

CEC COMMITTEE MEETING

January 5, 2007

Division of Human Resources

Report on the New Pay Structure

- 2002 pay structure outdated and difficult to rationalize
- Reviewed numerous approaches to structure movement
- Increased the number of pay grades from 24 to 35
- Corrected range advancement issues
- Creation of transitional minimums
- The average range increase was 3.7%

Assignment to New Pay Grades

- Used a market premium in making pay grade assignments
- Pay grade assignment results
- Need for maintaining current structure
- Structure at 95% of market and actual pay lags market by 15.6%
- Costs associated with pay levels significantly below market

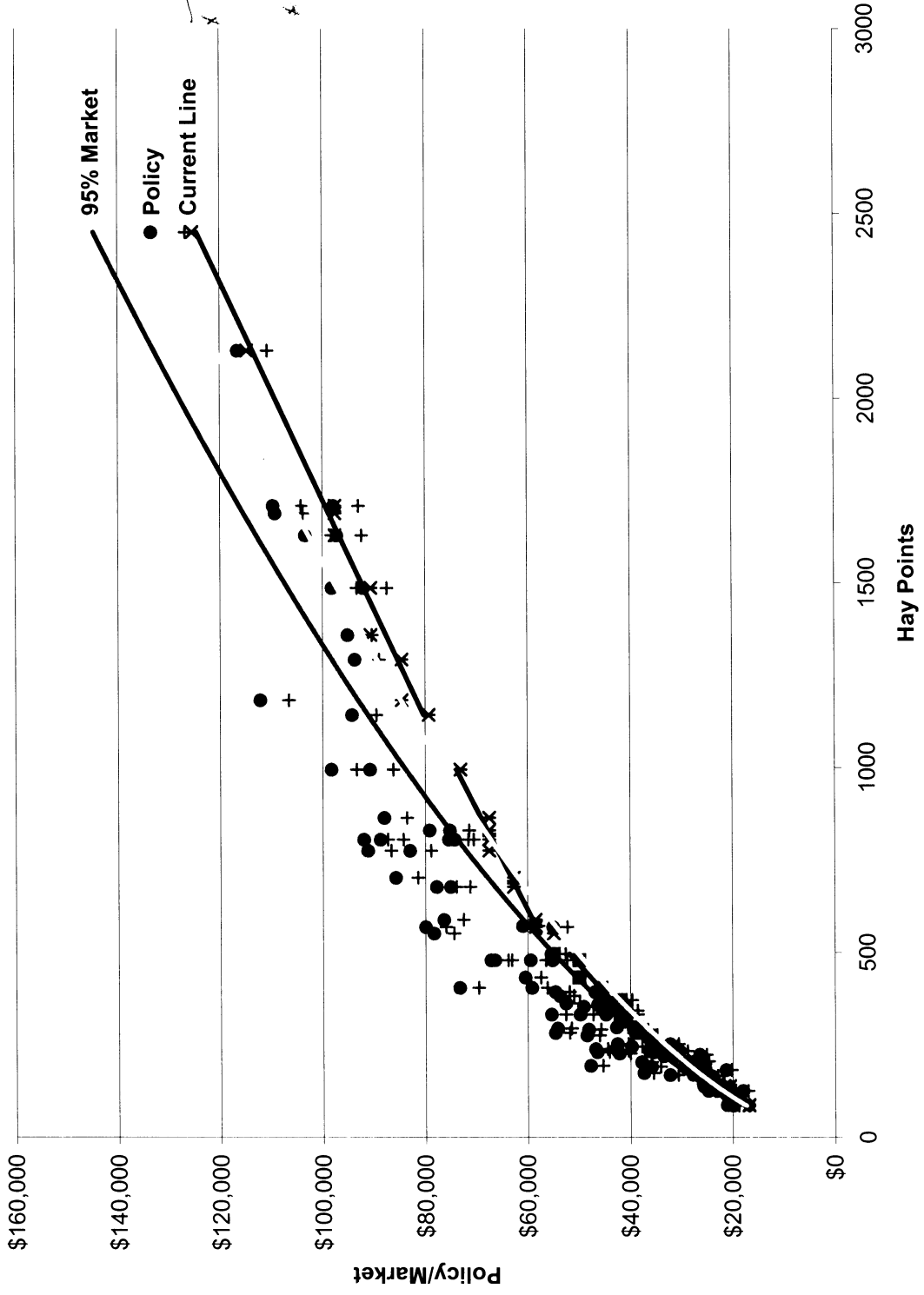
CEC Report Review

- Review of FY 2007 Recommendations
- Pay for Performance
- Structure Movement Analysis
- Merit Increase Budget Analysis
Fund 5.8%
- Review Salary Savings
- Use of Compa-ratio as Distribution Tool
- Conduct Comparison of State Benefit Plans vs. Market
- Planning for Future Funding
- Employee Recognition
- Adopt 10-Year Plan
- Review FY 2008 Recommendations

**Grade Structure
Effective 6/9/2002**

Pay Grade	Hay Points			Range Spread	Range Advance	% of Policy	Annual Pay			% of Policy
	Min	Mid	Max				Minimum	Policy	Maximum	
A		99	106	67%	11%	75%	\$12,604	\$16,827	\$21,028	125%
