



Career Service Board Meeting #2324
Minutes
Thursday, November 16, 2017, 9:00am
Webb Municipal Building
201 W. Colfax Ave, Fourth Floor, Room 4.G.2

Neil Peck (Co-Chair)
Patti Klinge (Co-Chair)
Karen DuWaldt
Patricia Barela Rivera
Tracy Winchester

I. Opening: *Meeting was called to order at 9:07am*

- 1. Approval of the Agenda for the November 16, 2017 Board Meeting.**
The Board unanimously approved the agenda for the November 16, 2017 meeting.
- 2. Approval of the Minutes for the November 2, 2017 Board Meeting.**
The Board unanimously approved the minutes for the November 2, 2017 meeting.

II. Board Comments: *None.*

III. Public Comments: *None.*

IV. Public Hearing:

- 1. Classification Notice No. 1551 – Revise Pay Schedules: State Minimum Wage Increase**

Alena Duran, Classification & Compensation Analyst, introduced Classification Notice No. 1551, amending the Classification and Pay Plan by revising the Community Rate and Training & Intern pay schedules to coincide with the state increase in minimum wage. The proposed change also abolishes certain pay grades and adjusts the pay grade for certain classifications.

The State of Colorado approved an increase of the state's minimum wage for 2018 from \$9.30 per hour to \$10.20 per hour. Subsequent increases will be in \$0.90 per hour increments annually until minimum wage reaches \$12.00 per hour effective January 1, 2020, and then will be adjusted based on a cost of living calculation thereafter. As a result, a review of the City's current pay ranges was done to ensure compliance with the minimum wage increase.

Three pay grades in the Training & Intern Schedule were below the \$10.20. Rates for pay grades A-403, C-402 and J-403 are being adjusted to \$10.20 per hour. Within these pay grades, the following five classes are affected: Mayor's Youth Worker, Cooperation Trainee, Office Occupations Trainee, Custodial Trainee, and Recreation Trainee. Mayor's Youth Worker is the only classification with employees currently in the class.

Pay grades C-600, E-600, E-601, J-600, J-601, L-600, N-600, N-601, V-600, Z-111, and Z-112 will be abolished as the minimum of these pay ranges is below the new minimum wage.

Current classifications tied to Z-111 will move to pay grade Z-113. The Office of Human Resources (“OHR”) is proposing to move Golf Sales Associate from Z-112 to pay grade Z-114 because it should remain higher than the Golf Starter/Ranger and Golf Cart Attendant because the level of duties are more complex.

It is also recommended to move Golf Pro Shop Assistant from C-600 to C-603. This position oversees the Golf Sales Associate and placing it in C-603 will maintain the current percent difference between the classes. Library Aide will move from Z-112 to Z-113, the pay range of which is being increased to reflect the minimum wage increase. Park Seasonal Laborer is also currently tied to this pay grade.

Ms. Duran noted five agencies will be impacted by the increase, with the highest impact to Parks & Recreation. Board Co-Chair Patti Klinge asked if the agencies had budgeted for this change, to which Ms. Duran responded Parks & Recreation did so, however, the budget impact to other agencies would be minimal.

The Career Service Board unanimously approved Classification Notice No.1551.

V. Director’s Briefing:

1. Paid Family Leave Proposal

Karen Niparko noted the City has been working on developing a Paid Family Leave proposal for a year, which was presented to the Policy & Review Committee for formal consideration two weeks ago. Ms. Niparko stated many cities and municipalities have implemented a paid family leave policy as have private sector companies. The proposal will be evaluated by the Committee and the Mayor over the next few weeks and OHR expects to receive feedback by the end of December.

Laurel Delmonico of the Department of Environmental Health, as well as Heather Britton and Tori Solar of OHR, introduced themselves to review the proposal. Ms. Delmonico noted she would provide some background on the issue before reviewing the 2014-2016 Employee Paid Leave Analysis, which informed the current proposal.

Ms. Delmonico stated a paid parental leave proposal was originally presented to the Policy & Review Committee in November 2015 to expand maternity and baby-related care leave, however, the Committee and the Mayor’s Office expressed concern the proposal did not include a provision for eldercare and asked for additional research and recommendations. OHR included expanded paid leave in the Total Rewards Study planned for 2016.

