April 20, 2020

**TO:**  Agency Budget Officers, Human Resources and Payroll Managers

**FROM:**  Jane Sakson, Senior Budget Assistant to the Governor
Angie Gill, Compensation Policy and Planning Analyst Manager
Breann Boggs, Budget Assistant to the Governor

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

With the passage of the 2020 supplemental budget, the Office of Financial Management (OFM) State Human Resources and Budget divisions request agencies update the compensation data they submitted in January 2020. As indicated in the 2021-23 Collective Bargaining and Budget Development Compensation Data Gathering Instructions sent in late 2019, we are now opening the window for agencies to make updates to their SPS (general government) and CIM-AI (higher education) data for resubmittal to OFM to reflect any needed adjustments. OFM will use this data for developing compensation costs to inform the 2021-23 collective bargaining process as well as budget development.

It is likely that some agencies will find they need to adjust their data for changes made to staffing levels in the 2020 supplemental budget. It is not necessary to reconstruct the data submittal entirely; rather you should be able to add, subtract, or modify records in order to approximate the changes made in the recently enacted budgets or incorrect data submitted in January 2020.

**Thursday, May 7, 2020 is the deadline for data completion.** SPS users should release data to OFM by that date. CIM-AI users should let us know when your data is ready to be loaded (no later than May 7, 2020). This data will immediately be used for fiscal 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. Please check to make sure than any changes to accounts that have been made by the Legislature are reflected in your data submittal.  This is the only way to make sure that abolished accounts do not keep appearing in your budgets.

▶ 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**

▶ 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**

- 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. Please remember that the General Fund-State is not the same as an institution's general operating account.

- OFM is no longer using separate health insurance funding splits, so there is no longer a need to define and provide that information.

- OFM may contact you if there are questions or concerns about the salary schedule data previously provided.

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. Here is a link to the CIMAI instructions.

We greatly appreciate your efforts to provide the best possible data so that the funding information in your budget is as accurate as possible. For questions regarding collective bargaining, contact Angie Gill at Angie.Gill@ofm.wa.gov. For questions regarding budgeting, contact Jane Sakson at Jane.Sakson@ofm.wa.gov. For questions regarding higher education, contact Breann Boggs at Breann.Boggs@ofm.wa.gov.

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