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Susanne R. Young, Secretary

TO:	**Agency and Department Heads, Elected Officials and Board Chairs**
FROM:	**Susanne Young, Secretary of Administration**
DATE:	**March 4, 2021**
RE:	**Fiscal Year 2021 Salary Adjustments for Exempt Executive Branch Employees**

Susanne R. Young
Digitally signed by Susanne R. Young
Date: 2021.03.04 16:31:20 -05'00'

Last May, this office conveyed the difficult decision that the base salary increase effective July 1, 2020 included in the FY 2021-22 collective bargaining agreement with classified employees would not be extended to exempt employees in the Executive Branch. The decision was based on the extraordinary financial challenges the State was facing, and the uncertainty about the future of State revenues, given the impact of the pandemic.

The purpose of this memo is to extend the 1.9% increase to base salaries to exempt employees who were active employees on March 1, 2021. The economic picture for the State is far better than expected and revenue forecasts for the State budget are encouraging. While the economists do not forecast a return to pre-pandemic revenue levels until FY 2023, the extension of the 1.9% increase is within our financial means at this time.

Specific guidance from the Department of Human Resources is outlined below.

EXEMPT EMPLOYEES

Exempt Employees Not Covered by a Pay Plan

Exempt Employees Not Covered by a Pay Plan including agency and department heads, their deputies, executive or principal assistants and private secretaries who are active employees as of March 1, 2021 will receive a 1.9% salary increase retroactive to July 1, 2020, or date of hire if after July 1, 2020, and will be included in the March 25, 2021 paychecks.

The usual practice for recommending a merit increase for exempt employees on your staff will be followed this year, which is to have an open request period for a limited time in June 2021. These requests are considered by the Secretary of Administration on a case-by-case basis for implementation in fiscal year 2022.

Exempt Employees Covered by a Pay Plan

(Attorney Pay Plan, Defender General's Pay Plan, Executive Director Pay Plan, Public Utilities Commission Pay Plan, VLRB Pay Plan, and Correctional Facility Superintendent Pay Plan).

Exempt employees who are covered by an approved exempt pay plan who are active employees as of March 1, 2021 will receive a 1.9% salary increase retroactive to July 1, 2020, or date of hire if after July 1, 2020, and will be included in the March 25, 2021 paychecks. The approved pay plans for exempt employees will be adjusted by 1.9% effective the pay period beginning February 28, 2021.

End of probation and promotions consistent with the conditions of the exempt pay plans will continue to be considered throughout the remainder of FY 2021 on a case-by-case basis and will be closely scrutinized. Any increases must be paid from a department's existing budget.

Merit increases consistent with the conditions of the exempt pay plans will now be considered for the remainder of FY 2021. These requests are submitted from Agencies and Departments directly to the Department of Human Resources to confirm the requests are consistent with the relevant pay plan and for approval.

ELECTED OFFICIALS AND OTHERS WHOSE SALARIES ARE SET IN STATUTE

Annual salaries for elected state officials and those whose salaries are set in statute will remain the same as FY 2020 rates unless changed by the Legislature.

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