Ms. Delmonico noted the City received a grant in August 2016 from the Department of Labor Women’s Bureau, which partially funded the cost of the Total Rewards Study. The goal of the study was to determine if paid family leave was a prevailing practice and to identify the characteristics of those programs, or if not a prevailing practice, identify prevailing Paid Time Off (“PTO”) accrual practices. The desired outcome was to create a paid family leave policy or increase the PTO accrual for city employees, while analyzing the cost of these options, based on the leave-taking trends of employees and currently prevailing practices.

Ms. Delmonico stated 860 employees took Family Medical Leave Act (“FMLA”) related leave in 2016, with self-injury/illness, being the largest category with 494 employees taking “self” leave. The median employee PTO balance in 2016 was 51 hours (the allowance for FMLA is 480 hours), putting employees in a precarious situation financially if they need to take the approved full time-off period allowable under FMLA.

Board Co-Chair Patti Klinge asked how paid leave would intersect with the current short-term disability policy. Heather Britton responded the current policy allows new mothers only to use short-term disability for up to six weeks (after a two-week waiting period), which pays up to 70% of the employee’s salary. Ms. Klinge asked if employees are permitted to take paid leave for defined short periods if needed to make up the 30% pay which is not covered, to which Ms. Britton responded in the affirmative.

Board Co-Chair Neil Peck asked for a summary of how the current leave policy could put an employee at a disadvantage if they need to take time off under FMLA. Ms. Delmonico used the example of an employee who needs time off to care for a spouse with cancer and has the median amount of PTO available (51 hours) to cover the awarded FMLA leave of 12 weeks at full pay. The question is whether the employee can afford to take unpaid leave under FMLA or will they have to return to work earlier than needed.

Ms. Delmonico and Ms. Britton noted having an expanded paid leave policy would ease the financial burden of taking the necessary time off. Ms. Klinge and Board Member Tracy Winchester commented that while FMLA is intended to protect an employee's position for up to 12 weeks to ensure the employee has a job to return to, the time off is unpaid.

Ms. Delmonico noted caretaking is of special interest to the Department of Labor as the "sandwich generation" is increasingly caring for both aging parents and dependent children. 285 employees took leave in 2016 to care for their parents, 71% of whom were female. Men were most likely to take caregiving leave to care for their spouse. The average caretaking leave length was about nine days. Overall, however, the average length of leave without pay for all categories has increased over the last two years from 26% to 47%.

Ms. Delmonico stated donated leave remains an important source of paid-time off for employees with 1,534 days of donated sick and PTO time used in 2016, of which only 5% of was PTO. Ms. Niparko asked Ms. Delmonico to explain to the Board what donated leave is as Ms. Klinge agreed this is an unusual policy. Ms. Delmonico asked Ms. Britton to provide additional details.

Ms. Britton noted eligible employees have the option to donate either PTO or sick leave (dollar for dollar) to employees who are approved for FMLA and have depleted their PTO bank. Ms. Britton explained the City implemented the Paid Time Off Policy in 2010, which eliminated the separate banks for sick time and vacation time for all new employees hired going forward, replacing them with one bank of accrued PTO. Ms. Klinge commented this is a competitive and common practice as most companies have implemented a similar policy for their employees.

Ms. Britton stated employees hired prior to 2010 continue to accrue sick time up to a maximum of 960 hours, and vacation time up to 336 hours, providing many with an abundance of time in their banks available to donate. However, these employees will eventually be reduced through attrition as they leave or retire from the City and this source of available time will diminish. Ms. Britton concluded by noting having a new Paid Leave Policy is expected to help cover the eventual reduction in available donated time.

Ms. Klinge asked if employees are paid for their accrued sick time bank upon separation of employment from the City. Ms. Britton responded the Rules provide a calculation in which employees are paid for a portion of their accrued sick time upon separation, with a more generous calculation provided upon retirement. Ms. Klinge commented this policy provides employees with some motivation to accumulate time in their bank, to which Ms. Britton responded is a trend seen more in employees preparing to retire.

Ms. Delmonico noted the median sick time balance is 360 hours versus the median PTO balance of 51 hours, which is expected to decline over the next five years through attrition. PTO only employees make up approximately 38% of the City's workforce and this will increase over time.

