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STATE OF FLORIDA

# Office of the Governor

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MEMO# 23-043

## MEMORANDUM

**To:** The Agency Addressed

**From:** Chris Spencer, Director *CMS*  
Office of Policy and Budget

**Subject:** Agency Discretionary Pay Implementation for Fiscal Year 2023-2024

**Date:** June 26, 2023

Section 8(2)(a) of the Fiscal Year 2023-2024 General Appropriations Act (GAA) provides funding for agencies to grant special pay adjustments to address pay plan compression, recruitment, and retention issues for eligible state employees, including cohorts of employees, effective October 1, 2023.

Agencies are required to submit a plan for implementation of the special pay adjustments by August 1, 2023, to the Governor's Office of Policy and Budget, the chair of the Senate Committee on Appropriations and the chair of the House of Representatives Appropriations Committee. The special pay adjustments are to be added after the five percent statewide pay increase authorized in section 8(1)(b) is applied. Subsection 8(2)(a)3, lists the total appropriation authorized, including benefits, for each agency's special pay adjustment. The following provides further guidance to assist agencies in identifying and calculating the special pay adjustments:

1. All agencies should have implemented the \$15 minimum wage increase, in accordance with the Fiscal Year 2022-2023 GAA, Chapter 2022-156, Laws of Florida. The Fiscal Year 2023-2024 GAA, includes a 5% statewide salary increase, effective July 1; therefore, salary adjustments for any Full Time Equivalent (FTE) position, filled or vacant, should be calculated off a minimum base rate of pay of \$32,760 or greater. If a specific class of positions received a new minimum base rate of pay in the 2022-2023 and/or 2023-2024 GAA, the special pay adjustment should not be applied to base rates below that new minimum base rate of pay. These specific classes of positions include firefighters, law enforcement and correctional officers, institutional security specialists, juvenile detention and probation officers, and other agency specific actions identified in the 2022-2023 and 2023-2024 GAA.
  - When determining eligible employees or cohorts of employees, agencies should prioritize the positions identified by the agency as hard-to-fill and retain. The plan must include the criteria and methodology used for selecting classes or cohorts of employees, such as turnover rates or comparison to other similar classes (example attached). In the development of the Fiscal Year 2023-2024 Budget Recommendations by the Governor, several examples of hard-to-fill and retain positions included information technology, attorneys and paralegals, nursing staff, budget and finance professionals, and auditors. However, each agency is responsible for independently identifying eligible positions and specific classes of positions that are hard-to-fill and retain based on the individual challenges of the agency.

2. No requests should be made for adjustments to Other Personal Services (OPS) positions.
3. In addition, the attached template to accompany the plan must include the following:
  - position number, pay plan, pay grade, broadband, class code and class title for each position receiving a pay adjustment;
  - the appropriate budget details;
  - total annualized budget for each position and in total that ties back to the total appropriation in Section 8(2)(a)3;
  - lapsed (9 months) budget for each position and in total.
  - associated salary rate for each position and in total *Reminder that salary rate is always an annual amount.*
  - benefits calculation for each position which should be based on FICA at 7.65% (Social Security rate - 6.2% and Medicare rate - 1.45%) and the new retirement rates for Fiscal Year 2023-2024. The attached template includes the new retirement rates for Fiscal Year 2023-2024.
4. This special pay distribution will not be included in the agencies' Fiscal Year 2024-2025 base budget. Therefore, agencies will need to create a unique 160XXX issue in column A18 as will be directed in Executive Office Governor Memorandum that will be distributed at a later date.

For any questions, please contact the Office of Policy and Budget (OPB) analyst assigned to your agency.

CMS/kst

cc: House Appropriations Committee  
Senate Committee on Appropriations