



Change In Employee Compensation Annual Guidance



Published March 17, 2023

By

The Idaho Division of Human Resources and Idaho Division of Financial Management

Table of Contents

Purpose 3

FY 2024 Legislative Action 3

CEC Plan Template 3

Deadlines and Process for Review..... 3

Effective Date Options..... 4

System Coding..... 4

Over Max Bonus 5

Director Pay Changes 5

Appendix A: Implementation Calendar 6

Appendix B: Public Safety Classifications 7

Appendix C: FY 2024 Pay Schedule..... 8

Appendix D: Statewide Compensation Policy 9

Appendix E: CEC Plan Template and Budget Spreadsheet 9

Appendix F: Frequently Asked Questions..... 9

Appendix G: Agency Change in Employee Compensation Plan Checklist 10

Purpose

This guidance is to assist Idaho's Executive Branch agencies in the implementation of annual changes in employee compensation (CEC) as approved by the Idaho Legislature.

The full CEC report is available on the DHR website at www.dhr.idaho.gov.

FY 2024 Legislative Action

During FY 2024, the Legislature approved the following:

"DHR shall shift the salary structure upward by an average of eight and one-half percent (8.5%) beginning on July 1, 2023, with the exception of the minimum wage of \$7.25 per hour at pay grade D, and shall add an additional pay structure for public safety. The division shall also maintain the job classifications currently on payline exception. Each agency is appropriated \$1.20 per hour for permanent employees to be distributed based on merit with the flexibility for agency heads and institution presidents to distribute funds for recruitment and retention purposes in hard-to-fill, hard-to-retain positions."

Although the appropriation was based on a dollar amount, the Legislature gave flexibility to agency heads to utilize a dollar amount or a percentage in the implementation of CEC, to avoid compression issues and deal appropriately with recruitment and retention challenges.

CEC Plan Template

Agencies must utilize the [CEC Plan Template](#) to submit their CEC Plans to DHR and DFM to ensure all requirements are met.

CEC Plan Components

Component 1 – Merit Based Increase

Agencies should first implement the merit-based increase to all eligible state employees. Compa-ratios should be determined using the applicable FY 2024 pay schedule.

Component 2 – Public Safety or other targeted classifications

Agencies with appropriations for Public Safety (See Appendix B for list of Public Safety classifications) increases or any agency with targeted classification increases should include those in component 2 of their CEC plan.

Component 3 – Payline Move

If an employee is not at the minimum of the FY 2024 pay schedule after the implementation of their performance-based increase, agencies must increase their pay to a minimum using existing agency funds.

Deadlines and Process for Review

The completed CEC template must be submitted according to Appendix A: Implementation Calendar, based on the agency's implementation date. Submit your plans to info@dfm.idaho.gov and to your

respective [DFM analyst](#) and [DHR representative](#). This calendar incorporates required timeframes for Luma Human Capital Management (HCM) freeze dates. Keep in mind that your requested effective date may change if your plan requires revisions.

Additionally, [spreadsheets](#) detailing individual pay changes that contain personnel information should be submitted to the agency's DFM analyst for review along with the CEC plan. Please submit the spreadsheet in draft format with a "draft" watermark across all pages.

Effective Date Options

Early Implementation

If agencies have salary savings to support early implementation of their CEC plan, they may do so once their agency's budget is set. The last available effective date for early implementation is **May 28, 2023**, (Pay Date: June 23, 2023), the CEC plan must be received no later than **May 9, 2023**, and IPOPS actions must be awaiting DHR/DFM approval no later than **May 26, 2023**.

Please note Appendix A requires plan submission earlier than the State Controller's Office (SCO) IPOPS calendar requirement due to the Luma Cut Over dates. If actions are not awaiting approval by this date they will be returned, and the next available effective date will be June 25, 2023.

