

Idaho's Employee Compensation System

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Idaho Joint Legislative CEC Committee

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Establishing a Personnel System

§67-5301, Idaho Code:

- Established a Division of Human Resources in 1965 to administer a personnel system
- Purpose of the system is to provide a means whereby classified employees shall be examined, selected, retained and promoted on the basis of merit and their performance of duties, thus effecting economy and efficiency in the administration of state government
- Enacted for the public good and the general welfare of the citizens of Idaho

State Employee Compensation Philosophy *GOALS*

- §67-5309A (1), Idaho Code
 - To fund a competitive compensation and benefit package that will attract qualified applicants to the work force
 - To retain employees who have a commitment to public service excellence
 - To motivate employees to maintain high standards of productivity
 - To reward employees for outstanding performance

State Employee Compensation Philosophy *FOUNDATION*

- §67-5309A (2 and 3), Idaho Code
 - State government is a service enterprise....the state workforce provides a critical role for Idaho citizens
 - Maintaining a competitive system....is an expected cost of providing the delivery of state services
 - Regardless of specific budgetary conditions, it is vital for fund necessary compensation adjustments

25,000 State Employees

CLASSIFIED

- 12,000
- §67-5303 IC

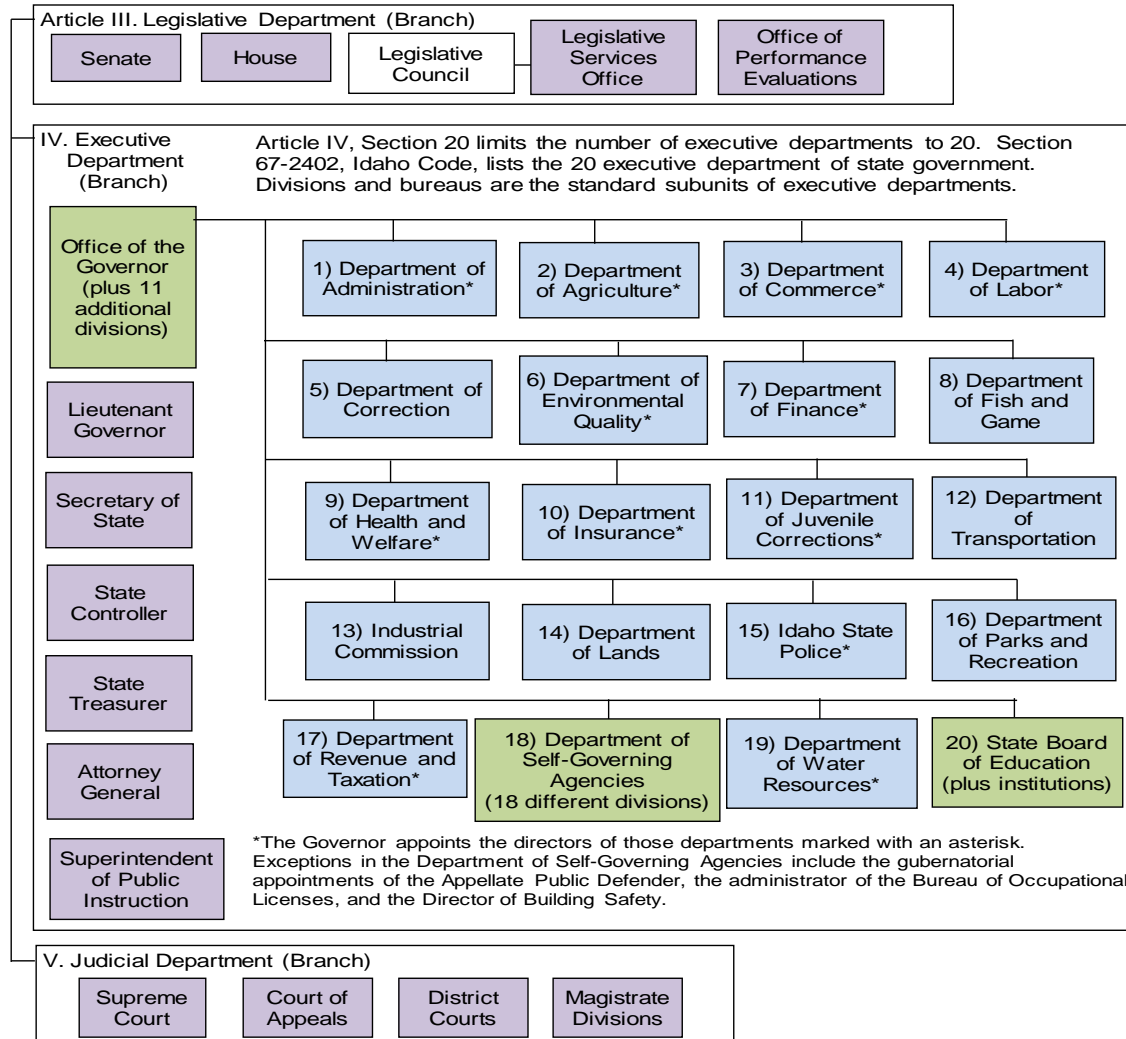
Subject to merit examination, selection, retention, promotion, and dismissal requirements

