Insert Agency Letterhead

TO: Lori Wolff, DHR Administrator

Alex Adams, DFM Administrator

FROM: Agency Head, Title

DATE: [insert date]

SUBJECT: FY 2024 Change in Employee Compensation (CEC) Proposal

In accordance with the Legislature’s approval to provide a $1.20 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 2024 Component 1 – Merit Increase**

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 may use the pay matrix based on dollar amounts or as a percentage basis. Agencies may not have a mix of dollar-based and percentage-based increases. Include the number of employees in each area of the matrix.]

**FY 2024 Component 2 – Public Safety or Targeted Classification Pay Increases**

[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.]

**FY 2024 Component 3 – Payline Shift**

[Include any employees that are below 75% of paygrade.]

**Budget**

[Complete the applicable budget matrices to show how your agency will cover each proposed salary action and the budget impact by fund.]

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

|  |  |  |  |
| --- | --- | --- | --- |
| **CEC Plan Components\*** | **Cost to Implement1** | **FY 2024 CEC Appropriation2** | **Ongoing Salary Savings3** |
| **Merit Based CEC** | $ | $ | $ |
| **6% Salary Adjustment** | $ | $ | $ |
| **Payline Shifts** | $ | $ | $ |
| **Additional Increases** | $ | $ | $ |
| **Total Salary Increase** |  |  |  |

**\*(FY 2024 CEC Appropriation) + (Ongoing Salary Savings) = (Cost to Implement). The purpose of this chart is to show if new funding, ongoing savings, or a combination of both is being used to fund each component of the plan. CEC Plan components can be updated to reflect agency plan.**

**1**Total fully burdened annual cost (salary, health cost, and variable benefits) to implement increases for each element of the plan.

**2**This is the amount of the CEC appropriation you are using for each component. FY 2024 CEC appropriation includes any amounts appropriated for salary adjustments or other personnel adjustments if used to fund components of the CEC plan.

**3**This column will be zero unless implementation exceeds new FY 2024 appropriation.

**Estimated FY 2024 Personnel Budget after CEC by Fund**

**(Insert additional rows as needed)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Fund Number** | **Fund Type4** | **Total Est. PC Exp.5** | **Total PC Approp.** | **Est. Approp. Balance (Ongoing Savings)** | **Est. Cash Balance (DED Funds Only)** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**4**Enter GEN, DED, FED.

**5**This is the fully burdened (salary and benefits) annual personnel expenditure estimate, assuming all intended positions are filled for the entire year, all components of CEC are implemented, and including any amounts anticipated for group positions.

**FY 2023 Personnel Budget (required in early implementing)**

**Early Implementation Effective date: [enter date] Pay Periods [Enter #]**

**(Insert additional rows as needed)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Fund Number** | **Fund Type4** | **Cost to Implement6** | **Total FY Est. PC Exp.7** | **Total PC Approp.** | **Est. Approp. Balance (Ongoing Savings)** | **Est. Cash Balance (DED Funds Only)** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

**6**Cost to implement early in FY 2023 effective date through June 10, include salary and benefits.

**7**This amount should include all estimated personnel costs anticipated for FY 2023 including but not limited to CEC, bonuses, any other agency anticipated personnel costs, and the increase to health benefits. Health Insurance premiums are pre-paid, so agencies are charged the FY 2024 increase in premiums for the two pay dates in June. The June cost per full-time FTP is $104 ($1,250/12).