



State of Idaho

DIVISION OF FINANCIAL MANAGEMENT

Executive Office of the Governor

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August 3, 2004

MEMORANDUM

TO: HR Officers, Fiscal Officers & Personnel/Payroll Technicians
(Education institutions of U of I, BSU, ISU and LCSC will be considered under separate cover.)

FROM: Ann Heilman, Division of Human Resources *AH*
Brad Foltman, Division of Financial Management *B/F*
Keith Johnson, State Controller's Office *KJ*

SUBJECT: **Required Actions for Temporary Increases (1% Appropriation)**

The State Controller has certified that the provisions for distribution of an additional 1% temporary increase for state employees, according to the provisions of HB 805, have been met.

The intent expressed in HCR 47 recognizes that employees have not received funding for salary increases for the last two fiscal years. The funding provided in HB 805, for a temporary increase in accordance with HCR 47, is very unique in its approach and therefore, requires policies and mechanisms that differ slightly from previous allocations for compensation. The guidance provided herein is intended for classified agencies and employees and similar treatment of non-classified employees is encouraged whenever possible.

After receiving input from the Governor, the Legislative branch, the Attorney General, and other entities, the following guidance has been developed.

- The method of distribution is a lump sum payment.
- Eligible employees will be awarded a one-time increase of approximately 1% of their annual equivalent salary as of April 1, 2004. (Employees must have been active on April 1st and still active on the report run date of 8-03-04.)
- This compensation amount will be separate from the bonus cap for FY 2005.
- A new earnings code TSI (Temporary Increase) will be used.
- Total amount expended for this temporary increase shall not exceed funding appropriated in HB 805 (salary savings may not be used to supplement funding).

Mission: To help state government provide effective and efficient services to the people of the State of Idaho.

- All HB 805 appropriation monies are to be expended for this purpose at this time and may not be used for other expenditures.

Eligible employees for this temporary increase are those:

1. With a "meets expectations" performance evaluation rating or better as of July 1, 2004,
2. Entrance probationary employees that have satisfactorily performed a minimum of 1,040 hours of service prior to July 1, 2004,
3. Who have not been subject to formal disciplinary action within the past 12 months,
4. Who are eligible for retirement benefits and to the extent funding is available, other non-retirement covered employees,
5. All employees except those whose salaries are set by code - e.g. Elected Officials, Judges, Legislature, Board Members, etc.

The State Controller's Office (SCO) has prepared (2) two reports that are available on-line, under SYSID AUIS44R. The first, (GENSPTRN - Temporary Increase) lists all employees except those NOT eligible for retirement, employee salaries set by code, and those who have not received pay this Calendar year. This report shows the calculated 1 % amount per employee. The second, (ACTEMPRP - Active Employee List) lists all currently ACTIVE employees, their Latest Hire Date, retirement eligibility status and year-to-date gross pay.

Those employees that do not meet the conditions of #1 through #3 above should be crossed (red lined) off of the report so that they do not receive the increase. Any employees not listed on the report (example: those transferred to your agency from another agency and meet all qualifications) that should receive a temporary increase, must be manually coded on an EIS-144 form.

The Temporary Increases will be processed for Payroll #18, pay date August 27, 2004. Therefore, it is necessary for the agencies to review and correct the information on report GENSPTRN quickly. **Once corrections have been made, the report and any EIS-144 forms must be sent to the SCO by 5:00 p.m., August 10th for data entry.** All EIS-144 forms will be sent through the required approval cycle prior to processing. Note: no other changes should be made to this report.

It is imperative that these guidelines be followed to ensure that future funding policies or allocations are not jeopardized based on actions taken in implementing this temporary increase. If you desire further information in dealing with exceptional circumstances, please contact your DHR/DFM analyst as appropriate or the SCO DSP Helpdesk for additional clarification.