NON-CLASSIFIED

- 12,000
- §59-1603 IC

Persons and positions exempted from the classified system. Each nonclassified position will be paid a salary comparable to classified positions (Conformity Statute)

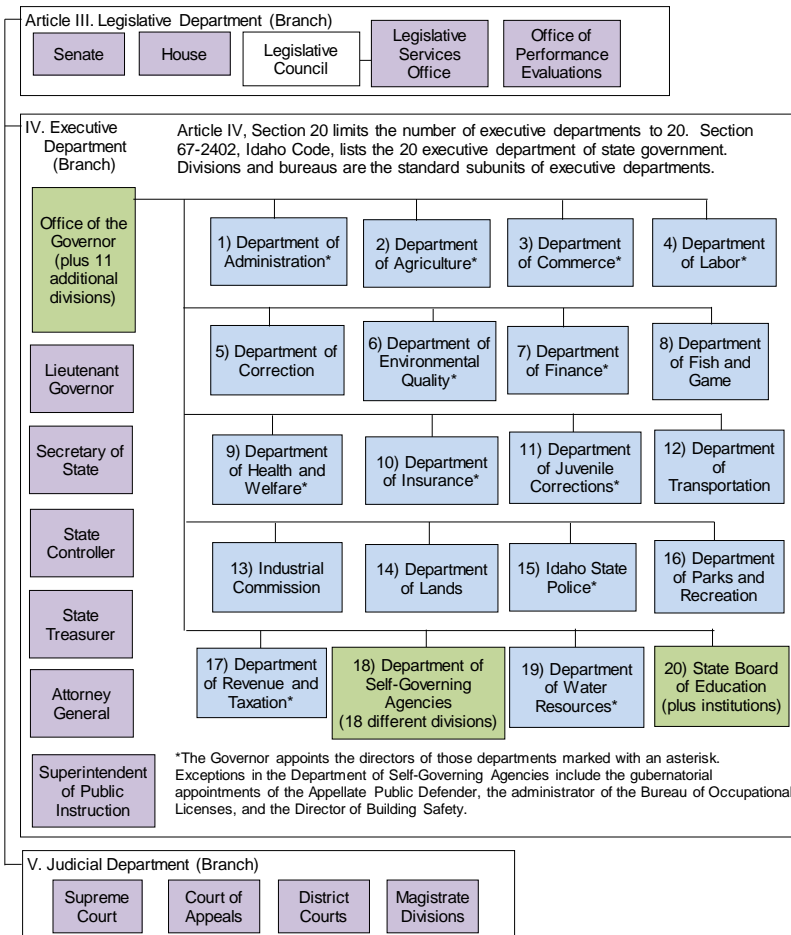
State of Idaho Org Chart



Purple: Non-classified Employees
 Blue: Classified Employees
 Green: Both Non-classified and Classified Employees
 Yellow: Other Employees

The lines of responsibility are complicated by 181 boards, commissions, councils, committees, associations, and other structures authorized by the Idaho Constitution, statute, or executive order.