B	107	114	122	67%	11%	75%	\$13,915	\$18,595	\$23,254	125%
C	123	131	140	67%	11%	75%	\$15,412	\$20,571	\$25,708	125%
D	141	151	161	67%	11%	75%	\$17,160	\$22,921	\$28,662	125%
E	162	173	185	67%	12%	75%	\$19,073	\$25,480	\$31,844	125%
F	186	200	213	67%	12%	75%	\$21,444	\$28,641	\$35,796	125%
G	214	229	245	67%	12%	75%	\$23,982	\$32,032	\$40,040	125%
H	246	263	281	67%	8%	75%	\$26,956	\$36,004	\$45,011	125%
I	282	303	325	66%	8%	75%	\$29,244	\$38,729	\$48,422	125%
J	326	349	374	66%	9%	75%	\$31,720	\$42,016	\$52,520	125%
K	375	401	430	66%	9%	75%	\$34,507	\$45,697	\$57,116	125%
L	431	461	492	66%	10%	75%	\$37,731	\$49,982	\$62,483	125%
M	493	531	566	66%	6%	75%	\$41,496	\$54,953	\$68,702	125%
N	567	610	655	65%	7%	75%	\$44,200	\$58,489	\$73,112	125%
O	656	702	753	65%	8%	75%	\$47,382	\$62,691	\$78,374	125%
P	754	807	867	65%	8%	75%	\$51,001	\$67,496	\$84,364	125%
Q	868	928	997	65%	8%	75%	\$55,203	\$73,049	\$91,312	125%
R	998	1067	1146	65%	7%	75%	\$59,841	\$79,227	\$99,028	125%
S	1147	1227	1319	66%	7%	75%	\$63,814	\$84,489	\$105,622	125%
T	1320	1412	1516	65%	8%	75%	\$68,411	\$90,563	\$113,214	125%
U	1517	1623	1744	65%	8%	75%	\$73,652	\$97,489	\$121,867	125%
V	1745	1867	2006	65%	9%	75%	\$79,705	\$105,518	\$131,892	125%
W	2007	2147	2307	65%	9%	75%	\$86,673	\$114,712	\$143,395	125%
X	2308	2469		65%	0%	75%	\$94,660	\$125,299	\$156,624	125%

