**Example Change in Employee Compensation (CEC) Plan**

TO: Lori Wolff, DHR Administrator

Alex Adams, DFM Administrator

FROM: Agency Head, Title

DATE: [insert date]

SUBJECT: FY 2023 Change in Employee Compensation (CEC) Proposal

In accordance with the Legislature’s approval to adjust upward the compensation schedule by 3% and fully fund a 3% ongoing salary increase for all permanent positions, and to provide a $1.25 per hour increase for each permanent employee, to be distributed based on merit as determined by agency directors, [Agency] formally requests review and approval of our proposed plan to distribute these funds within the parameters outlined by DHR and DFM.

**Compensation Policy**

[Attach or outline the agency’s compensation policy. Must align with statewide DHR policy.]

**Effective Date of Implementation**

[Include details about when your agency plans to implement its CEC plan.]

**FY 2023 Component 1 – 3% Salary Increase**

[Include details about how many employees will be provided the salary increase and if you will make provisions utilizing existing funding for temporary employees. All authorized FTP must be provided the 3% salary increase.]

**FY 2023 Component 2 – Performance-Based Pay Increases**

[Include details about which employees are eligible – i.e., entrance/promotional probation. Must include requirements for a current evaluation and completion of statewide respectful workplace and cybersecurity training for performance-based increases.]

[Insert Agency Matrix**.** Samples available at: <https://dhr.idaho.gov/state-employee-compensation/>. Agencies must use the pay matrix based on **dollar amount** as directed by the Legislature. Include the number of employees in each area of the matrix.]

**Other**

[Include any other relevant information such as specific positions the agency wishes to address compensation issues with; performance bonuses; reasons an employee would not be eligible to receive an increase; TSM bonuses; etc.]

**Budget**

[Include a budget matrix to show how your agency will cover all proposed salary actions.]

The [Agency] plans to fund all components as exhibited in the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Cost to Implement** | **Appropriation** | **Ongoing Salary Savings** |
| **Component 1** | $ | $ | $ |
| **Component 2** | $ | $ | $ |