

MEMORANDUM

REVISION 27 SERIES D

TO: Holders of Career Service Rule Books

FROM: Career Service Board

DATE: May 31, 2017

SUBJECT: Revision of Career Service Rules 7 and 9

The OHR Classification and Compensation Division proposed and the City Council approved abolishing the short-range pay schedule and including all of the classifications in that pay schedule in the community rate pay schedule. As a result, several changes to the Career Service Rules were required. The following changes and revisions to Rules 7 and 9 were approved by the Career Service Board on May 18, 2017:

Included are new rule pages to replace outdated information along with insertion instructions for Career Service Rule Books.

	<u>Page Number</u>	<u>Issuance Dates</u>
<u>Remove:</u>	7-6 through 7-8 9-3 9-8 9-9	September 25, 2015 November 7, 2016 July 31, 2015 January 7, 2013

	<u>Page Number</u>	<u>Issuance Dates</u>
<u>Replace with:</u>	7-6 through 7-8 9-3 9-8 9-9	May 31, 2017

PLEASE INSERT IN YOUR RULE BOOK AS SOON AS POSSIBLE. THANK YOU.

- B. If a position is to be re-allocated as a result of an audit or maintenance study without requiring changes to the classification and pay plan, the effective date shall be the beginning of the first work week following the classification decision by the OHR.
- C. If a position is to be re-allocated under the progressive classification series program, the effective date shall be the beginning of the first work week following the date of the appointing authority's signature on the Progressive Classification Series Re-allocation Form.

Section 7-40 Requests for Administrative Review

An appointing authority may ask the OHR Executive Director for an administrative review of a classification decision within ten (10) calendar days of the date of notice of the audit or maintenance study results. The OHR Executive Director or designee shall review the decision and provide a written response to the appointing authority.

Section 7-50 Compensation Policy

The policy of the City and County of Denver is to provide generally prevailing compensation to City employees as provided by the City Charter and the Denver Revised Municipal Code ("DRMC"). This compensation policy is designed to attract, retain and motivate employees in order to support and reinforce the City's vision, values, and strategic business goals. To implement this compensation policy the Office of Human Resources ("OHR") will:

- A. Perform market surveys to ensure the City's external market competitiveness;
- B. Provide like pay for like work within classifications; and
- C. Utilize pay for performance plans.

Section 7-60 Establishing and Maintaining Pay Schedules (Revised May 31, 2017; Rule Revision Memo 27D)

- A. The OHR shall establish the following pay schedules in order to facilitate the City's compensation policy:
 - 1. Non-exempt salary schedules: applicable to those classifications not exempt from overtime pursuant to the provisions of the Fair Labor Standards Act (FLSA);
 - 2. Community rate schedule: applicable to certain classifications comprised solely of on-call positions used on a seasonal basis or in the sports and entertainment field which do not have traditional year-round or seasonal schedules. These classifications are non-exempt under the FLSA;
 - 3. Training and intern schedule: applicable to trainee or intern classifications. These are single rate classifications that do not have ranges; and
 - 4. Exempt salary schedules: applicable to those classifications exempted from overtime under the FLSA.

- B. Each occupational group shall have one or more of these pay schedules assigned to it as appropriate.
- C. Classifications shall be assigned to a pay grade within the appropriate pay schedule.

Section 7-70 Pay and Benefit Survey Process

7-71 Establishing Pay for Classifications

- A. The pay for a classification shall be set at generally prevailing rates of pay for comparable jobs using the market survey process described below.
- B. The OHR shall perform an annual market analysis to determine what pay survey adjustments, if any, should be recommended for occupational groups and/or classifications covered by the classification and pay plan (as defined in this Rule 7).
- C. If market survey data are inadequate or inappropriate for a statistical analysis, pay for a classification will be determined based on internal relationship comparisons to other City and County of Denver classifications according to practices established by the OHR (see Appendix).

7-72 Market Surveys

In order to provide generally prevailing compensation to employees, the OHR shall use market surveys which include a sample of public and private sector employers and jobs throughout the local market or other appropriate geographical areas.

- A. Benchmark classifications shall be identified in each occupational group. Market data shall be used to analyze these classifications in order to determine what pay survey adjustments, if any, should be recommended.
- B. The local market shall be defined as the “Denver Metropolitan Area” which includes Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties.
- C. The use of other geographical area data will be determined on a case-by-case basis for a classification. When other geographic areas are selected to be used in a survey, several factors are considered such as, but not limited to, the market where such jobs are recruited for, comparable organizations, populations and cost of living factors.
- D. Whenever salary and related information is furnished to the OHR on the condition that such material remains confidential, the individual pay data in such surveys shall not be disclosed.
- E. The OHR shall establish written criteria for selecting surveys, which must be published and followed. Before changing the criteria for selecting surveys, the OHR must inform the Board at a public meeting (see Appendix).

7-73 Implementation of Pay Survey Recommendations

- A. In accordance with Rule 2, the Career Service Board (“Board”) shall hold a public hearing to determine whether to accept, reject, or modify the pay survey recommendations.
- B. The Board provides their recommendations to the Mayor and City Council as required by ordinance.
- C. City Council and the Mayor may accept, reject, or modify the recommendations.
- D. The OHR shall implement the pay survey adjustments as approved by City Council and the Mayor and as provided in the DRMC.

7-74 Employee Benefits

- A. Upon request of the Mayor, City Council, or the Board, the OHR Executive Director shall survey and recommend changes to employee benefits as necessary to attract and retain a qualified and competent workforce and to maintain the City’s policy to provide generally prevailing compensation to employees.
- B. The Board shall conduct at least one public hearing on any proposed changes to employee benefits prior to the OHR Executive Director making any recommendations to the Mayor and City Council.

