

## Employee Raises: A Walk-Through the CEC Process

The Idaho State Legislature is responsible for distribution of public funds, and they determine whether State of Idaho employees will receive pay raises. The State of Idaho calls some employee raises a Change in Employee Compensation (CEC).

This year, the legislature approved merit-based raises that will enable Boise State to bring pay scales closer to industry-pay standards. Boise State received approval from the State of Idaho for three additional pay initiatives to be included with the annual merit increases.

### Four Initiatives to Benefit Boise State Employees:

#### 1. Increase Boise State Minimum Hourly Rate

Boise State will adjust the minimum hourly rate of pay to \$10.50. Minimum hourly rate of pay does not apply to student or temporary non-benefit eligible positions.

#### 2. Increase Classified Minimum Salary Rates

The Classified Staff pay grade schedule will be increased by 3%. Boise State will use a minimum starting hourly rate for classified positions at 75% of the policy or mid-point level for the [FY19 pay schedule](#). Employees with a rate of pay falling below the new minimum will receive an increase to the new minimum.

#### 3. Increase Professional Staff Pay Schedule

The [Professional Staff pay grade](#) schedule will be increased by 3%. Employees with a rate of pay falling below the minimum of their pay grade will receive an increase to the new minimum.

#### 4. Promotion & Increase for Faculty

- Promotions for advancement in academic rank
- Increased minimum annual compensation for Lecturers

### Effective Dates for Pay Raises for FY19:

- Classified Employees – June 17, for pay date July 13
- Professional Employees – July 1, for pay date July 27
- Faculty Employees – July 29, for pay date August 24

The approval covers two areas:

- 1) 3% funding based on merit
- 2) 3% upward adjustment to the pay structure/pay grade

Boise State dollars will bridge the gap for this year's employee raises that are not covered by the legislature 3% appropriation. State dollars cover employee salaries funded by appropriated funds. Boise State also pays salaries with grant and local funding sources. This simply means that Boise State pulls from several accounts to insure employees receive a paycheck.

### Snapshot Day (date used to calculate pay raises)

Snapshot Day was March 15, 2018. Compensation rates in effect on this date are used as the base rate for employee raises (CEC). Using this later date helps to capture as many employees in the pay increases as possible. Boise State plans to continue using this date annually. Employees are eligible for a pay increase who have met the following criteria:

- Are active and benefit-eligible on March 15

- Have a current performance evaluation of “Achieves Performance Standards” or better within the past 12 months
- Have completed the statewide mandatory cyber security training

### How It Works

With that background, let’s walk through how CEC raises work.

By direction of the State of Idaho and Idaho Code, performance and comp-ratio must be factors in our CEC matrix and distribution plan (as described below).

### Three Steps to Figuring Out Your Raise

#### #1 - Hourly Rate

Every employee, whether they are paid a salary or by the hour, has an hourly rate. An employee’s hourly rate on March 15 is the rate used to determine the raise, based on the CEC matrix and calculation (see below). Employees can see their current hourly wage on their pay stub by viewing Pay Rate.

#### #2 - Comp-Ratio

All professional and classified employees have a pay grade. An employee’s current position is always classified into a pay grade. Pay grades are based on type of work, experience and skill set needed to perform the work, along with decision making, budgetary and supervisory responsibilities, in addition to other hiring attributes. Each pay grade has a policy (or mid-point) that reflects the market rate for a position. Percentages from the mid-point range make up a ‘comp-ratio’.

***Example:** Martha Smith is a classified employee with a J pay grade. Her hourly rate is currently \$16.50. The policy (mid-point) rate is \$23.35. Her comp-ratio is 71%. To figure out her comp-ratio, divide \$16.50 (current pay rate) with \$23.35 (mid-range or policy).*

#### #3 - Performance

Benefit-eligible professional and classified employees must have a current evaluation of “Meets Expectations (1) or better” to be eligible for an increase in pay or CEC. Ratings are explained at an employee’s evaluation and can be clarified by your supervisor. This is great news for high performing employees.