Current vs Policy vs 95% Market



Turnover
* Average buy

Grade Structure Effective 7/1/2006

Pay Grade	Total Points			Range Spread	Range Advance	% of Policy	Annual Pay			% of Policy	Minimum	Policy	Maximum
	Min	Mid	Max				Minimum	Policy	Maximum				
21		93	96		4%	75%	\$13,998	\$18,678	\$23,337	125%	\$6.73	\$8.98	\$11.22
22	97	99	102	67%	4%	75%	\$14,580	\$19,448	\$24,294	125%	\$7.01	\$9.35	\$11.68
23	103	105	109	67%	4%	75%	\$15,163	\$20,196	\$25,251	125%	\$7.29	\$9.71	\$12.14
24	110	112	116	67%	4%	75%	\$15,787	\$21,028	\$26,291	125%	\$7.59	\$10.11	\$12.64
25	117	120	124	67%	4%	75%	\$16,452	\$21,923	\$27,414	125%	\$7.91	\$10.54	\$13.18
26	125	128	133	67%	5%	75%	\$17,180	\$22,900	\$28,620	125%	\$8.26	\$11.01	\$13.76
27	134	137	142	67%	5%	75%	\$17,971	\$23,940	\$29,931	125%	\$8.64	\$11.51	\$14.39
28	143	148	153	67%	5%	75%	\$18,803	\$25,084	\$31,345	125%	\$9.04	\$12.06	\$15.07
29	154	159	165	67%	5%	75%	\$19,739	\$26,312	\$32,884	125%	\$9.49	\$12.65	\$15.81
30	166	172	179	67%	5%	75%	\$20,716	\$27,643	\$34,548	125%	\$9.96	\$13.29	\$16.61
31	180	186	194	67%	5%	75%	\$21,798	\$29,078	\$36,337	125%	\$10.48	\$13.98	\$17.47
32	195	202	210	67%	6%	75%	\$22,963	\$30,638	\$38,292	125%	\$11.04	\$14.73	\$18.41
33	211	219	229	67%	6%	75%	\$24,232	\$32,323	\$40,393	125%	\$11.65	\$15.54	\$19.42
34	230	239	250	67%	6%	75%	\$25,604	\$34,153	\$42,681	125%	\$12.31	\$16.42	\$20.52
35	251	261	274	67%	6%	75%	\$27,102	\$36,129	\$45,156	125%	\$13.03	\$17.37	\$21.71
36	275	286	300	67%	6%	75%	\$28,724	\$38,292	\$47,860	125%	\$13.81	\$18.41	\$23.01
37	301	314	329	67%	6%	75%	\$30,472	\$40,643	\$50,793	125%	\$14.65	\$19.54	\$24.42
38	330	345	363	67%	6%	75%	\$32,385	\$43,180	\$53,996	125%	\$15.57	\$20.76	\$25.96
39	364	381	401	67%	7%	75%	\$34,486	\$45,968	\$57,470	125%	\$16.58	\$22.10	\$27.63
40	402	421	443	67%	7%	75%	\$36,753	\$49,004	\$61,256	125%	\$17.67	\$23.56	\$29.45
41	444	466	491	67%	7%	75%	\$39,228	\$52,312	\$65,374	125%	\$18.86	\$25.15	\$31.43
42	492	517	546	67%	7%	75%	\$41,932	\$55,910	\$69,888	125%	\$20.16	\$26.88	\$33.60
43	547	575	608	67%	7%	75%	\$44,886	\$59,862	\$74,817	125%	\$21.58	\$28.78	\$35.97
44	609	641	679	67%	7%	75%	\$48,131	\$64,168	\$80,204	125%	\$23.14	\$30.85	\$38.56
45	680	717	760	67%	8%	75%	\$51,667	\$68,889	\$86,112	125%	\$24.84	\$33.12	\$41.40
46	761	803	852	67%	8%	75%	\$55,556	\$74,068	\$92,580	125%	\$26.71	\$35.61	\$44.51
47	853	901	957	67%	8%	75%	\$59,800	\$79,747	\$99,673	125%	\$28.75	\$38.34	\$47.92
48	958	1014	1078	67%	8%	75%	\$64,480	\$85,987	\$107,473	125%	\$31.00	\$41.34	\$51.67
49	1079	1143	1217	67%	8%	75%	\$69,617	\$92,830	\$116,043	125%	\$33.47	\$44.63	\$55.79
50	1218	1291	1377	67%	8%	75%	\$75,275	\$100,380	\$125,465	125%	\$36.19	\$48.26	\$60.32
51	1378	1462	1561	67%	8%	75%	\$81,515	\$108,680	\$135,844	125%	\$39.19	\$52.25	\$65.31
52	1562	1660	1774	67%	9%	75%	\$88,379	\$117,852	\$147,305	125%	\$42.49	\$56.66	\$70.82
53	1775	1888	2020	67%	9%	75%	\$95,971	\$127,961	\$159,952	125%	\$46.14	\$61.52	\$76.90
54	2021	2152	2306	67%	9%	75%	\$104,353	\$139,152	\$173,929	125%	\$50.17	\$66.90	\$83.62
55	2307	2459	2459	67%		75%	\$113,630	\$151,507	\$189,384	125%	\$54.63	\$72.84	\$91.05