Section 9-20 Pay When First Employed

(Revised December 21, 2012; Rule Revision Memo 66C)

- A. An appointing authority may set pay for a new employee higher than the range minimum (but not to exceed the range maximum of the applicable pay range) if necessary to obtain the services of an unusually well-qualified person.
- B. The appointing authority may decide to appoint an employee at a pay rate higher than the range minimum if the appointing authority determines that one or more of the pay factors defined in this Rule 9 justify such a starting salary. In any event, qualifications of the new employee should exceed the minimum qualifications stated in the classification specification, and internal equity shall be considered.

Section 9-30 Changes in Classification and Pay

(Revised October 17, 2010; Rule Revision Memo 47C)

- A. A change in an employee's classification may occur through promotion, transfer, demotion, re-allocation, or promotional re-instatement. (Revised November 18, 2015; Rule Revision Memo 15D)
- B. Retroactive pay changes shall not extend into the prior fiscal year, unless approved by the OHR Executive Director or designee. (Revised November 7, 2016; Rule Revision Memo 22D)

9-31 Promotion and re-promotion

- A. Upon promotion an employee's pay shall be increased by at least eight percent (8.0%). In no event shall the pay upon promotion be lower than the range minimum or exceed the range maximum of the pay range of the new classification. (Revised July 31, 2015; Rule Revision Memo 12D)
- B. The appointing authority may increase an employee's pay by more than ten percent (10%) upon promotion if the appointing authority determines that one or more of the pay factors defined in this Rule 9 justify such an increase. (Revised July 31, 2015; Rule Revision Memo 12D)
- C. Within the community rate pay schedule the employee's pay shall be increased by five percent (5%), but not to exceed the range maximum of the pay range of the new classification. (Revised May 31, 2017; Rule Revision Memo 27D)
- D. Demotion and subsequent re-promotion:
 - 1. If an employee demotes without a loss in pay, that employee is not eligible for an increase in pay upon re-promotion if such re-promotion occurs within twelve months following the date of the demotion.
 - 2. In all other circumstances, an employee being re-promoted will have their pay set under the provisions of paragraph 9-31 A.

Section 9-40 On-Call Employees

(Revised July 31, 2015; Rule Revision Memo 12D)

On-Call employees are not eligible for merit increases and merit payments. However, an appointing authority may grant on-call employees who have served a minimum of three hundred (300) hours in the current calendar year a pay increase not to exceed the average percentage merit increase established by the annual appropriation ordinance and Rule 13 **PAY FOR PERFORMANCE**. The pay increase permitted under this rule shall not exceed the range maximum of the applicable range and shall not be granted more than once in a calendar year.

Section 9-50 Pay Differentials and Pay Practices

(Re-numbered December 21, 2012; Rule Revision Memo 66C)

9-51 Shift Differential

(Revised September 14, 2008; Rule Revision Memo 31C)

A. Employee eligibility:

1. Employees in classifications in non-exempt pay schedules are eligible for shift differential, unless the employee is eligible for the health care differential as provided in this Rule 9 **PAY ADMINISTRATION**.
2. Employees in classifications in exempt pay schedules are not eligible for shift differential, unless the employee is in a classification:
 - a. In which the Board has approved overtime based on community practice (unless also eligible for the health care differential as provided in this Rule 9 **PAY ADMINISTRATION**); or
 - b. Which is a first-line supervisory classification in which the employee's primary duties include the direct supervision of employees who have no subordinate supervisors and are receiving shift differential for the time the employee is supervising them.
3. Employees in classifications in community rate pay schedules are not eligible for shift differential. (Revised May 31, 2017; Rule Revision Memo 27D)
4. The OHR Executive Director, upon the request of an appointing authority, may allow a department or agency to exclude otherwise eligible employees from receiving shift differential based on community practice. Requests based on other reasons require submission by the OHR Executive Director and approval by the Board.

- B. The following rates shall be paid for shift differential:
1. Night rate: Twelve percent (12%) of the current hourly rate of pay.
 2. Evening rate: Seven percent (7%) of the current hourly rate of pay.
- C. Shift differential shall be paid for all hours worked by an eligible employee in a work day under the following conditions:
1. If at least half of the hours worked occur between 11 p.m. and 7 a.m. the employee shall receive the night rate.
 2. If at least half of the hours worked occur between 3 p.m. and 11 p.m. the employee shall receive the evening rate, unless the other half of the hours worked occur between 11 p.m. and 7 a.m., in which case the employee will receive the night rate.
 3. If neither subparagraphs 1 or 2 are applicable, but at least half of the hours worked occur between 3 p.m. and 7 a.m., the employee shall receive the applicable rate for the period in which a majority of the hours occur. If these hours are evenly divided between 3 p.m. and 11 p.m. and 11 p.m. and 7 a.m., the employee shall receive the night rate.
- D. Shift differential shall not be paid during any period of paid or unpaid leave.

9-52 Equipment Differential

- A. Eligibility:
1. Equipment differential shall be paid to employees who are temporarily assigned to operate equipment, which is at a higher level classification than the employee's current classification, and who are not receiving additional pay for a work assignment outside of job classification.
 2. Employees in on-call positions including classifications in community rate pay schedules shall be entitled to equipment differential. (Revised May 31, 2017; Rule Revision Memo 27D)
- B. Equipment differential shall be paid under the following conditions:
1. The equipment being operated is on the Board's approved equipment list for payment of equipment differential.
 2. Assignment in the higher level classification must last for less than thirty (30) days. If all authorized limited positions for a term of nine (9) months or less are filled, the thirty-(30) day limit is waived.