



**STATE OF  
IDAHO**

March 17, 2023

**MEMORANDUM**

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

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

**FROM:** Lori A. Wolff, Administrator  
Division of Human Resources

A handwritten signature in blue ink, appearing to read "Lori A. Wolff".

Alex J. Adams, Administrator  
Division of Financial Management

A handwritten signature in blue ink, appearing to read "Alex J. Adams".

**SUBJECT: Fiscal Year 2024 Change in Employee Compensation**

We are excited to announce the Fiscal Year (FY) 2024 Change in Employee Compensation (CEC), has been approved by the legislature and is on the Governor's desk for signature! The motion that was approved by the legislature reads:

"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."

In addition, our public safety agencies were appropriated an additional 6% equity increase for law enforcement positions within their individual budgets.

Merit-based pay increases for directors will be determined by the Governor. 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.

To assist your agency with the implementation of this year's CEC, we created an **Annual Change in Employee Compensation Guide**. Additionally, we are requiring each agency to submit their plan using our newly created **CEC Plan Template** and **Budget Spreadsheet**. These resources were created to streamline and simplify our CEC process.

You are encouraged to implement CEC as early as possible this year due to the upcoming implementation of the new Luma system.

If you have any questions or concerns, please reach out to your DHR or DFM representative.

Attachments:           Annual Change in Employee Compensation Guidance