Ms. Britton noted the City Charter requires the City to offer its employees "generally prevailing wages and benefits". When the issue of paid parental leave was first raised, OHR concluded this was not a prevailing benefit at the time, but agreed to initiate a Total Rewards Study to quantify and evaluate prevailing practices for benefits and compensation. Ms. Britton stated the entire scope of the study was beyond today's presentation, but indicated one area of focus was on paid leave policies.

Ms. Britton stated one question she had was whether PTO was truly prevailing and, if so,

what prevailing practice was for the accrual amount. Mr. Peck asked what the definition is of “prevailing”, to which Ms. Britton responded 51% of the compared companies surveyed. Segal Waters was engaged by the City to conduct the total rewards study and 20 of 29 peer employers responded, however, these responses were limited to government entities whereas our primary competitor for talent is the private sector.

The survey results showed the City is competitive with other public-sector entities in terms of our current paid leave policy. Ms. Britton also noted the study asked if survey respondents had or were implementing a paid family leave policy, to which 6 out of the 20 peer employers stated they offered a benefit. Ms. Britton stated 6 out of 20, however, does not meet the definition of “prevailing”. Since this is a benefit area that is rapidly changing and evolving, Ms. Britton asked our HR Intern, Tori Solar, to conduct our own internal survey of practices, which she asked Ms. Solar to present.

Ms. Solar gave a brief overview of the OHR Benefits Study, noting data was collected from benefits department surveys as well as publicly available information from benefit guides, handbooks, or verified employee reviews available on Glassdoor and Indeed. 60 companies were selected from a list of top employers in Colorado from a variety of industries as well as the 11 next most populous cities in Colorado and nine comparable cities nationwide.

The results showed 82% of the surveyed companies have a PTO policy, rather than separate banks for sick and vacation time, while 75% of the surveyed cities do provide sick and vacation time. In reviewing paid family leave, 63% of the companies surveyed provided paid leave at an average of 37 days for new parents. Approximately 40% provided reduced leave for secondary caregivers (average of 1-2 weeks, rather than 6 weeks), 30% provided equal time off for both parents, and 30% provided no time off for secondary caregivers.

The results for municipalities showed 65% provided some form of paid leave policy either through allowing employees to utilize a defined amount of accrued sick time for family care or pregnancy, or having a separate paid leave policy (about 40% of the cities surveyed). The average amount of paid leave provided was 33 days.

Ms. Solar noted the consolidated survey findings, blending the results of the Segal study, the OHR survey of the private sector, and OHR survey of the public sector, showed 57.9% of all organizations surveyed do provide a form of paid family leave, meeting the definition of prevailing as required by the Charter.

Ms. Winchester asked how the surveyed organizations defined primary versus secondary caregivers. Ms. Solar noted municipalities did not differentiate between the two, however, private sector companies did, defining secondary caregivers as fathers in the case of new baby care, or if specifically designated as such when adopting or providing care to someone else.

Board Member Karen DuWaldt commented that certain states, such as California, required paid family leave by law through an insurance scheme and asked whether the surveyed data included companies subject to these state mandates. Ms. Solar responded the survey data was limited to companies that provide benefits to Colorado-based employees only.

Ms. Delmonico reviewed the potential cost of providing a paid family leave of 35 days (7 weeks), which is the average as noted in the survey data, noting the total cost would be approximately \$3.6 million, with \$2.6 million attributable to the General Fund including unionized employees, who would have to bargain for the new leave policy when contract negotiations open again.

Mr. Peck asked how the estimated hours were determined. Ms. Delmonico stated historical data and projections of employee headcount growth (approximately 4% increase) were used to come up with an estimate. Mr. Peck asked if it would be prudent to increase the estimated hours to have a contingency in case the estimated hours of leave taken ends up being too low. Ms. Delmonico noted the cost would be budgeted as providing additional paid leave would be covered by the loss of vacancy savings from an employee who currently would be on unpaid leave, which can potentially can be spent by agencies on other items.

