

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF HUMAN RESOURCES
June 4, 2004

HUMAN RESOURCES MEMORANDUM 04-04

TO: All Agency Department Heads, Human Resource Representatives

SUBJECT: REINSTATEMENT OF MERIT INCREASES

This memorandum is intended to remind agencies that employees with a salary review date of July 1, 2004 or after will be eligible to receive a merit increase. Employees with a salary review date of July 1, 2004 or after who are selected for a merit increase may progress to the next step. This being the case:

- Normal procedures regarding the award and processing of merit increases should be resumed effective July 1, 2004.
- Agency human resource representatives should cease using the notation "Performance Review-Merit Frozen" for merit increases that are effective July 1, 2004 and thereafter.
- When reconstructing retroactive reclassification/reallocation actions, merit increases that *would have fallen* between July 1, 2003 and June 30, 2004, inclusive, should **not** be calculated into any retroactive payment due.
- Agency HR representatives should ensure that exceptions to customary compensation practices are not designed to mitigate the effect of the one-year freeze on merits.
- Instructions for the implementation of Step 7 for AFSCME employees will be issued as a separate memorandum.
- With respect to the special lump-sum payment in lieu of the FY 2004 merits (using the salary savings generated from the retirement incentive program) we are in the process of determining which employees are eligible and the appropriate calculation. Since the legislation authorizing this payment is not effective until July 30, it is anticipated that the payment will be made mid-August.

S/ Donald A. Wills
Donald A. Wills, Director