

DEPARTMENT OF MILITARY AFFAIRS
STATE HUMAN RESOURCES
PRACTICE AND PROCEDURE MANUAL

STATUS: (X) FINAL () DRAFT
EFFECTIVE DATE: 12/3/2021

BULLETIN NO.: 1.500
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SUBJECT: Discretionary Equity or Retention Adjustments (DERA) and Discretionary Merit Compensation (DMC) Adjustments/Payments

SECTION: Compensation

Practice:

In accordance with Section I and Section J of the current State of Wisconsin Compensation Plan, the Discretionary Equity or Retention Adjustment (DERA) and Discretionary Merit Compensation (DMC) programs are intended to provide the appointing authority, The Adjutant General, with discretion for awarding monetary recognition to eligible employees covered by the Compensation Plan. The granting, denial, amount, and type (base building or lump sum) of DERA or DMC are not grievable.

[Section I](#) of the Compensation Plan and the Division of Personnel Management (DPM) Wisconsin Human Resources Handbook (WHRH) [Chapter 552](#) provide general DERA policy and procedure for all state agencies. [Section J](#) of the Compensation Plan and the DPM WHRH [Chapter 550](#) provide general DMC policy and procedure for all state agencies.

Eligibility and Coverage:

- DMA employees in pay status assigned to a classification in a **broadband pay schedule**, whose pay administration is covered by Section I of the Compensation Plan, are eligible for DERA.
- DMA employees that are eligible for **broadband pay** upon appointment within the previous twelve months should be considered for DMC only in exceptional circumstances.
- Employees are eligible for DERA base building, lump sum, or combination of both methods of payment. Classified employees are eligible for DMC base building, lump sum, or combination of both methods of payment, with the exception of Crafts-related employees (pay schedule 04) who are only eligible for lump sum awards. Unclassified employees who are serving fixed terms are not eligible for DMC.
- DMA employees in pay status whose pay administration is covered by the Compensation Plan are eligible for DMC except for those indicated below.

The following employees are considered ineligible to receive **either DERA or DMC**:

- Employees who did not receive a formal performance evaluation in the last 12 months or were rated below satisfactory,
- Employees who received any form of formal discipline in the past 24 months which was not subsequently overturned through a grievance process,

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- Supervisors who did not complete formal performance evaluations on all subordinate employees for whom performance evaluations are required,
- Any employee paid at or above the applicable pay range maximum may not receive a base-building DERA or DMC,
- Employees serving the first 12 months of an original probationary period, or the first year of a career executive trial period which is also the employee's original probationary period,
- Trainees eligible for scheduled trainee increases, and
- Limited Term Employment (LTE) employees.

The following employees are considered ineligible to receive **DERA only**:

- Unclassified employees and
- Employees in classifications not assigned to broadbanded pay schedules

The following employees are considered ineligible to receive **DMC only**:

- Unclassified employees serving a fixed term appointment.

Please see Attachment #1 for a chart of DERA and DMC eligibility as it pertains to the DMA workforce.

Funding:

All DERA adjustments and DMC awards are funded from the appropriate salary line within DMA's budget, that which is used to normally fund the employee's salary. There is no additional designated funding for these adjustments. As such, recommendations must be made with the assurance that adequate funding exists to maintain the DERA adjustment or DMC award.

Effective Date:

DERA or DMC may be granted at the beginning of any pay period during the fiscal year. All requests for DERA or DMC should be submitted through their Division Administrator, Directorate Head or Wing/Base Commander to the DMA State Human Resources (SHR) Office. Requests will be logged in and effective dates set. Awards approved by The Adjutant General will be effective at the beginning of the pay period following effective receipt of DMC/DERA recommendation by the appointing authority. Adjustments cannot be retroactive.

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Administrative Information:

DMA administrative procedures, award amounts, methods of payment, and other provisions may differ and require adjustments each fiscal year depending on instructions and limitations established by DPM. As such, communication of these subjects will be tailored and provided to supervisors upon implementation of the process.

ATTACHMENT #1 – DMA DERA Eligibility Chart
Eligibility by Pay Schedule or Range with Exceptions Noted

The chart below is a visual aid to assist in identifying DMA employee eligibility for DERA, including amounts and methods of payment. This chart is organized by pay schedules or ranges which are assigned to positions within the DMA. Please see the [Alphabetical Listing of Classifications](#) to identify the relevant pay schedules or ranges and the Within Range Pay Steps (WRPS) applicable to employee classifications.

Pay Schedule or Range	DERA WRPS fiscal year limit	Eligible Criteria	Base Pay DERA	Lump Sum DERA	Exceptions Explanation
01	Not eligible	None	None	None	Ineligible: not a broadband pay schedule
02	Not eligible	None	None	None	Ineligible: not a broadband pay schedule
03	Not eligible	None	None	None	Ineligible: not a broadband pay schedule
04	Not eligible	None	None	None	Ineligible: not a broadband pay schedule
05	Not eligible	None	None	None	Ineligible: not a broadband pay schedule
06	4 WRPS	Equity/Retention	Yes	Yes	Broadband Schedule 06 only
07	4 WRPS	Equity/Retention	Yes	Yes	
11	4 WRPS	Equity/Retention	Yes	Yes	
12	4 WRPS	Equity/Retention	Yes	Yes	
13	4 WRPS	Equity/Retention	Yes	Yes	
14	4 WRPS	Equity/Retention	Yes	Yes	
15	4 WRPS	Equity/Retention	Yes	Yes	
71-01	4 WRPS	Equity/Retention	Yes	Yes	
81	4 WRPS	Equity/Retention	Yes	Yes	
90	Not eligible	None	None	None	Ineligible: not a broadband pay schedule