

FY 2016 CEC Recommendation

January 13, 2015

DIVISION OF FINANCIAL MANAGEMENT

Executive Office of the Governor



Division of Financial Management

- 67-3501. Budget function. The governor shall be the chief budget officer of the state whose duty it shall be to carry out the provisions of this chapter. The division of financial management shall have such duties as may be prescribed by law, and such other duties as may be designated by the governor.



Salary Plans

- 67-5309B. (2) It shall be the responsibility of each department director to prepare a department salary administration plan and corresponding budget plan that supports the core mission of the department and is consistent with the provisions of section 67-5309A, Idaho Code.
- (4) Pay for performance shall provide faster salary advancement for higher performers based on a merit increase matrix developed by the division of human resources. Such matrix shall be based upon the employee's proximity to the state midpoint market average, and the employee's relative performance. Such matrix may be adapted by each agency to meet its specific needs when approved by the division of human resources.



Approved Salary Plans

- Law and rule
- Legislative Intent
- Governor's policy and philosophy
- Proper mechanics – coding, effective dates, etc.

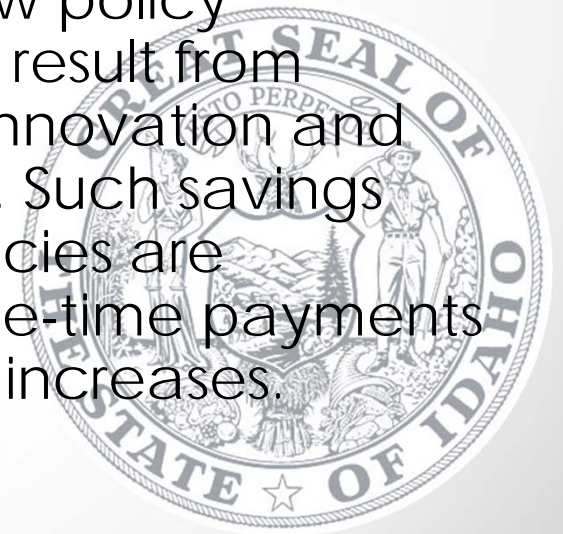


FY 2014 and FY 2015 Appropriation Language

SECTION 4. EMPLOYEE COMPENSATION. The Legislature finds that investing in state employee compensation should remain a high priority even in tough economic times, and therefore strongly encourages agency directors, institution executives and the Division of Financial Management to approve the use of salary savings to provide either one-time or ongoing merit increases for deserving employees, and also target employees who are below policy compensation. Such salary savings could result from turnover and attrition, or be the result of innovation and reorganization efforts that create savings. Such savings should be reinvested in employees. Agencies are cautioned to use one-time funding for one-time payments and ongoing funding for permanent pay increases.

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Idaho Code 67-5309B.

67-5309B. (3) Advancement in pay shall be based on performance and market changes and be provided in a variety of delivery methods, including ongoing increases, **temporary increases** and market related payline moves. Market related payline moves may advance all eligible employees as well as the structure to avoid compression in the salary system.



Governor's Bonus Philosophy

- Performance bonuses limited to 20% of employees (FTP)
- Short-term merit increases for additional duties
- System will not allow short-term merit increase for one pay period



Other Agency Responsibilities

- Object transfers
- Program transfers
- Statutorily required reports available online



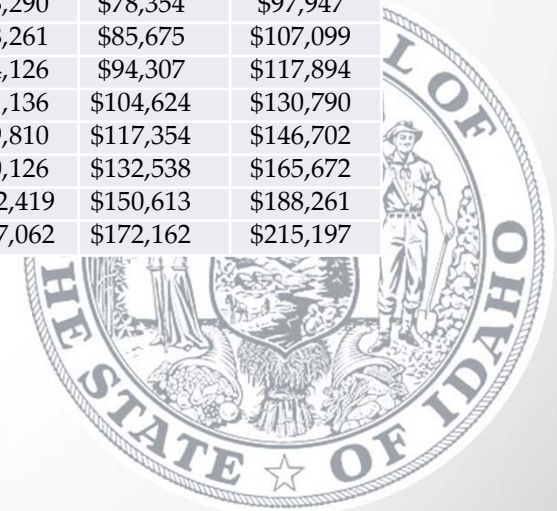
Salary Structure Adjustment

- Maintain current salary structure
- Agency challenges
 - Compression
 - Low entry salaries



Salary Structure Adjustment

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



Specific Occupational Inequities

- Maintain current payline exceptions



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Merit Increase

- The Governor recommends a 3% change in employee compensation based on merit with director discretion.



Employee Benefit Package

- Maintain current benefit package
- \$6,054,000 million General Fund for health insurance benefits, \$7,431,000 other funds
- thriveidaho



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Challenges

- Health insurance costs
- Salary compression
- Retention
- Aging workforce
- Declining federal funds
- Inequity between agencies



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Thank You

- Get regular updates from the Governor at:
gov.idaho.gov
- Get additional budget information at:
dfm.idaho.gov

