. The report identifies the reason the employee's salary was not increased with one of the following messages:

- NYS Position has both equated grade and NTE
- Position and job do not match
- Salary below hiring rate

**Automatic
Retroactive
Processing**

OSC will automatically calculate retroactive payments resulting from the retroactive salary increases.

For eligible employees who have worked in more than one (1) agency and have been paid by all agencies using the same Employee Record Number since the effective date of the increases, all retroactive adjustments will be paid in the most current agency.

For eligible employees who have worked in more than one (1) agency and have been paid from more than one (1) Employee Record Number since the effective date of the increases, the retroactive adjustment for earnings in each Employee Record Number will be paid in the most current agency, on the appropriate pay cycle, under each Employee Record Number.

Retroactive Adjustments for Time Entry Earnings

Time Entry earn codes that are calculated based on an employee's salary rate and additional salary factors such as Overtime (**OTA**) and Holiday Pay (**HPA**) will be automatically adjusted.

The following Earn Codes will be adjusted automatically:

- Extra Time (**EXT**), Holiday Pay (**HPA**), Holiday Pay 1.5 (**HPB**), Lump Sum Payment-Vacation (**LSA**), Lump Sum Payment-OT Accruals (**LSB**), Lump Sum Payment-Vol Reduct (**LSH**), Lost Time (**LT1**), PEF Over 40 Hrs OT LSP (**P40**), OT for Annuals (**OTA**), OT Straight Rate for Annuals (**OTB**), Recall Overtime (**RCL**), Regular Pay Salary Employee (**RGS**), Standby PEF (**SPB**), Salary LSP Annuals (**SLS**)

Retroactive Adjustments for Employees Currently Inactive Who Have An Outstanding Overpayment

- For employees who are Inactive at the time of payment, the retroactive Salary Increase adjustment will be applied to any Overpayment (**OVP**) set up in Additional Pay that has a Goal Amount and Goal Balance that are not equal. The payroll system will determine the difference between the Goal Balance and Goal Amount and will deduct the difference from the employee's check and update the Goal Balance. If the amount of the positive earnings is not sufficient to deduct the entire overpayment, the system will deduct the amount of positive earnings possible and update the **OVP** Goal Balance accordingly.

**Retroactive
Payments for
Employees
Receiving Military**

For employees who were placed on Military Stipend Leave with or without pay on or after the effective date of the increases as a result of new military orders, OSC will recalculate the amount of Military Stipend.

Stipends

- For those who received a stipend, the increase in biweekly stipend will be updated on the Job Data record by inserting a new row to reflect the new biweekly stipend amount. Any additional adjustment that is required due to the change in stipend that will not be calculated automatically by the retro process will be reported by OSC in the Time Entry page using the Earn Code **AMS**.
- For those who did not receive a stipend but became eligible for a stipend because of the increased salary, OSC will take the necessary action on the Job Data and/or Time Entry pages to pay the required increases.

Agency Actions for Retroactive Processing**Reporting Retroactive Adjustments**

The following Time Entry and Additional Pay earnings will not be adjusted automatically. Therefore, commencing in the pay period in which the Salary Increase is being processed, the agency may report the appropriate retroactive adjustments in the Time Entry page, using the Earn Code **AJR** and the appropriate Earnings Begin and End Dates. An explanation of the adjustment must be included in the Time Entry comments or on the General Comments page.

- **ADJ** Adjustment
- **AIF** Adjust Inconvenience Pay
- **AIP** Adjust Inconvenience Pay Part
- **BSA** Back Salary Award
- **ES2** Extra Service Amount
- **EXO** Extra Time Override
- **FEE** (adjust only if employee is paid based on a per diem rate)
- **FRC** Fee Retirement Credit (adjust only if employee is paid based on a per diem rate)
- **LSI** Lump Sum Payment Override
- **LTO** Lost Time Override
- **OTO** Overtime Override
- **OTT** Out of Title Overtime
- **RG0** Regular Salary Override
- **SLO** Salary Lump Sum Payment Override
- **SOO** Standby OT Override
- **SOV** Standby Override

Reporting An Adjustment When Automatic Retroactive Adjustment Is Incorrect

When certain conditions exist in an employee's record, the automatic retroactive adjustment may be incorrect. Therefore, the agency is responsible for identifying employees who meet these conditions and, if required, must submit the necessary adjustment of earnings in the Time Entry page, using the Earn Code **AJR** and appropriate Begin and End Dates.

