STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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November 5, 2019

TO: Agency Budget Officers
Human Resources and Payroll Managers

FROM: Jane Sakson, Senior Budget Assistant to the Governor
Melinda Aslakson, Compensation Policy and Planning Manager

SUBJECT: UPDATE OF AGENCY COMPENSATION DATA FOR 2021-23 CALCULATIONS FOR COLLECTIVE BARGAINING AND BUDGET DEVELOPMENT

With the start of a new biennium, the State Human Resources Division and Budget Division of the Office of Financial Management (OFM) are gearing up to collect compensation data for the 2021-23 collective bargaining process that begins in February 2020 and for budget development later that year.

We are writing to ask you to update your Salary Projection System (general government) and Compensation Impact Model Agency Interface (higher education) data for submittal to OFM. This data will be used for preliminary calculations. You will have an opportunity in May 2020 to adjust your data for any changes made in the 2020 supplemental budget.

SPS users should release data to OFM by Friday, January 31, 2020. CIMAI users should notify us when your data is ready to be loaded (no later than January 31, 2020). This data will be used immediately to begin cost projections for changes to salaries, health care and pensions.

General reminders regarding data preparation

- Please remember that operating budget FTEs and salaries should be based on your best approximation of your 2021-23 maintenance level budget. Please note that salary increases and step progressions scheduled to occur between your file preparation and the end of the biennium will be applied systematically **by OFM, not by agencies submitting data.** This includes general wage increases scheduled but not yet in effect for both exempt and classified employees.
- In the past, we have seen some agencies with FTEs much higher or lower than we would expect. It is very important that you run a projection and related reports to ensure your position file reflects anticipated FTE and salary levels before you submit data to OFM. This should include appropriated, non-appropriated and non-budgeted positions.
- Double-check your **bargaining unit coding** to ensure all represented staff are coded to bargaining units and their corresponding pay scale types. Ensure all non-represented bargaining unit coding is accurate (both classified and exempt).
- Check to make sure you have retirement system codes for all employees. For employees who are not members of a retirement system, including students, use the code NE.
- Check to ensure only the positions requiring relief have the backfill indicator checked. Please note this typically applies to positions in work units requiring 24/7 coverage, like prisons and hospitals.

- Ensure the Work County Code and the Work City Name are accurate for each position. Among other uses, this data will be used to determine position eligibility to apply the new 5 percent King County premium pay systematically.
- Ensure that hourly employees have an accurate work period percent to reflect an annual average percentage for time they are paid.
- If you have seasonal employees or part-time employees, **please determine the average annual percent of time worked** and indicate that figure in the % Full Time field. Please note that the Variable Part-Time field in SPS does NOT translate to OFM's Compensation Impact Model.
  - Example: You have staff who work only April through September — they work 5 months at full time, 1 month at 88 hours, and 6 months at 0% time. Calculate the average this way: 5 x 176 = 880 hours + 88 hours + 0 hours = 968 hours. Divide 968/2088 (# of work hours in a year) = 46%. Enter 46% into the % Full Time field.
  - If you need help on this step, contact OFM (contact information is at the end of this memo).
- Correct the account, if necessary. Do not use Account 03K Industrial Insurance Premium Refund Account or 290 Savings Incentive Account as a funding source for compensation data.
- A manual collection of data on agency assignment pay is not necessary. Instead, assignment pay data will be extracted from State HR and added on top of the base salary.
- If your agency averages fund splits, be aware this method could result in incorrect funding if salary increases are implemented for targeted job classifications.

Additional information for general government only

- Select a current HRMS payroll file in SPS, "HR Data Load," to work from as you build your compensation data submittal.
- Do NOT "Copy/Merge" in old files in SPS without express permission from OFM. Doing so causes data errors in our model, because some old files do not contain all of the data we need.
- Check to make sure you have an appropriation index (AI) for all employees as SPS uses the AI to identify the account and expenditure authority type for each employee on the release to CIM.
- In SPS, **do not create multiple positions** in an effort to mimic *step increases* by ending one position and creating a second position at the higher step. Doing so causes issues when the data is loaded from SPS to CIM (each record is counted as a different position, resulting in doubling or tripling of your staffing data). Step increases are handled automatically in both systems for classified staff. For exempt staff, just use the average biennial salary for each person. Any duplicative records will have to be deleted from the data.
- For seasonal employees, use the Variable Part-Time functionality to indicate the months that the position is active and the percent of full-time for those months. In addition, seasonal positions should not have an increment date; if there is one present, it should be deleted.
- Do not include extra positions to cover funding increases for overtime pay as this distorts the agency's base pay.
- Do not check the Special Pay box in order to adjust for assignment and/or premium pay such as dual language, IT Supervisor, King County premium, etc. Position pay information for assignment pay, standby, call back, shift differential and other types of premium pay are loaded from another data source. Specific types of position pay are combined with base pay, when appropriate, using wage type level business and projection rules within CIM.

- For questions about SPS or to sign up as a user, contact the OFM Help Desk at (360) 407-9100 or HereToHelp@ofm.wa.gov. Here is a link to the SPS tutorial.

Additional information for higher education only

- Select a new payroll file in CIMAI to work from as you build your compensation data submittal.
- Institutions of higher education will receive instructions for CIMAI separate from this memo.
- Please do your best to provide accurate account coding by position, with the understanding that higher education account splits for General Fund-State and tuition will be determined later and updated systematically.
- OFM is no longer using separate health insurance funding splits, so there is no longer a need to define and provide that information.
- For questions regarding CIMAI or to sign up as a user, please contact the OFM Help Desk at (360) 407-9100 or HereToHelp@ofm.wa.gov. When instructions have been updated, you can find them at https://fortress.wa.gov/ofm/cimai/helpFiles/help.pdf#comp.

We greatly appreciate your efforts to provide the best possible data to ensure we get the most accurate funding in your budget. For questions regarding collective bargaining, contact Melinda Aslakson at (360) 407-4106 or Melinda.Aslakson@ofm.wa.gov. For questions regarding budgeting, contact Jane Sakson at (360) 902-0549 or Jane.Sakson@ofm.wa.gov.

If you experience technical issues using the SPS or CIMAI applications, contact the OFM Help Desk at (360) 407-9100 or email HereToHelp@ofm.wa.gov.