

State Compensation Overview

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Basics: Executive Branch Workforce

- There are approx. 55,000 employees in the executive branch, including all agencies, constitutional offices, and Minnesota State.
- A large majority of these employees (approx. 80%) are represented by one of eleven bargaining units; employees not covered by a bargaining unit have their terms and conditions of employment defined by a compensation plan.
- A limited number of employees (constitutional officers, agency heads) have a salary established by statute.

Bargaining Units

- AFSCME: Trades, Clerical, entry-level and semi-skilled healthcare
 - AFSCME 208: Corrections Officers
 - AFSCME 225: Dispatchers
- MAPE: Professional Employees
- MMA: Middle Management
- MNA: Nurses
- MGEC: Engineers
- MLEA: Law Enforcement
- SRSEA: Teachers
- IFO: Faculty (Minnesota State)
- MSUAASF: Administrative and Service Faculty (Minnesota State)

Establishing Wages

- Minnesota Management and Budget (MMB) is the chief negotiator for the State and bargains wages with the unions representing employees.
 - Wages for non-represented employees follow the wage pattern established for unions.
 - Minnesota State negotiates separately for the employees in its specific bargaining units.
- Employee union contracts are on a biennial schedule that tracks with the fiscal biennium (covering July 1 of an odd-numbered year through June 30 of the following odd-numbered year).

Typical Negotiations Calendar

| Spring of odd-numbered years | Negotiations open with the largest bargaining units, AFSCME and MAPE for biannual contracts July 1, odd-year to June 30 subsequent odd-year. |
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| June of even-numbered years | Reach tentative agreements during “push” week where final deal on wages / insurance are negotiated and agreed upon. Wage “pattern” established. |
| Late summer / early fall even-numbered years | <ul style="list-style-type: none">• MAPE / AFSCME take tentative agreements out for a vote; if ratified by membership, agreements are submitted to the Subcommittee on Employee Relations (SER) for interim approval• SER either meets to vote or chooses not to meet; if no vote after 30 days, contracts deemed to have interim approval• MMB negotiates contracts with smaller bargaining units• MAPE / AFSCME presented to legislature for ratification |
| Winter crossing even/odd year | <ul style="list-style-type: none">• Agreements with smaller bargaining units sent to membership for votes; ratified by membership; submitted to SER; submitted to legislature• Compensation plans submitted through same process |

Recent Wage Settlements

| Fiscal Year | Cost of Living Increase |
|-------------|-------------------------|
| 2020 | 2.50% |
| 2019 | 2.25% |
| 2018 | 2.25% |
| 2017 | 2.00% |
| 2016 | 2.50% |
| 2015 | 2.50% |
| 2014 | 3.00% |

Step / Performance Increases

In addition to the Cost-of-Living increases, the Contracts and Plans provide for “step” / performance increases for employees who are not yet at the top of their salary range. Step / performance increases vary by contract but average approximately 3.5%. About 50% of employees are not yet at the top of their salary range and eligible to receive a performance / step increase, typically upon their anniversary date (or in January, for unrepresented employees in the Managerial / Commissioner’s Plan.)

Salaries Established by Statute

15A.0815 Salary Limits for Agency Heads

- Agency head salaries (“Commissioners”) shall not exceed 133% of the Governor (as of 2015); top limit of salary range increases annually by CPI.
 - The current limit is \$185,759.
 - Actual salaries of agency heads were established in 2015 and have not been adjusted since that time.
- Commissioners earn one of three annual salaries:
 - \$155,000 (MMB, Human Services, Public Safety, Revenue, Transportation)
 - \$150,000 (Corrections, Education, DEED, Health, Pollution Control)
 - \$145,000 (Administration, Agriculture, Commerce, Housing Finance, DLI, Higher Education, MDVA)
- Any increase to agency head salary must be reviewed and approved, rejected, or modified by the LCC and the legislature before it can take effect.