If an overpayment of earnings is identified after the automatic Salary Increase is processed but before the paycheck is received by the employee, the employee must be notified of the overpayment and the adjustment that will be reported in a subsequent pay period.

- If an employee had a check returned or exchanged on an AC 230 for service dates on or after the effective date of the increase, the payroll system does not consider the AC 230 when calculating the automatic retroactive adjustment. Therefore, the agency should review the automatic retroactive adjustment and determine the amount of the adjustment to be reported.
- If an employee's Pay Basis Code changed from **HRY** or **ANN**, the agency must review the automatic retroactive adjustment and determine if it is correct. If the adjustment is not correct, the agency must report an

adjustment of earnings.

- If an employee was paid on an AC 39 (Typewritten Payroll), the payroll system will not adjust the earnings processed on the AC 39. The agency must report the adjustment of earnings.
- For employees who had a Job Action or Additional Pay change reported since the effective date of the Salary Increase and the action reported resulted in an overpayment of earnings, the automatic negative retroactive adjustment may not have been processed because the overpayment was either not recoverable or recoverable using the **OVP** Earn Code or the AC 230. In this case, the negative retroactive adjustment may be re-generated when the automatic increases are processed. OSC will manually turn off (not process) the automatic negative adjustment for these employees, since in most cases, the overpayment was either not recoverable or recovered using another method. The agency is responsible for reviewing employees who meet these conditions to determine if an additional adjustment is required.

**Agency Actions-
Geographic Pay
Differential Updates**

Pursuant to Article 8, Section 130.7 of the Civil Service Law, the combination of an employee's annual salary and Geographic Pay Differential (**GEO**) amount cannot exceed the combination of the Job Rate of their Grade plus the full **GEO** amount. Since the April 1, 2010 Salary Schedule includes an increased Job Rate, employees with an annual salary that is greater than the Job Rate of the Grade must have their **GEO** reduced by the amount the employee's annual salary is above Job Rate. Therefore, agencies must review employees receiving **GEO** to determine if the employees' **GEO** pay needs to be updated as a result of the April 1, 2010 Salary Increase.

Agencies must insert a new row on the Additional Pay page using an effective date of 3/25/10 (Institution Lag) or 4/1/10 (Administration Lag) with the new **GEO** amount.

**Deduction
Information**

All general deductions for employees whose status is Terminated, Retired or Deceased will be automatically cancelled by OSC with the exception of the following:

Code	Narrative
233	PEF Member
247	PEF Non-Member A/S
410	Health Care Spending Account
420	NY Dependent Care Contribution
425	Repay State Loans/Debt
Code	Narrative
426	Higher Ed Repay State Loan
428	Dependent Care
433	Total Unemployment Ins Owed
500	Medicare Deficiency
501	Social Security Deficiency
502	NYS SS/Medicare Deficiency
GARNSH	Garnishments
HIATRG	Regular After Tax Health
HIATSP	Special After Tax Health Adj
HIBTRG	Regular Before Tax Health
HIBTSP	Special Before Tax Health Adj

**Undeliverable
Checks**

Inactive employees may be eligible for a payment as a result of the adjustments. If the agency has made an effort to deliver the check to the employee but the check has been returned and is undeliverable, the agency should forward the check to the NYS Department of Tax and Finance, Division of Treasury, per instructions in [Payroll Bulletin No. 456](#).

Checks issued to eligible employees who are now deceased should be returned with a completed Next of Kin Affidavit [Form AC 934-P](#) and a Report of Check Exchange [Form AC 1476-P](#).

For recipients of a previously deceased employee's payroll checks where a Next of Kin Affidavit and Report of Check Exchange forms have been submitted, OSC will accept a photocopy of these forms to process the exchange of the check.

**Payroll Register and
Employee
Paycheck/Advice**

All retroactive adjustments will be displayed on the payroll register and the employee's paycheck stub or direct deposit advice.

Questions

Questions regarding increases may be directed to the Salary Determination mailbox.

Questions regarding position may be directed to the Position Management mailbox.

Questions about Deductions may be directed to the Payroll Deductions mailbox.

All other questions may be directed to the Payroll Audit Mailbox.