



# AHRS PERIODICAL

Office of Agency Human Resource Services

## Statewide Pay Action Summary Report January – March 2008

Pay Action	# Actions	# Pay Adjustments	Avg. % Adjustment
Promotions	356	353	14.76
Demotion – Voluntary	51	25	-10.20
Demotion – Disciplinary	10	10	-9.41
Demotion - Performance	1	1	-5.00
Role Change – Upward	219	188	9.81
Role Change – Lateral	69	28	9.30
Role Change – Downward	13	0	
Voluntary Transfer – Competitive	698	481	9.13
Vol. Transfer - Non-Competitive	165	26	1.27
Temporary Pay – All Reasons	243	216	7.34
End Temporary Pay	148	148	-7.50
Competitive Salary Offer	35	35	12.54
Reassignment within Band	89	0	
Apply/Adjust Special Rate	71	70	2.51
Disciplinary Pay Action	10	10	-9.41
IBA – Change in Duties Increase	294	294	6.44
IBA – New KSAs/Competencies	507	507	7.62
IBA – Retention	323	323	5.61
IBA – Internal Alignment Increase	539	539	6.01
Bonus – Change in Duties	25	25	3.53
Bonus – Internal Alignment	74	74	2.20
Bonus – New KSAs/Comp.	29	29	2.30
Bonus – Retention	478	478	2.38
Bonus – Recognition, Monetary	1407	1407	0.43
Bonus – Recognition Non-Monetary	140	133	0.12
Bonus – Sign-On	54	54	2.78
Bonus – Recognition Leave	1284		
Bonus – Referral	26	26	0.79
Bonus – Project	1	1	3.27
Exceptional Retention Bonus Payout	5	5	4.40
Exceptional Retention Leave Award	2		
Sign-On Leave	10		
<b>Overall Approximate Totals</b>	<b>7376</b>	<b>5486</b>	<b>4.64</b>

*There were 5,449 upward pay adjustments at an average of 5.27%*

*There were 276 downward pay adjustments at an average of -7.60%*

Workforce Planning and the *Periodical's* Pay Action Summary data may vary within the same reporting period based on the timing of data runs, agency retraction requests, and the manual review and extraction of erroneous PMIS entries.

## HUMAN RESOURCE POLICY

### Layoff Benefits for Employees Eligible for Retirement

Because DHRM has recently received several questions on this topic, we thought it would be helpful to provide the following guidance.

Employees **who are eligible for enhanced retirement under the layoff policy** (must be at least 50 years old and vested) and are not offered placements have three options for layoff. Refer to [Policy 1.57, Severance Benefits](#), for eligibility.

1. **Severance – The employee may opt to NOT retire and received the standard severance payments and layoff benefits**

- The employee may receive severance payments for the allotted number of weeks or until recalled or re-employed by a state agency.
- The agency will continue to make the state contribution toward the employee's healthcare premium under the active employee group, and the employee will continue to be covered by group life insurance for up to 12 months.
- The employee retains recall and preferential hiring rights for 12 months.

2. **Enhanced retirement:**

- The value of all of the severance benefits (severance payments, health insurance contribution, and group life insurance) is converted to retirement credit.
- The employee **MUST** retire on the first of the month following the effective date of layoff. Employee **MAY NOT** defer the retirement effective date.
- Employees should always be referred to VRS to ensure that retirement calculation estimates are accurate before making decisions.

*Example:*

- *Employee is laid off on 5/9/08 and elects to take enhanced retirement. Employee **MUST** retire on 6/1/08.*
- *If the agency offers an appropriate placement effective 5/29/08 and the employee declines the placement, the employee is no longer eligible for enhanced retirement.*

3. **Severance and regular service retirement:**

- The employee may retire under **regular service retirement** on the first day of the month following the effective date of layoff or at any time within 12 months of the layoff effective date.
- The employee may receive the severance payments for the allotted number of weeks or until the effective date of retirement, whichever occurs sooner.
- The agency will continue to make the state contribution toward the employee's healthcare premium under the active employee group, and the employee will continue to be covered by group life insurance for up to 12 months. The employee must enroll in the retiree healthcare coverage at the end of the 12 months of active coverage under layoff.

- Employees should always be referred to VRS to ensure that retirement calculation estimates are accurate before making decisions.