FY 2024 Implementation

- The **effective date** must be **June 25, 2023**, (Pay Date July 21, 2023).
- CEC plan must be **received by DFM/DHR** no later than **June 21, 2023**
- **Luma submission** must be awaiting DHR/DFM approval no later the **July 5, 2023**.

Additional information will be provided at a later date about the coding in the Luma system for FY 2024 implementation.

System Coding

Early Implementation

Agencies who implement prior to FY 2024 will utilize IPOPS for their entry and coding. If an employee's action requires more than one component, agencies should do one IPOPS entry with multiple lines included.

Component 1- Merit Based Increase

- For the performance-based increases (Component 1), change reason CC (Merit Increase Performance) should be used and the permanent record information in IPOPS should read "**FY 2024 CEC.**"

Component 2 – Public Safety or other targeted classification increase

- For Public Safety position increases, change reason PU (classified) or LU (non-classified) should be used. For other targeted classification increases, change reason EA should be used.

Component 3 – Payline Move

- For any necessary adjustments to the minimum of the new pay schedule, change reason PU (classified) or LU (non-classified) should be used.

FY 2024 Implementation

- Agencies who implement in FY 2024 will utilize the Luma system. Additional guidance regarding coding will be forthcoming.

Over Max Bonus

If an agency is early implementing their CEC plan and has employees who are at the maximum of the FY 2023 pay schedule after their CEC increase, they may issue the employee a one-time payment code TSM (Temp Max Bonus).

The TSM bonus is calculated using the employee's new pay rate at the maximum of their pay grade for FY 2024. The employee's new pay rate cannot exceed the FY 2024 maximum for their pay grade. If the increase calculated using the agency's approved matrix exceeds the FY 2024 maximum, then the FY 2024 maximum will be the employee's new pay rate.

One-time payment amounts can be calculated using the following method:

Formula:

- $(\text{Employee's FY 2024 pay rate} - \text{FY 2023 pay grade maximum}) \times \text{FY 2023 pay period hours after CEC plan effective date}$

The permanent record information in IPOPS should read "FY 2023 Over Max Bonus."

Director Pay Changes

Pay increases for directors will be determined by the Governor. Additional information regarding the evaluation process for Directors will be provided by the Governor's Office. For those reporting to a Board/Commission, the Board/Commission should make a recommendation by letter to the Governor for his review. Recommendations should be submitted to DFM at info@dfm.idaho.gov and the respective [DFM analyst](#) and [DHR representative](#) by May 12, 2023.

Director pay increases may have a different effective date than the CEC plan implementation date. The effective date will be based on when the Governor makes his approval and no retroactive payments will be made to directors, regardless of if/when an agency early implements.

Director pay changes are not part of the agency CEC plan, but must be calculated in your overall budget planning.

Appendix A: Implementation Calendar

IPOPS Actions Requiring Agency Approval				
Pay Date	CEC Plan Submission Deadline	IPOPS Actions Agency Approval Deadline	Pay Period Effective	
			Begin Date	End Date
04/14/23	03/17/23	03/29/23	03/19/23	04/01/23
04/28/23	03/29/23	04/12/23	04/02/23	04/15/23
05/12/23	04/12/23	04/26/23	04/16/23	04/29/23
05/26/23	04/26/23	05/10/23	04/30/23	05/13/23
06/09/23	05/09/23	05/23/23	05/14/23	05/27/23
06/23/23	05/12/23	05/26/23	05/28/23	06/10/23
07/07/23		06/21/23	06/11/23	06/24/23
07/21/23	06/21/23	07/05/23	06/25/23	07/08/23

Last Date for Early CEC

Due to Luma conversion This pay date is not available for changes.