Ms. Klinge commented there would no longer be a budget savings from an employee being on unpaid leave and this savings would presumably be available to cover the cost of providing paid leave, however, there could potentially higher costs if an agency has to backfill a position or hire a contractor to do the work. Ms. Delmonico agreed and stated the City is not currently tracking whether this is happening and a recommendation would be made to track and analyze when the paid leave policy is implemented.

Ms. Winchester asked whether a policy would be rolled out to managers and supervisors providing what their options would be to backfill positions when an employee takes paid leave. Ms. Delmonico stated this would be incorporated and noting the OHR Leave Team would require an additional FTE to assist with the administration of additional cases and provide education to supervisors and managers on the policy, to which Ms. Niparko agreed would be necessary.

In summary, Ms. Britton noted having a paid family leave policy for the City would assist in recruiting and retaining the best talent in the currently competitive and tight job market in Denver by reducing turnover and providing employees with reassurance they can take care of their loved ones when needed.

The draft proposal would adopt a city-wide policy for family leave (Civil Service/Unionized Employees excluded) up to 35 days, consistent with prevailing practices, covering birth, adoption, and caregiver categories as defined by the FMLA. Ms. Klinge noted the benefit definition was unclear, to which Ms. Britton noted this would need to be tightened if adopted, but the general intent was to mirror the FML definitions and criteria, including one year of service and 1,250 hours worked annually. Ms. Britton stated the leave benefit would be available to be used first, rather than exhausting PTO, for approved absences and it may be used intermittently or continuously as needed.

Mr. Peck asked how the new policy would be used as a recruiting tool, to which Ms. Britton responded she thought it would sell itself and Ms. Niparko commented having a paid leave policy was more common and often on potential employees' checklist of offered benefits when looking for a new job. Ms. Britton also noted the proposal would have to go through a seven to eight-week approval process beginning with the Mayor, then two committees of the City Council, and then a full vote of the Council.

Mr. Peck asked if OHR was seeking a formal endorsement from the Board on the proposal. Ms. Niparko stated she first wanted to make sure the Board was brought up-to-date since it was last discussed a year ago and is now moving forward. Mr. Peck commented he thought it would be appropriate for the Board to be on-record as to whether they endorsed the new policy. Ms. Klinge agreed and asked whether the Board had any further questions on the proposal. Ms. Klinge commented she thought it was a good proposal and she thought the Mayor and the City Council would support it given the research and the survey results.

Mr. Peck asked what other areas OHR had concerns, given the finding the City was coming up short in providing a competitive paid leave policy, in view of the competitive job market in Denver. Ms. Niparko responded OHR can come back and present all the results of the Total Rewards Study, but in general, pay equity issues, the lack of a portable retirement benefit, and a lack of available educational assistance were all areas needing to be addressed.

2. Supervisor Series Training

Patti Rowe, Director of Learning & Development, presented an update on OHR's initiative to educate our supervisors and managers. Ms. Rowe stated OHR has continued to focus training on managers who lead teams, as these individuals have the greatest impact and many employees leave a job due to a poor manager.

Ms. Winchester asked if this training extends to the Sheriff's Department, to which Ms. Rowe replied affirmatively. Ms. Rowe noted the importance of having robust training tools as the higher caliber of talent being successfully recruited by the City expect to see different leadership skills than has been the case in the past. Therefore, to sustain successful

recruiting efforts, it is critical to have training in-place to ensure effective managers.

Board Member Patricia Barela Rivera asked where most of the new managers are coming from? Is it the private sector? Ms. Rowe responded it depends on the agency, but she does not have the data to answer the question and could research to find out. Ms. Rowe stated for some agencies, such as Public Works, she knew the majority were internal candidates. Ms. Niparko commented most supervisor positions were filled internally, while most manager and higher positions were filled externally, noting there were less supervisor roles than in the past as many of these were reclassified as manager positions.

Ms. Rowe stated the first pilot program was held in June with 45 randomly selected managers from a selection of city agencies with a contracted facilitator and included an assessment. The second pilot program was just completed and the assessment data was currently being reviewed, with the goal of launching the program in 2018 with the majority of the 585 managers having gone through training by mid-2019. Going forward, the plan would be to have three training offerings annually, given turnover, and to include executive leaders to further the concept of leaders as organizational teachers.