*Examples:*

- *Employee is laid off effective 5/9/08 and elects to take regular service retirement on 7/1/08. The employee may receive severance benefits from 5/10/08 through 6/30/08 and health and life insurance coverage (paying his/her portion) through 5/9/09.*
- *Employee is also subject to recall until the retirement date. If the agency offers an appropriate placement option effective 6/15/08 and the employee declines the placement, (s)he is no longer eligible for severance benefits or health and life insurance coverage. Severance ends effective 6/15/08.*
- *If, for example, the employee is eligible for 36 weeks of severance benefits, opts to retire after the 36 weeks, and does not decline an appropriate placement option during this period, (s)he will receive the full severance amount. Health and life insurance benefits continue until 12 months after the effective date of layoff. The employee remains subject to recall for up to 12 months from the layoff effective date or until (s)he retires, whichever is first.*

**It is important to inform all employees considering these options that, if an appropriate placement option (a placement that does not require the employee to relocate or take a reduction in pay) is offered by the agency prior to the effective date of the (enhanced or regular) retirement, the employee loses severance benefits if (s)he declines the placement. Agencies are obligated to offer any appropriate placement options until the effective date of retirement.**

## Enhanced Retirement Benefits and Future Retirements

Recently, DHRM has received several inquiries regarding the following scenario:

An employee was laid off, opted to convert his severance to enhanced retirement, and retired. Several years later, the employee decided to return to full-time employment. He applied for, and was offered, a classified position at the same agency.

Question: "What happens when he decides to retire again? Will his benefits be reduced?"

Answer: The additional years he received under WTA will not be added to the accumulated service when he retires the second time. Retirement calculations will be based on the length of time he has actually worked (plus any purchased service.) According to Policy 1.57:

<b>Return to Work</b>	<p>Severance payments will cease when an eligible employee returns to any agency or institution of the Commonwealth through:</p> <ul style="list-style-type: none"> <li>• re-employment into a salaried position</li> <li>• hourly employment, or</li> <li>• contractual agreement as an independent contractor or consultant.</li> </ul>
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**An employee who has used the severance benefit to enhance his or her retirement benefit can return to employment with the state. However,**

- **retirement benefits cease when the employee enters a VRS-covered position, and**
- **the enhanced retirement benefit will not apply to any future retirements.**

## I-9 Compliance

DHRM has recently received numerous questions related to the completion and maintenance of I-9 forms. Specifically, agencies have sought guidance regarding the timeliness of the completion of the forms and the methods used to correct information originally provided by employees.

### Timeliness

Employees are required to complete Section I of the form “at the time of hire which is the actual beginning of employment.” Employers are required to complete Section II “within three business days of the date employment begins.” Because these terms are not clearly defined by the Federal Government, and because state pay periods may fall on a weekend but the employee is not required to report to work until Monday, Kaufman & Canoles has advised that the first day of work is the first day that the employee is scheduled to report to work.

### Correcting I-9 Forms

There are distinctions in the types of errors that may be corrected by employers while still comporting with good faith efforts to comply with the law (United States Immigration Law Handbook: *A guide for Foreign Businesses, Investors and Professionals* published by McCandlish Kaine’s Immigration Practice Group).

#### *Technical or procedural errors vs. substantive errors*

Examples of technical or procedural errors that may be corrected within a 10 day period are:

- The employee failing to date Section 1 of the application;
- The employee failing to complete maiden name, address, or birth date in Section 1;
- The employee failing to date Section 2; and
- The employee failing to complete the date of hire in the middle attestation of Section 2.

Substantive violations that cannot be corrected:

- Failure of employee to complete Section 1 attesting to citizenship or immigration status
- Failure of employee to sign Section 1
- Failure of employer to review and document either a List A or a List B or List C document in Section 2.
- Failure of Employer to sign Section 2.

Critical to any compliance procedure is the careful and thorough review of the I-9 document as immediately following its completion as possible. A review of the forms by a second party may also be prudent to ensure that information is accurately recorded.

If an I-9 has so many errors that it needs to be completely re-done, it is appropriate to have the employee/employer complete a new form within three days of hire. The I-9 completion dates should reflect the actual dates of completion.

Agencies are strongly encouraged to contact Heather Mullen or Radlyn Mendoza (Kaufman & Canoles) at (757) 624-3000 for specific guidance and legal advice.