All CEC must be entered by this date

Appendix B: Public Safety Classifications

Jobs Assigned to Public Safety Compensation Structure	
CONSERVATION OFF, DIST	FISH & GAME ENF BUR CHF
CONSERVATION OFFICER	ISP CAPTAIN
CONSERVATION OFFICER, REG	ISP LIEUTENANT
CONSERVATION OFFICER, SR	ISP MAJOR
CORR CORPORAL	ISP SERGEANT
CORR MGR 1	ISP SPECIALIST
CORR MGR 2	ISP TROOPER
CORR MGR 3	ISP TROOPER RECRUIT
CORR OFFICER	PROB AND PAROLE OFFICER, LEAD
CORR SERGEANT	PROB&PAROLE OFCR
CORR SPECIALIST SUPERVISOR	PROB&PAROLE OFCR,SR
CORRECTIONAL LIEUTENANT	REHAB SPEC, ASSOC, DJC
CORRECTIONAL SPECIALIST	REHAB SPEC, DJC
STATE FIRE MARSHAL	REHAB SUPERVISOR, DJC
FIRE MARSHAL, CHF	REHAB TECH II DJC
FIRE MARSHAL, DEPUTY	REHAB TECH TRAINEE, DJC
F & G ENF ASST CHF	REHAB TECH, DJC

Appendix C: FY 2024 Pay Schedule

FY 2024 Core Group Compensation Schedule - Effective 6/11/2023

Pay Grade	Minimum Points	Grade Points	Maximum Points	Hourly			Annual		
				Minimum	Policy	Maximum	Minimum	Policy	Maximum
D	Below 110 Points			\$7.25	\$12.50	\$18.75	\$19,500	\$26,000	\$39,000
E	110	119	130	\$10.46	\$13.94	\$20.91	\$21,750	\$29,000	\$43,500
F	131	142	154	\$11.68	\$15.58	\$23.37	\$24,300	\$32,400	\$48,600
G	155	169	184	\$13.16	\$17.55	\$26.32	\$27,375	\$36,500	\$54,750
H	185	201	219	\$14.96	\$19.95	\$29.93	\$31,125	\$41,500	\$62,250
I	220	240	262	\$17.67	\$23.56	\$35.34	\$36,750	\$49,000	\$73,500
J	263	286	312	\$19.69	\$26.25	\$39.38	\$40,950	\$54,600	\$81,900
K	313	341	372	\$22.14	\$29.52	\$44.28	\$46,050	\$61,400	\$92,100
L	373	406	443	\$25.02	\$33.37	\$50.05	\$52,050	\$69,400	\$104,100
M	444	485	528	\$28.49	\$37.98	\$56.97	\$59,250	\$79,000	\$118,500
N	529	578	630	\$31.84	\$42.45	\$63.68	\$66,225	\$88,300	\$132,450
O	631	688	750	\$35.84	\$47.79	\$71.68	\$74,550	\$99,400	\$149,100
P	751	828	904	\$40.75	\$54.33	\$81.49	\$84,750	\$113,000	\$169,500
Q	905	998	1090	\$46.88	\$62.50	\$93.75	\$97,500	\$130,000	\$195,000
R	1091	1176	1292	\$54.09	\$72.12	\$108.17	\$112,500	\$150,000	\$225,000
T	1532	1665	1822	\$63.10	\$84.13	\$126.20	\$131,250	\$175,000	\$262,500
V	2167	2354	2575	\$81.13	\$108.17	\$162.26	\$168,750	\$225,000	\$337,500

