

Chapter 7

Salary, Pension and Insurance Data

7.1 AGENCY COMPENSATION DATA COLLECTION AND UPDATE

The initial salary data collection process for collective bargaining is underway

The Governor's Office, supported by the Labor Relations Office (LRO) in OFM, negotiates collective bargaining agreements for state governmental agencies and for some institutions of higher education. The nature of collective bargaining requires OFM to have salary data at the employee level. OFM must be prepared for proposals that group employees by bargaining unit, classification, range and step, years of service, etc. It also is necessary to have compensation data available at this level of detail for non-represented state employees to permit similar calculations for non-represented groups.

In January 2012, OFM began its data collection for 2013-15 collective bargaining salary negotiations and budgeting for all state employee salaries and benefits. These data are needed so agency budgets can include correct funding for labor agreements and compensation changes.

Agencies may update 2013-15 data in May

In May 2012, agencies were given a second opportunity to ensure that their data is in line with their 2013-15 proposed maintenance level. Governmental (non-higher education) agencies should add or delete positions in the SPS CIM Release file to match the annual average 2013-15 FTE Level at Maintenance Level. Higher education institutions will continue to use the CIM-Agency Interface System to do the same

It will be important for agencies to take a fresh look at the data, with the goal of making the following corrections:

- If Agency Maintenance Level FTEs differ from the FTE level submitted to the Compensation Impact Model, provide an explanation of the difference to Jane Sakson at Jane.Sakson@ofm.wa.gov.
- Update bargaining unit coding to accurately reflect the agency's employee representation.
- Update the Work County Code to ensure it is accurate for each employee.
- Ensure that hourly employees have an accurate work period percent to reflect an annual average percentage for time they are paid.
- Correct fund source designation, if necessary. Agencies must not use Account 03K Industrial Insurance Premium Refund Account, or 290 Savings Incentive Account as a funding source for these compensation data.

The deadline and additional budget instructions for the May update were sent via e-mail to agency budget officers and SPS users in early May. Budget managers should ensure that OFM has the appropriate system users name and email address for this communication to reach the appropriate staff.

Resources

Jane Sakson, OFM Budget Assistant to the Governor, at 360-902-0549 or Jane.Sakson@ofm.wa.gov
 Pam Davidson, Senior Budget Assistant to the Governor, at 360-902-0550 or Pam.Davidson@ofm.wa.gov

7.2 VALID PENSION SYSTEM CODES

The following table reflects all valid pension system codes for the 2011-13 biennial budget.

| Retirement Systems | Description |
|--------------------|---|
| H1 | Higher Education System – 5% Contribution Rate |
| H2 | Higher Education System – 7½% Contribution Rate |
| H3 | Higher Education System – 10% Contribution Rate |
| J2 | Judicial Retirement System (capped) |
| R1 | Judicial Retirement Account Plan I |
| R2 | Judicial Retirement Account Plan II |
| L1 | Law Enforcement Officers and Fire Fighters – Plan I |
| L2 | Law Enforcement Officers and Fire Fighters – Plan II |
| N2 | Public Safety Employees' Retirement System |
| P1 | Public Employees' Retirement System (PERS) – Plan I |
| P2 | Public Employees' Retirement System (PERS) – Plan II |
| P3 | Public Employees' Retirement System (PERS) – Plan III |
| T1 | Teachers' Retirement System (TRS) – Plan I |
| T2 | Teachers' Retirement System (TRS) – Plan II |
| T3 | Teachers' Retirement System (TRS) – Plan III |
| S1 | Washington State Patrol Retirement System – Plan I |
| S2 | Washington State Patrol Retirement System – Plan II |

7.3 OTHER COMPENSATION COST NOTES

Salaries

In developing decision packages, agencies should use base salaries from the July or September 2010 salary schedules. Discuss the use of any other compensation plan with your OFM analyst before using it in a budget request. Agencies should **not** budget for overtime, sick leave, or shared leave.

Workers compensation costs (medical aid and industrial insurance)

OFM will coordinate with the Office of Actuarial Services at the Department of Labor and Industries to determine agency rates and add workers compensation rate adjustments to agency budgets in the biennial budget. Agencies should not submit decision packages for workers compensation in the biennial budget request.

In supplemental budgets, however, an agency may submit a decision package for the portion of the rate adjustment that the agency feels it cannot accommodate in its budget.