

**RULE 8  
COMPENSATION**

(Effective January 1, 2006; Rule Revision Memo 2C;  
Revised effective July 1, 2009; Rule Revision Memo 38C)

Section 8-10 Definitions

- A. Benchmark classification: A classification that is representative of several classifications within an occupational group for which external pay data can be readily collected.
- B. Classification: One or more positions so nearly alike in the essential character of their duties and responsibilities that the same pay grade, title and specification can be applied, and such that they can fairly and equitably be treated alike under like conditions for all other personnel purposes.
- C. Market survey: The collection, analysis and reporting of external pay data for a number of benchmark classifications.
- D. Occupational groups: Groupings of classifications that are so similar in the nature of the work performed that the same pay survey adjustments can be applied.
- E. Pay survey adjustment: A pay survey adjustment is a change in the pay structure resulting from a comparison with the pay prevailing in the Denver Metropolitan Area.
- F. Pay grades: Identifying numbers for pay ranges within a pay schedule.
- G. Pay ranges: The range of pay in a pay grade beginning at the entry rate and going to the maximum rate of the pay grade. The pay range is established for a classification by the classification and pay ordinance.
- H. Pay schedules: A pay schedule is a listing of the pay grades, and the corresponding pay steps for each classification in an occupational group.

Section 8-20 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 Career Service Authority ("CSA") 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 8-30 Establishing and Maintaining Pay Schedules

- A. CSA 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 schedules: applicable to classifications 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. Short-range schedules: applicable to certain classifications comprised solely of on-call positions used on a seasonal basis. All classifications in the short range schedule are non-exempt under the FLSA;
  4. Trainee schedules: applicable to classifications included in the Trainee Program. These are single rate classifications that do not have ranges. The FLSA exemption varies according to the type of work performed; and
  5. 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 8-40 Pay and Benefit Survey Process

### 8-41 Establishing Pay for Classifications

- A. The pay for a classification shall be set at generally prevailing rates of pay for comparable jobs in the Denver Metropolitan Area using the market survey process described below.
- B. CSA 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 Rule 7 CLASSIFICATION).
- 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 CSA (see Appendix).

#### 8-42 Market Surveys

In order to provide generally prevailing compensation to employees CSA 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 CSA on the condition that such material remains confidential, the individual pay data by organization in such surveys shall not be disclosed.
- E. CSA shall establish written criteria for selecting surveys, which must be published and followed. Before changing the criteria for selecting surveys, CSA must inform the Board at a public meeting (see Appendix).

#### 8-43 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. CSA shall implement the pay survey adjustments as approved by City Council and the Mayor and as provided in the DRMC.

#### 8-44 Employee Benefits

- A. Upon request of the Mayor, City Council, or the Board, the Career Service Personnel Director (“Personnel 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 Personnel Director making any recommendations to the Mayor and City Council.

**APPENDIX 8.A.**

**CSA PRACTICES FOR DETERMINING INTERNAL RELATIONSHIP COMPARISONS  
BETWEEN CITY AND COUNTY OF DENVER JOB CLASSIFICATIONS  
(REFERRED TO IN RULE 8-41 C.)**

These comparisons will include, but not be limited to items such as the:

1. Duties and responsibilities of the job;
2. Level of decision making;
3. Level of supervision exercised and received;
4. Level of difficulty;
5. Minimum qualifications.

This Appendix is provided for informational purposes and is not considered a part of the Rules.

## **APPENDIX 8.B.**

### **CRITERIA FOR SELECTING MARKET SURVEYS (REFERRED TO IN RULE 8-42 E.)**

The following criteria shall be used to select published surveys:

1. The survey should provide written documentation of the methodology used to select the sample of the organizations surveyed; match the type of work performed; and collect, analyze, and report the data.
2. The methodology outlined should meet professionally accepted compensation standards.
3. The survey should provide written documentation showing that only organizations meeting criteria established in these rules were surveyed.
4. The survey should provide a list of the organizations surveyed.
5. The survey must provide descriptions of work in sufficient detail to ensure comparable jobs are being matched.
6. The survey must provide an effective date for all data reported.
7. The survey should provide rate structure data, actual rates of pay by quartile, median, and/or weighted average; and the number of organizations and rates the results represent.
8. The number of firms surveyed must provide a large enough sample to be considered representative of the generally prevailing wage.

CSA is required to establish written criteria for selecting market surveys by the Career Service Rules. These criteria must be published in the Appendix to this Rule 8 and followed. Before changing this Appendix 8.B., CSA must inform the Board at a public meeting.