FY 2024 Public Safety Compensation Schedule – Effective 6/11/2023

Pay Grade	Minimum Points	Grade Points	Maximum Points	Hourly			Annual		
				Minimum	Policy	Maximum	Minimum	Policy	Maximum
D	Below 110 Points			\$7.25	\$14.42	\$21.63	\$22,500	\$30,000	\$45,000
E	110	119	130	\$11.94	\$15.91	\$23.87	\$24,825	\$33,100	\$49,650
F	131	142	154	\$13.13	\$17.50	\$26.25	\$27,300	\$36,400	\$54,600
G	155	169	184	\$14.64	\$19.52	\$29.28	\$30,450	\$40,600	\$60,900
H	185	201	219	\$16.48	\$21.97	\$32.96	\$34,275	\$45,700	\$68,550
I	220	240	262	\$19.90	\$26.54	\$39.81	\$41,400	\$55,200	\$82,800
J	263	286	312	\$21.53	\$28.70	\$43.05	\$44,775	\$59,700	\$89,550
K	313	341	372	\$23.44	\$31.25	\$46.88	\$48,750	\$65,000	\$97,500
L	373	406	443	\$25.75	\$34.33	\$51.49	\$53,550	\$71,400	\$107,100
M	444	485	528	\$28.49	\$37.98	\$56.97	\$59,250	\$79,000	\$118,500
N	529	578	630	\$31.84	\$42.45	\$63.68	\$66,225	\$88,300	\$132,450
O	631	688	750	\$35.84	\$47.79	\$71.68	\$74,550	\$99,400	\$149,100
P	751	828	904	\$40.75	\$54.33	\$81.49	\$84,750	\$113,000	\$169,500
Q	905	998	1090	\$46.88	\$62.50	\$93.75	\$97,500	\$130,000	\$195,000
R	1091	1176	1292	\$54.09	\$72.12	\$108.17	\$112,500	\$150,000	\$225,000
T	1532	1665	1822	\$63.10	\$84.13	\$126.20	\$131,250	\$175,000	\$262,500
V	2167	2354	2575	\$81.13	\$108.17	\$162.26	\$168,750	\$225,000	\$337,500

Appendix D: Statewide Compensation Policy

The State of Idaho's Compensation Policy is available on the DHR website at: [State of Idaho Compensation Policy](#)

Appendix E: CEC Plan Template and Budget Spreadsheet

Agencies are required to use the CEC Plan Template and Budget Spreadsheet when submitting their plans. This template is available on the DHR website: [State of Idaho Employee Compensation](#)

Appendix F: Frequently Asked Questions

FY 2024 Change in Employee Compensation (CEC) Frequently Asked Questions

1. [How long does it take DHR and DFM to review my plan?](#)
2. [Will my plan be approved without revision?](#)
3. [Can I submit a matrix using a percentage rather than a dollar amount?](#)
4. [I have concerns that CEC is going to create compression. Is there something we can do about that?](#)
5. [Do I have to include the amount of people in each box of the matrix?](#)
6. [If our plan has an equity increase, should it be applied before or after the CEC increases?](#)
7. [Can I submit a spreadsheet without a plan or a plan without a spreadsheet?](#)
8. [Should I email DFM or DHR my plan and spreadsheet?](#)
9. [What do you mean by meaningful distinction between increases on the matrix?](#)
10. [Do I need more than 2 tiers to my matrix?](#)
11. [Which pay schedule do I use?](#)
12. [Do agencies need to use all of the allocated funding?](#)

How long does it take DHR and DFM to review my plan?

DHR and DFM need 2 weeks to review (not including revisions) your agency's plan.

Will my plan be approved without revision?

Typically, there are revisions. Plan on working collaboratively with DHR and DFM on the plan to ensure agency needs, statute, and the intent of the legislature are being met to the extent possible.

Can I submit a matrix using a percentage rather than a dollar amount?

Yes, matrices may have percentages or dollar amounts. You may not have a mix of both.

I have concerns that CEC is going to create compression. Is there something we can do about that?

Depending on budget, agencies may add additional components to address these concerns.

Do I have to include the amount of people in each box of the matrix?

Yes, the number of employees should be included in each section of the matrix.

If our plan has an equity increase, should it be applied before or after the CEC increases?

This year's CEC plan was budgeted to be implemented by applying the merit component first, targeted class increases/public safety component second, and the payline component third. If agencies have salary savings and wish to implement in a different order, please reach out to your DHR Representative and DFM Analyst to help determine which is appropriate for your situation.

Can I submit a spreadsheet without a plan or a plan without a spreadsheet?

No, both the plan and the spreadsheet should be submitted.

Should I email DFM or DHR my plan and spreadsheet?