Ms. Rowe noted the first pilot program in June was an intensive four-day program and included a robust evaluation process. Ms. Rowe the evaluation and assessment process would help prepare the organization for eventually introducing 360 reviews down the road.

Ms. Barela Rivera asked what assessment tool is being used, which Ms. Rowe noted is called the OPQ, and is provided by the same vendor, CEB, who designs pre-employment assessment testing, and is competency-based. The same type of competencies measured during pre-employment testing are being used to assess skills in the training process.

Ms. Rowe stated the initial assessment data from June was evaluated in August and September and the second pilot program was completed on November 14th. Once the assessment data review is completed, the supervisor series training will be formally launched in January 2018. Ms. Rowe noted turnover would be the key measurement of success.

Ms. Winchester asked if the training was going to be provided via live session with hard-copy materials or online with digital material or audio cassette as takeaways. Ms. Rowe stated a digital tool-kit would be provided, noting the actual materials are still in the pilot phase and could change in the future, but the intent was to provide consistent digital updates of information so the learning process is continuous.

Ms. Barela Rivera asked how follow-up training would be provided, stating for example, if someone needed additional help with managing conflict, how those resources would be provided. Ms. Rowe responded the idea was to have leaders as coaches and to provide resources to managers to help them through these issues. Ms. Rowe also stated CityU would provide interactive resources for managers to utilize as needed.

Ms. Barela Rivera also asked whether training on team-building was included in the intended program, to which Ms. Rowe indicated that was not being addressed in these sessions, but would be included manager series training.

Ms. Rowe explained the training is level-based and begins with Emerging Leaders, moving on to New Leader Onboarding, then Supervisor Series Training, and Manager Series Training (which will be developed in 2018, with planned implementation for 2019). Ms. Rowe also stated it was recently proposed to the Mayor to create a Leadership Forum with Executive Series Training to provide additional training at the top level and increase engagement.

Ms. Barela Rivera asked whether there is additional focus being added to sexual harassment training, given the amount of attention this subject has been given in the news recently. Ms. Rowe stated this was discussed and noted this training is provided in the New Leader Onboarding and would be updated as necessary. Ms. Barela Rivera commented it was important to remind all managers of the issue and ensure awareness.

VI. Pending Cases:

1. Krishna Colquitt v. Department of Human Services, Appeal No. 34-15A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
2. Ryan Bosveld v. Department of Safety, Denver Sheriff Department, Appeal No. 53-16A
The Career Service Board reversed the Hearing Officer's decision and remanded the case back to the Hearing Office for reconsideration of the penalty.
3. Jose Santistevan, Jr. v. Denver Parks and Recreation, Appeal No. 75-16A
The Career Service Board reversed the Hearing Officer's decision and re-imposed the penalty, written order to follow.
4. Silver Gutierrez & Denver Sheriff Department, Appeal No. 65-11A
The Career Service Board denied the Respondent's Motion to Dismiss and reaffirmed the Hearing Officer's decision, written order to follow.
5. Michelle Lee Tenorio & Ramon Delgado, Office of Economic Development, Appeal No. 34-16A and 36-16A
The Career Service Board affirmed the Hearing Officer's decision in Appeal No 34-16A, written order to follow. The Career Service Board vacated the Hearing Officer's decision in Appeal 36-16A, remanding the case back to the Hearing Office, written order to follow.
6. Jerilyn Schofield. vs. Denver District Attorney's Office, Appeal No. 08-17A
The Career Service Board denied the Petitioner-Agency's Motion for a Stay of the Hearing Officer's decision.
7. Thao Nguyen vs. Denver Sheriff's Department, Appeal No. 19-17
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
8. Suezann Bohner vs. Denver Public Works, Appeal No. 13-17A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
9. Jeremy Simons vs. Denver Sheriff's Department, Appeal No. 71-16A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
10. Darrin Turner vs. Denver Sheriff's Department, Appeal No. 01-17
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.

VII. Executive Session:

The Board went into executive session at 10:35am.

The following case was discussed:

1. Bridget Andrews vs. Denver Sheriff's Department, Appeal No. 16-17A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.

The Board re-convened the meeting at 10:56am.

VIII. Adjournment: *Adjournment was at 10:57am.*