



STATE OF IDAHO

April 10, 2020

MEMORANDUM

TO: Executive Branch Agency/Department Heads
(with the exception of Constitutional Officers)

CC: Agency/Department HR Officers
Agency/Department Fiscal Officers

FROM: Alex Adams, Administrator
Division of Financial Management

Susan E. Buxton, Administrator
Division of Human Resources

SUBJECT: FY 2021 CEC Guidance - Update

In response to the Governor's Executive Order No. 2020-05 and memo dated March 27, 2020, DFM and DHR are providing new guidance regarding the FY 2021 CEC.

At this time, the only CEC component that will be implemented is the payline move. All other components are suspended until further notice. We will revisit the targeted positions and performance-based pay increases in FY 2021 after there has been more time to re-evaluate the state of our revenue collection and economy.

At This Time...

- Agencies will not need to complete CEC plans until further notice. If you have already begun to work on a plan or submitted a plan, thank you for your work and diligence. Detailed spreadsheets will only be necessary for the agencies impacted by the payline move. Only the employees affected by the payline move need to be included in the spreadsheets.
- As required by Governor Little's March 27, 2020 letter to Cabinet and Agency leaders, with regard to employee compensation, "no employee should be granted an increase in compensation without prior authorization from DHR/DFM. This includes bonuses, merit increases, short-term pay adjustments, re-classifications and other salary actions. Award letters regarding FY 2021 CEC should be held until further instruction is provided by DHR/DFM."

- Agencies are required to submit updated compensation policies that are consistent with Idaho Code, DHR rule, and Executive Branch compensation policy, which can be found at https://dhr.idaho.gov/PDFs/Section1Compensation_010818.pdf
- Performance evaluations must be current and cannot have been used for the FY 2020 CEC.

FY 2021 COMPONENT 1 - Payline Move

The FY 2021 pay schedule will be adjusted upward by 3%. Therefore, any employee with a rate of pay that falls below the new minimum rate of his or her pay grade on June 14, 2020 must receive a rate adjustment to at least the new minimum.

Performance is not a factor in these salary changes and probationary employees must also receive this increase.

- The new pay schedule is available at <https://dhr.idaho.gov/PDFs/FY2021PayStructure.pdf> and will be in effect starting with the pay period begin date of June 14, 2020 (pay date July 10, 2020). Agencies are encouraged to adjust hiring practices to start employees at or above the new minimum by the effective date.
- Use change reasons PU (Classified Payline Movement – Upward) or LU (Non-classified Payline Movement – Upward) for these actions. The permanent record information in IPOPS should read “FY 2021 Payline Adjustment.”

General Guidance and Reminders

- All agency employees should have completed the statewide mandatory Cybersecurity by March 31, 2020 and Respectful Workplace training in accordance with DHR’s policy.
- Employees should not approve their own personnel actions in IPOPS.
- Due to continued increasing costs of health care, employees will see an increase in health insurance premiums in FY 2021. The health insurance cost to agencies is remaining constant with the FY 2020 amount at \$11,650.
- Directors must provide each employee with a letter that explains payline shift and how it applies to the employee. Idaho Code, Section 67-5309B(6) requires that the department director “designate in writing whether such in-grade advancement is temporary, conditional, and permanent.” In this written documentation for increases, agencies must clearly state that the payline move for these positions does not indicate positive performance. A sample letter is attached.
- Compensation plans and spreadsheets must be submitted to info@dfm.idaho.gov and your DFM analyst by April 24, 2020.

Please feel free to contact DFM or DHR should you have any questions on this matter.

DATE

TO: Employee Name

FROM: Director

SUBJECT: Employee Compensation

The Idaho Legislature has directed that “the Division of Human Resources shall shift the salary structure upward by 3% with the exception of the minimum wage of \$7.25 per hour at pay grade D.” Your position has been included in this salary structure shift. This increase is not based on your performance rating.

You will/will not receive a [#] percent pay increase based on the salary structure shift.
[performance comments]

Your pay rate, effective [Date], 2020, will be \$[#] per hour, reflecting your annual salary at \$[#].

Along with your salary, your total compensation includes many benefits such as health insurance (medical, dental, vision); life and disability insurance; retirement; and paid time off (vacation, sick, and 10 paid holidays). For more information on your total compensation package, log into the State Controller’s website at www.sco.idaho.gov and click on the “Admin-Comp & Benefits Statement” link.

Thank you for your contributions to public service.

Sincerely,

Director