## Guidance on Calculating Military Pay Supplements

Leave and Earnings Statements (LES's) for employees who are on military leave and receiving the military pay supplements may change as the employees are relocated and reassigned. LES changes can mean that the supplement amount needs to increase or decrease. If an LES is not submitted in a timely manner, incorrect payment may result.

Agencies should adhere to the following guidance when calculating and administering military pay supplements:

- Emphasize to employees and those handling their affairs while they are on leave the importance of timely submission of LES's.
- Use the daily rate based on the number of days in the pay period to calculate supplement amounts.
- Make supplement pay adjustments retroactively as necessary to be consistent with effective dates of LES changes.
- If an employee's supplement has been overpaid, notify him/her and:
  - request immediate repayment; **AND/OR**
  - recoup the overpayment through subsequent supplements until the overage is recovered.
- If an employee's supplement has been underpaid, notify him/her and pay the additional amount as soon as possible.

## Leave for Bereavement and Attendance at Funerals

In response to a number of recent inquiries from employees and managers, we would like to remind agencies that the Commonwealth's leave policies provide bereavement leave as follows:

- [Annual Leave](#) may be used for any personal or family-related absence. While many employees refer to this leave category as "vacation leave," it is designed to accommodate any type of absence provided the employee gives reasonable notice and his/her supervisor approves the absence.
- The [Virginia Sickness and Disability Program](#) includes a provision for "Family/Personal" leave that may be taken at the discretion of the employee for any purpose (family, illness, to attend a funeral, or other personal needs, etc.) provided the employee gives reasonable notice and his/her supervisor approves the absence.
- Employees who chose to remain in the [Traditional Sick Leave](#) program may use up to 48 hours of their accrued sick leave for the death of an immediate family member per leave year.
- [Overtime Leave](#) or [Compensatory Leave](#) may also be used for this purpose.

Employees needing time off to attend a funeral may use leave from available balances in any of the above leave categories OR, with supervisory approval, may have their schedules adjusted.

When the funeral is for an agency employee, the employee designated as the agency's official representative at the funeral need not use leave. Generally, only one employee from the agency would be so designated.

## Minimum Wage

In May 2007, the Fair Labor Standards Act (FLSA) was amended to increase the federal minimum wage in three steps: to \$5.85 per hour effective July 24, 2007; to \$6.55 per hour effective July 24, 2008; and to \$7.25 per hour effective July 24, 2009. Agencies are responsible for ensuring that employees who are covered by the minimum wage provisions are paid no less than \$6.55 per hour beginning July 24, 2008. Agencies with employees who qualify for a sub-minimum wage must ensure that payments beginning July 24, 2008 continue to comply with FLSA requirements (e.g., 85% of the minimum wage).

Please remember that agencies with employees subject to the Act's minimum wage provisions must post and keep posted notices explaining the Act in conspicuous places in every establishment where such employees are employed, so as to permit them to readily observe a copy. Posters and other compliance assistance materials are available on the Wage and Hour Division website (see [www.wagehour.dol.gov](http://www.wagehour.dol.gov) ).

## Policy Committee Update

The Policy Committee will resume activities in May and will focus its initial efforts on revisions to records management policies. Details will be available soon.

## EMPLOYMENT & CAREERS

### Re-employment Opportunities (Re-Op) Pool

The Re-Employment Opportunities (Re-Op) Pool should be used for employees on leave without pay-layoff. The program is voluntary; however, employees should be encouraged to have their credentials entered into the centralized database that Executive Branch agencies can use to fill vacancies before advertising positions or listing them in the Recruitment Management System.

Employees should be informed that participation in the Re-Op Pool is strictly voluntary and completion of the Employee Participation Response Form is used to determine whether the employee wants to be included in the Re-Op Pool. Employees should also be informed that the information provided will be incorporated into a file within the Re-Op database, accessible to state agencies when searching for qualified applicants.

To access the Re-Op Pool, agency human resources staff should request a username and password from the Department of Human Resource Management (DHRM). To obtain a username and password, complete the registration form available on the DHRM web site accessible through the [ACCESS TO DHRM WEB APPLICATION](#).

The Re-Op Pool is accessible from <http://web1.dhrm.virginia.gov/itech>. After obtaining access to the web application, agencies can enter employees' information into the system and access computerized displays of state employees who have been laid off and desire to return to state employment.

