

## Minimum Market Pay Adjustments Frequently Asked Questions

- 1. What is a minimum market pay adjustment?** A salary increase for an employee whose compensation is currently below the market minimum for their job title according to a recent total compensation study. The employee's salary will be increased to the minimum pay rate for their assigned pay grade with a maximum increase of 15%.
- 2. Was there a limit on the amount that a particular employee can receive for a minimum market adjustment?** Yes. During the appropriations process, a cap of 15% was put in place for any individual employee's pay increases. This means the 3% cost-of-living adjustment and the minimum market pay adjustments combined cannot exceed 15%.
- 3. Is there a plan to give additional future market adjustments?** The appropriations process begins anew each legislative session, the hope is that market salary data will be regularly evaluated and that pay for state employees will be adjusted, as needed, to help the State recruit and retain the best talent.
- 4. How was it determined which job titles would be included in the Total Compensation Study?** An initial total compensation study was completed in 2016. All titles in the Uniform Classification and Pay (UCP) system were included in this study. Additionally, by request of several agencies, some titles used by non-UCP agencies were also included. When the study was updated in 2018, the same job titles were included.
- 5. How were the amounts of the minimum market pay increases calculated?** The amount of the increases are a result of the difference between an employee's current salary and the market minimum of their assigned pay range, taking into account the 15% cap.
- 6. Were employees within the same job class treated the same across the State?** All employees with titles included in the study were treated the same and evaluated for an increase to the market minimum. Conservation employees were not included in the study. Corrections and MODOT employees received separate appropriations for department specific salary increases.
- 7. Are the minimum market adjustments impacted by the work performance of employees?** No. The goal of the minimum market adjustments was to move the pay for each position to, or at least toward, the minimum rate recommended for the particular job title. Minimum market adjustments do not include an evaluation of employee performance.
- 8. Is it possible that an employee who receives a minimum market pay adjustment could be paid more than a supervisor?** As we analyzed the impact of the minimum market pay adjustments, some of these "leapfrogging" situations have been identified. Individual agencies may take additional steps to adjust the pay of supervisors to avoid these situations.
- 9. I understand that a 3% general structure adjustment is also scheduled for January 1, 2020. How will these increases effect the minimum market adjustments that some employees could receive?** Employees whose salaries are 3% below the minimum market pay for their positions will only receive the 3% cost-of-living increase as it brings those employees to the market minimum. They will not receive an additional market minimum pay increase.
- 10. For those employees receiving minimum market adjustments, when will the increases be reflected on paychecks?** For Fiscal Year 2020, minimum market pay adjustments will be effective January 1, 2020. These pay changes will first be included in paychecks for the January 31, 2020 payday.