Sample Merit Increase Matrix

Needs Improvement Unacceptable Performance	Developing/ Progressing in Performance	Solid/ Sustained Performance	Distinguished/ Exemplary Performance
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Performance Percentage Guideline	3%	17%	60%	20%
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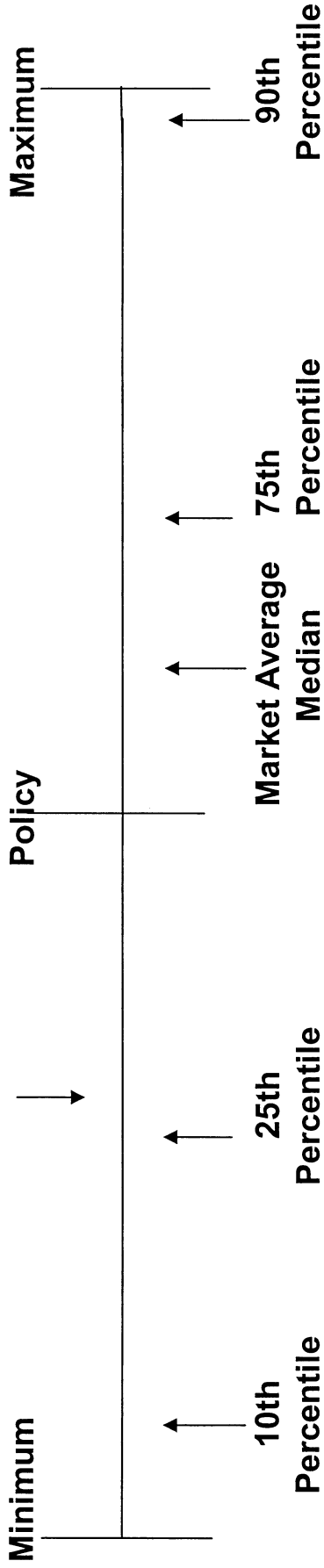
Percentage Increase

Compa Ratio
 120% to 125%
 115% to 119%
 110% to 114%
 105% to 109%
 100% to 104%
 95% to 99%
 90% to 94%
 85% to 89%
 80% to 84%
 75% to 79%

0%	1.00%	2.00%	3.00%
0%	1.70%	2.70%	3.70%
0%	2.50%	3.50%	4.50%
0%	3.10%	4.10%	5.10%
0%	3.80%	4.80%	5.80%
0%	4.50%	5.50%	6.50%
0%	5.20%	6.20%	7.20%
0%	5.90%	6.90%	7.90%
0%	6.60%	7.60%	8.60%
0%	7.30%	8.30%	9.30%