***Classified Example:** David Alexander is a Classified employee with a J Pay grade and a 71% comp-ratio. David makes \$16.50/hour on March 15 (Snapshot Day). He received an evaluation rating of (2) Solid Sustained, so he will receive a 3.30% increase. After his increase, David is still not at 75% comp-ratio, so he will receive an additional amount to reach 75% of Policy. His new pay will be \$17.51. See below.*

***Professional Example:** Sue Jones is a Professional employee with a 6 Pay grade and an 84% comp-ratio. Sue makes \$22.31/hour on March 15 (Snapshot Day). She received an evaluation rating of (2) Solid Sustained, so she will receive a 3.30% increase. Since she is already above the minimum of the pay level, she will receive no other additional increases. Her new pay will be \$23.04. See below.*

### TWO EMPLOYEE EXAMPLES:

#### “David” - Classified Employee

\$16.50	Hourly pay on March 15 <sup>th</sup> (Snapshot Day)
\$ .54 +	CEC Merit Increase 3.30%

#### “Sue” - Professional Employee

\$22.31	Hourly pay on March 15 <sup>th</sup> (Snapshot Day)
\$ .73 +	CEC Merit (84% comp-ratio, Eval rating 2; 3.30%)

\$17.04	Pay grade J 75% of Policy is \$17.51	\$23.04	Pay grade 6 (25%) is \$22.99
<b>\$17.51</b>	<b>New hourly rate effective June 17, 2018</b>	<b>\$23.04</b>	<b>New hourly rate effective July 1, 2018</b>

## Faculty

Two initiatives were undertaken for faculty:

- Increases in salary were made for faculty members who advanced in academic rank: \$7,000 for promotion from Assistant Professor to Associate Professor and \$10,000 for promotion from Associate Professor to Professor.
- Increases in minimum annual compensation for Lecturers. The new minimums are as follows:  
Lecturer I: \$40,550 Lecturer II: \$42,650 Lecturer III: \$44,950

The percentage CEC increases for faculty members were determined using the faculty matrix shown below. One dimension of the matrix is “merit raise score.” That score is informed by the overall merit of the faculty member, but because (unlike for staff) there is no single performance score, there cannot be a “hard wiring” of performance to the merit raise score. The other dimension is “compression/equity score,” which is informed by wide range of information, including comparison to CUPA peer salaries, years in service, past merit, and salary compression/inversion. Colleges differed in the exact methodology employed in using the matrix, but all followed the general principles associated with the two scores. **Professional and Classified Staff Matrix**

COMP RATIO	Does not meet expectations	Meets expectations	Solid Sustained	Outstanding
	0	1	2	3
110% -- 125%	0.00%	1.10%	1.82%	2.09%
100% -- 109%	0.00%	1.18%	1.95%	2.24%
90% -- 99%	0.00%	1.82%	3.00%	3.45%
65% -- 89%	0.00%	2.00%	3.30%	3.80%

## Faculty Matrix

Merit Raise Score ↓↓	Compression/equity score (informed by CUPA, time in rank, inequities, etc.)								
	No compression/inversion						High degree of compression/inversion		
	1	2	3	4	5	6	7	8	9
Score = 0	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Score = 1.0	0.270%	0.490%	0.620%	0.750%	0.890%	1.020%	1.150%	1.280%	1.500%

<b>1.5</b>	0.490%	0.890%	1.140%	1.380%	1.620%	1.870%	2.110%	2.350%	2.760%
Score = <b>2.0</b>	0.620%	1.140%	1.450%	1.760%	2.070%	2.370%	2.680%	2.990%	3.510%
<b>2.5</b>	0.750%	1.380%	1.760%	2.130%	2.510%	2.880%	3.260%	3.640%	4.260%
Score = <b>3.0</b>	0.800%	1.460%	1.860%	2.260%	2.660%	3.050%	3.450%	3.850%	4.510%
<b>3.5</b>	0.840%	1.540%	1.960%	2.380%	2.800%	3.220%	3.640%	4.060%	4.760%
Score = <b>4.0</b>	0.890%	1.620%	2.070%	2.510%	2.950%	3.390%	3.840%	4.280%	5.020%
<b>4.5</b>	0.930%	1.700%	2.170%	2.630%	3.100%	3.560%	4.030%	4.490%	5.270%
Score = <b>5.0</b>	0.970%	1.780%	2.270%	2.760%	3.250%	3.730%	4.220%	4.710%	5.520%
<b>5.5</b>	1.020%	1.870%	2.370%	2.880%	3.390%	3.900%	4.410%	4.920%	5.770%
Score = <b>6.0</b>	1.150%	2.110%	2.680%	3.260%	3.840%	4.410%	4.990%	5.560%	6.520%
<b>6.5</b>	1.280%	2.350%	2.990%	3.640%	4.280%	4.920%	5.560%	6.200%	7.270%
Score = <b>7.0</b>	1.500%	2.760%	3.510%	4.260%	5.020%	5.770%	6.520%	7.270%	8.530%