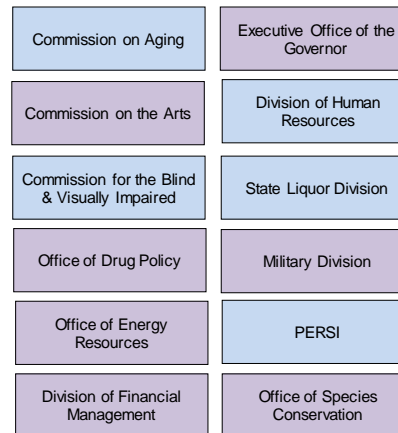
State of Idaho Org Chart by Divisions



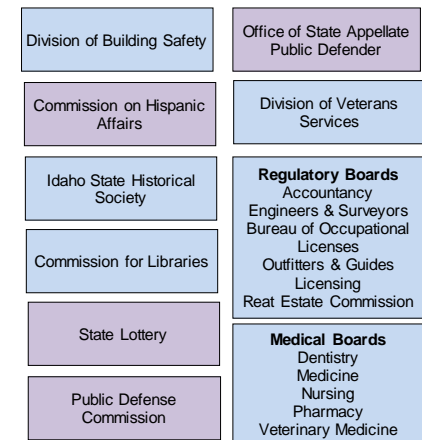
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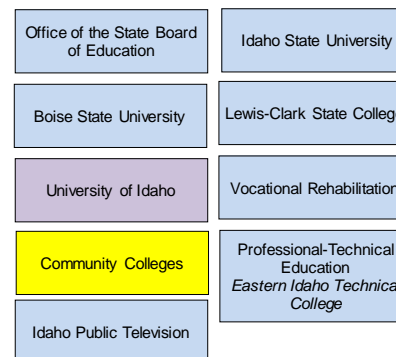
Office of the Governor



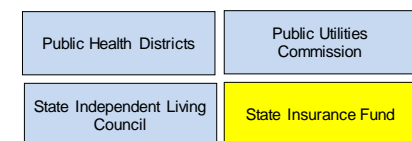
Department of Self-Governing Agencies



State Board of Education



Other Agencies



Idaho's Compensation Plan

§67-5309B, Idaho Code

- (1) Establish job classifications and assign all classifications to a pay grade utilizing the Hay profile method in combination with market data
- (2) Each department director shall prepare a department salary administration plan and corresponding budget plan that supports the core mission of the department
- (3) Advancement in pay shall be based on performance and market changes
- (4) Pay for performance shall provide faster salary advancement for higher performers

Compensation Plan cont...

(5) No employee shall advance in a salary range without a performance evaluation

(6) Each employee's work performance shall be evaluated through a format and process approved by the department and the division of human resources

(7) All supervisors who evaluate state employees shall receive training in the evaluation format and process to assure fairness and consistency in the evaluation process