Please contact Pat Waller at [patricia.waller@dhrm.virginia.gov](mailto:patricia.waller@dhrm.virginia.gov) if you any questions regarding the Re-Op Pool.

### 2008 RMS Updates

In 2008, DHRM will be using a quarterly posting cycle for the [RMS Updates](#). The RMS Updates will be posted by the 16<sup>th</sup> of the following months:

- April
- July
- October
- January 2009

### Agency RMS Administrators

HR Directors have been asked to submit the names of the persons designated as the primary and back-up RMS Administrators for their agencies. The primary and back-up RMS Administrators should be individuals with such day-to-day RMS responsibilities as approving user accounts, creating/posting requisitions, managing

applicants, resetting passwords, and responding to inquiries from human resource users, hiring managers, and applicants. The agency-level RMS Administrators will serve as the primary points-of-contact for DHRM. HR Directors will receive copies of all information sent to the RMS Administrators.

Please direct questions relating to the RMS to [rmsinquiry@dhrm.virginia.gov](mailto:rmsinquiry@dhrm.virginia.gov).

## RMS Time-to-Fill Report on HuRMan

We are pleased to announce that on April 16, 2008, the first RMS Time-to-Fill Report was automated and became available through the agency file repository in HuRMan. Time-to-fill reports are placed in agency file repositories under the file name RMS\_Time-to-Fill\_Report. Reports will be updated quarterly and will be available to agencies on the second of July, October, January, and April. More information is available on the [April 2008 RMS Updates Web page](#).

Access to the agency repository through the HuRMan portal is required to gain access to the time-to-fill reports. To obtain a username and password, complete the registration form available on the DHRM web site accessible through the [ACCESS TO DHRM WEB APPLICATION](#).

## WORKFORCE DATA MANAGEMENT

### Workers' Compensation Codes

Effective April 14, 2008, the field "Workers Comp Code" is now a required data item for all agency/position combinations that are in both PMIS and CIPPS. This change was necessary in order to support the use of PMIS data to update CIPPS records. A code will need to be entered whenever a position is established (PSP130), re-established (PSP131), or changed (PSP150 or PSP160).

Previously, the codes have been maintained in CIPPS and the PMIS field has been optional for agencies' use. Prior to April 14<sup>th</sup> change, CIPPS records were used to update the PMIS field for appropriate positions. Files named "MISSING-WORKER-COMP" have been placed in the HuRMan folders of agencies with missing codes (e.g., vacant positions). Agencies should use the PSP160 transaction to update the Workers Comp Codes for positions on the list.

As with other PMIS information, agencies should make every effort to maintain the codes accurately in the future. A list of valid codes may be found on the DHRM website, at <http://www.dhrm.virginia.gov/workerscomp/payrollcodes.html>. Payroll staff in agencies who have maintained the codes in the past may be a helpful resource if different staff will now be assigned this responsibility. Questions about assigning the correct codes should be addressed to Kristi McClaren in DHRM's Workers' Compensation office, at [kristie.mcclaren@dhrm.virginia.gov](mailto:kristie.mcclaren@dhrm.virginia.gov).

## Prior Service

It is important for agencies to enter the number of months of employees' prior service accurately in the Prior Service field on PMIS. There are some employees in PMIS with values that appear to be agency codes of the agencies where they worked before (e.g., "601"). As a result, it is difficult for DHRM to respond accurately to requests for information on employees' total state service. Using the e480 workforce planning tool, agencies can check the accuracy of their information by printing lists of their employees with the variable "Prior State Service" checked.

## PMIS Data Fields

It is important that all PMIS data fields, not just those related to payroll, be kept current. For example, the employee work location, telephone number, and e-mail address data fields not only populate the state employee directory but also could be key to locating employees in emergency situations. Please make a special effort to ensure the accuracy of these and other employee data fields.

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Our goal is to provide practical information that supports human resource objectives across the Commonwealth and to encourage innovative strategies in the management and delivery of agency services.

To tell us what you would like to see featured in upcoming issues, email us at [compensation@dhrm.virginia.gov](mailto:compensation@dhrm.virginia.gov) or [policy@dhrm.virginia.gov](mailto:policy@dhrm.virginia.gov)

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