Send CEC plans and spreadsheets to your respective DFM analyst, DHR representative and to the DFM inbox info@dfm.idaho.gov.

What do you mean by meaningful distinction between increases on the matrix?

We want to show that we are doing two things: 1. Bringing those employees in lower compa- ratios closer to 100% and 2. Compensating employees for meritorious service.

Do I need more than 2 tiers to my matrix?

Agencies need to meet the intent of statute; they're not required to have a certain number of tiers, they need to look at their employee population's compa-ratio and put together a matrix that complies with this intent.

Which pay schedule do I use?

Agencies must use the FY 2024 pay schedule applicable to the class code for each employee regardless of implementation date.

Do agencies need to use all of the allocated funding?

Yes, agencies should use the CEC allocation for what it was intended. The exception to this is if an agency doesn't have the available cash to support the appropriation.

Appendix G: Agency Change in Employee Compensation Plan Checklist

All CEC plan submittals must include the following information:

General CEC Plan Requirements

- Completed CEC Plan Template, outlining the following:
 - Planned distribution for each components of the CEC Plan, along with implementation dates.
 - Who is eligible, including employees who are currently on entrance or promotional probation, temporary, and seasonal employees. Note: Employees on entrance probation are not eligible to receive performance-based CEC until after completion of probation, if included in the agency plan.
 - Justification for any increases proposed in addition to those approved by the legislature. These may include adjustments to address salary equity, position changes, compression, or other issues.

- How non-classified positions, specifically those with no identified pay grade are to be treated and must comply with [Idaho Code, Section 59-1603\(3\)](#).
- Attach compensation policy – *if agency uses the statewide policy, please state that in the plan.*
- Agencies must not communicate CEC increases to their employees or the content of the agency CEC plan until the CEC plan has been approved by both DHR and DFM.

Budget Requirements

- Information detailing how the agency will cover all proposed salary actions within its budget limitations by utilizing the budget matrix included in the Example CEC Plan template on the DHR website.
- Spreadsheets detailing individual pay changes that contain personnel information should be submitted to the agency’s DFM analyst for review along with the CEC plan. Please submit the spreadsheet in draft format with a “draft” watermark across all pages.
<https://dhr.idaho.gov/cec-spread-sheet-example/>
- Once the agency has received final approval of the CEC plan, send a final spreadsheet to your DFM analyst prior to IPOPS/Luma entry. The agency should then submit a handful of IPOPS/Luma actions for review and approval to ensure accuracy prior to submitting all agency IPOPS/Luma actions. Do not email or distribute social security numbers when providing information to DHR and DFM.

Employee Eligibility Criteria

- To receive a performance-based pay increase, employees must have a current (within the last 12 months) performance evaluation rating of “Achieves Performance Standards” or better. The performance evaluation must be current and cannot have been used for the FY 2023 CEC distribution.
- Employees must have completed their annual statewide respectful workplace and cybersecurity training(s) before they are considered eligible for a performance-based pay increase.

Idaho Code, Section 67-5309B(6) requires that the department director “designate in writing whether such in-grade advancement is temporary, conditional, and permanent.” As such, each agency shall provide employees with a letter outlining any CEC increase provided to them for FY 2024. A sample letter is available [Here](#).

Matrix Requirements

- Performance and compa-ratio must be factors as stated in [Idaho Code, Section 67-5309B\(4\)](#).
 - Compa-ratio should be determined by dividing the current base wage by the policy (midpoint) wage on the FY2024 applicable pay schedule.

- To emphasize merit, the matrix should have a “meaningful distinction” between increases for performance ratings.
- In addition to performance and compa-ratio, directors are encouraged to develop a matrix that addresses agency-specific issues including, but not limited to, compression, salary equity, high turnover, and retention.
- Numbers within the matrix must be exact and cannot include a range so that pay increases are easily calculable given the criteria provided.
- The matrix must include the number of employees in each category.

Sample pay matrix templates are available at [State of Idaho Employee Compensation](#)