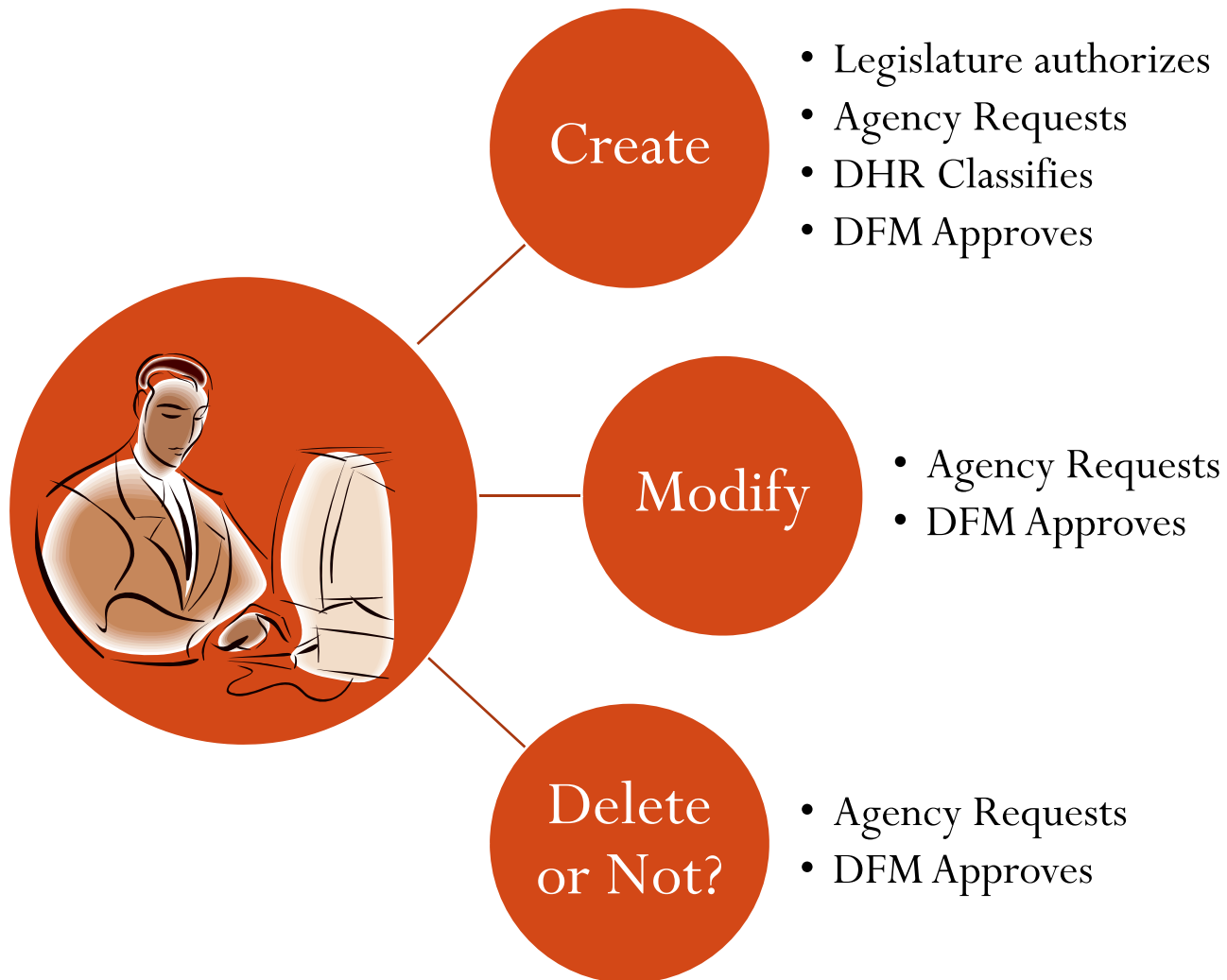
(8) All classified employees of like classification and pay grade allocation shall be treated in a substantially similar manner