Pay Range Discussion

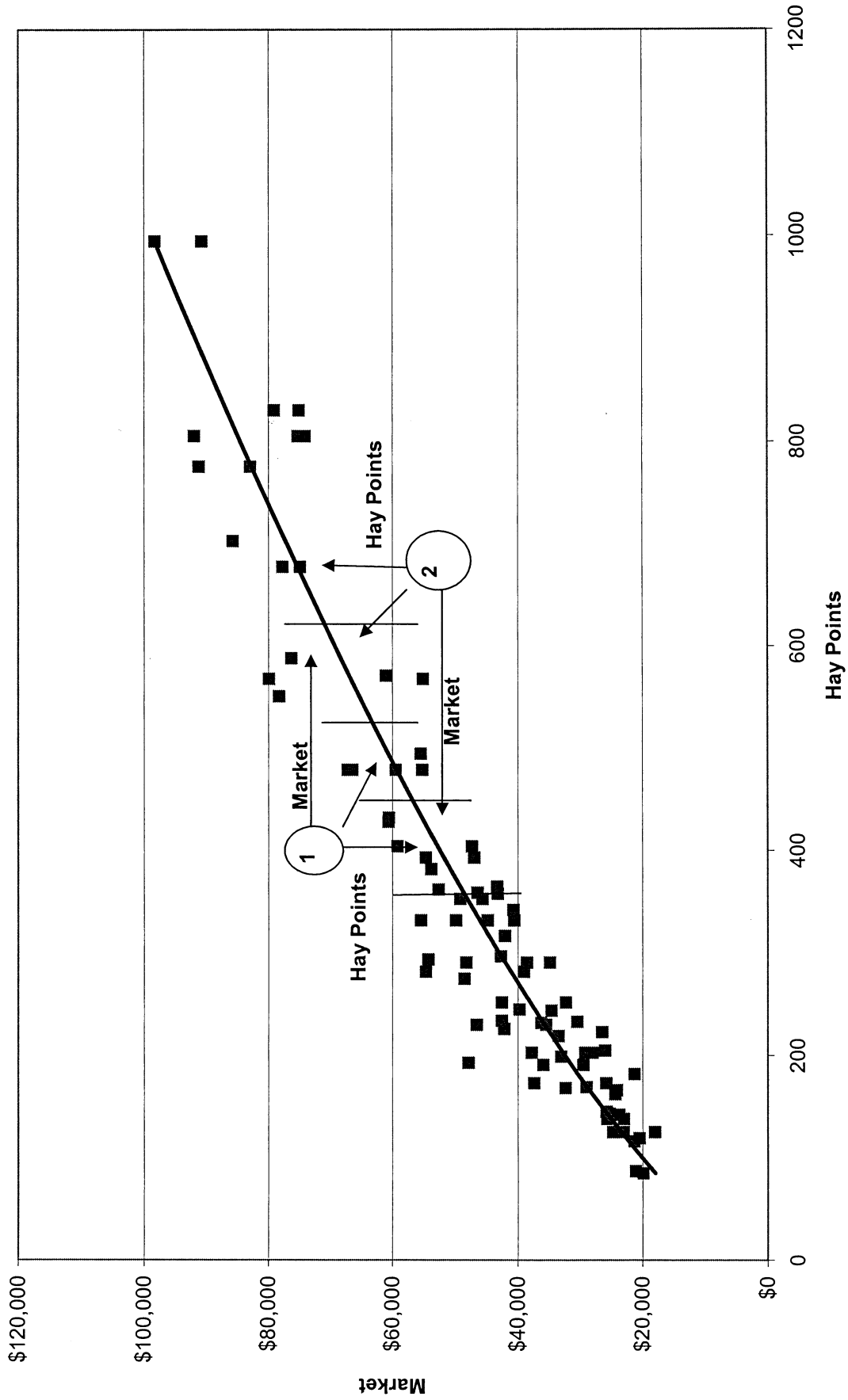
State of Idaho
Average Pay



Handwritten note: 2.70%
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2.70%

Percentiles taken from Watson/Wyatt Survey
Civil Engineer
reported 1871

Market Premium Sample



CEC COMMITTEE MEETING

January 5, 2007

Division of Human Resources

Human Resource Policies

- Determine Governor's priorities
 - Work with the Governor's Office

Workforce Management

- Workforce Analysis Tools
 - CEC Report Supplement
 - ~ Turnover by occupation group
 - ~ Turnover by classification
 - ~ Separations by type by agency
- Planning Tools
 - Retirement Eligibility Report
 - ~ Available by agency
 - Strategic Plans
 - Budgeting Process
- Training Tools
 - CPM program used to identify/train future leaders
 - Webinars, audio conferences on workforce planning
 - Workforce planning form for agency use on DHR website
 - National HR organizations provide research and studies on workforce planning
- Competitive Positioning
 - Standards that the legislature sets in total compensation (help recruit and retain)

Management Responsibilities for Classified Employees versus Non-Classified Employees

- Idaho Code specifies who will be non-classified
- Idaho Code provides that non-classified employees be treated similarly with classified employees in regard to pay and benefits
- Rules of the IPC and DHR pertain only to classified employees