Division of Human Resources

Hay Methodology & Salary Structure

Pay Grade	Minimum Points	Grade Points	Maximum Points	Hourly			Annual		
				Minimum	Policy	Maximum	Minimum	Policy	Maximum
D	Below 110 Points			\$7.25	\$10.16	\$12.70	\$15,080	\$21,133	\$26,416
E	110	119	130	\$7.72	\$11.35	\$14.19	\$16,058	\$23,608	\$29,515
F	131	142	154	\$8.69	\$12.78	\$15.98	\$18,075	\$26,582	\$33,238
G	155	169	184	\$9.87	\$14.51	\$18.14	\$20,530	\$30,181	\$37,731
H	185	201	219	\$11.36	\$16.71	\$20.89	\$23,629	\$34,757	\$43,451
I	220	240	262	\$13.27	\$19.52	\$24.40	\$27,602	\$40,602	\$50,752
J	263	286	312	\$14.97	\$22.01	\$27.51	\$31,138	\$45,781	\$57,221
K	313	341	372	\$16.76	\$24.65	\$30.81	\$34,861	\$51,272	\$64,085
L	373	406	443	\$18.92	\$27.83	\$34.79	\$39,354	\$57,886	\$72,363
M	444	485	528	\$21.39	\$31.46	\$39.33	\$44,491	\$65,437	\$81,806
N	529	578	630	\$23.64	\$34.76	\$43.45	\$49,171	\$72,301	\$90,376
O	631	688	750	\$25.62	\$37.67	\$47.09	\$53,290	\$78,354	\$97,947
P	751	828	904	\$28.01	\$41.19	\$51.49	\$58,261	\$85,675	\$107,099
Q	905	998	1090	\$30.83	\$45.34	\$56.68	\$64,126	\$94,307	\$117,894
R	1091	1176	1292	\$34.20	\$50.30	\$62.88	\$71,136	\$104,624	\$130,790
S	1293	1399	1531	\$38.37	\$56.42	\$70.53	\$79,810	\$117,354	\$146,702
T	1532	1665	1822	\$43.33	\$63.72	\$79.65	\$90,126	\$132,538	\$165,672
U	1823	1980	2166	\$49.24	\$72.41	\$90.51	\$102,419	\$150,613	\$188,261
V	2167	2354	2575	\$56.28	\$82.77	\$103.46	\$117,062	\$172,162	\$215,197

Position Approval Process



Types of Pay Changes

1) Ongoing Increases

- Move off of Probationary Status
- Merit
- Promotion
- Annual Change in Employee Compensation (CEC)
- Equity Adjustment
- Position Reclassification
- Refactored Class

2) Short-term increase

- Merit

3) One-Time Bonuses

- Recruitment
- Merit
- Retention

Compensation Approval Process

Request from Agency

DFM for Funding Analysis

DFM Approves

All Pay Changes except for Payline & Equity Adjustments

Request from Agency

DFM & DHR Analysis

DFM Approves

Payline & Equity Adjustments

Annual Surveys, Reports, and Recommendations

Idaho Code §67-5309B

- **Division of Human Resources**

- Conduct or approve annual salary and benefit surveys within relevant labor markets to determine salary ranges and benefit packages that represent competitive labor market average rates
- Compensation Report/Recommendation to the Governor on December 1
 - 1. Salary Structure Adjustments
 - 2. Specific Occupational Inequities (Pay line Exceptions)
 - 3. Merit Increase
 - 4. Benefit Package

Annual Surveys, Reports, and Recommendations

Idaho Code §67-5309B

- **Governor**

- Submit his own recommendations on proposed changes in salaries and benefits to the Legislature
- Recommendation shall address, at a minimum, the four components and subsequent funding for each component
 - 1. Salary Structure Adjustments
 - 2. Specific Occupational Inequities
 - 3. Merit Increase
 - 4. Benefit Package

Annual Surveys, Reports, and Recommendations

Idaho Code §67-5309B

- **Legislature**
 - May, by concurrent resolution, accept, modify or reject the Governor's recommendations
 - Recommendation shall address, at a minimum, the four components and subsequent funding for each component
 - 1. Salary Structure Adjustments
 - 2. Specific Occupational Inequities (Pay line Exceptions)
 - 3. Merit Increase
 - 4. Benefit Package

In Summary....

Idaho Code directs the state's compensation philosophy, its system, and its plan.