PLEASE POST ON ALL BULLETIN BOARDS AS SOON AS POSSIBLE

Public Hearing Notice - No. 390

A Career Service Board Public Hearing has been scheduled regarding the **Proposed Revision of Career Service Rule 8 COMPENSATION**.

The scheduled time for the public hearing is **THURSDAY, JUNE 18, 2009, at 5:45 P.M., in the CSA Board Room, 4.F.6., Webb Municipal Building, 201 West Colfax Avenue.**

If anyone wishes to be heard by the Board on this item, please contact Leon Duran at 720-913-5168 no later than 12:00 Noon on **MONDAY, JUNE 15, 2009.**

If anyone wishes to submit written comments, please submit them

**IN PERSON NO LATER THAN 12:00 NOON ON MONDAY, JUNE 15, 2009, TO:**

Dani Brown  
Director of Organizational Development  
Career Service Authority  
201 West Colfax, 4th Floor  
Denver, Colorado

**BY MAIL TO BE RECEIVED NO LATER THAN NOON ON MONDAY, JUNE 15, 2009, ADDRESSED TO:**

Dani Brown  
Director of Organizational Development  
Career Service Authority  
201 West Colfax, Department 412  
Denver, Colorado 80202

**BY FAX, TO BE RECEIVED NO LATER THAN NOON ON MONDAY, JUNE 15, 2009 TO:**  (720-913-5720)

**OR BY E-MAIL TO BE RECEIVED NO LATER THAN NOON ON MONDAY, JUNE 15, 2009 TO:**  Dani.Brown@denvergov.org
RULE PROPOSAL 398B

TO: Appointing Authorities, Managers, and Employees

FROM: Jeff Dolan, CSA Director

DATE: June 4, 2009

SUBJECT: Proposed Revision of Career Service Rule 8 COMPENSATION

THIS PROPOSED REVISION TO THE CAREER SERVICE RULES IS BEING POSTED FOR PUBLIC COMMENT AND HEARING TO BE HELD ON

THURSDAY, JUNE 18, 2009, at 5:45 P.M.

Denver’s City Council recently amended chapter 18 of the Denver Revised Municipal Code to incorporate pay bumps as part of the pay survey adjustments allowed by ordinance. The new ordinance also provides that pay bumps shall take effect no later than January 1 in the year following the year in which the pay survey recommendation is made.

Rather than change the current Career Service Rule 8-43, which provides a different effective date for pay bumps, the attached rule change proposal removes this provision from the rules so that the Denver Revised Municipal Code is the only place that details how pay survey adjustments may be made.

In addition to deleting Career Service Rule 8-43, this proposal makes some organizational changes to Rule 8 so that it is easier to read and better reflects how CSA surveys pay and recommends pay adjustments. The attached draft of the proposed rule revision details more specifically how the rule was re-organized. A clean version of the rule revision is attached to the end of this document.
RULE 8
COMPENSATION
(Effective January 1, 2006; Rule Revision Memo 2C)

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
(Revised effective December 21, 2006; Rules Revision Memo 14C)

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 8-40 30** Establishing and Maintaining Pay Schedules

A. Pay ranges shall be established for each classification and assigned to a pay grade within a pay schedule.  

B. The pay schedules shall be assigned to occupational groups. 

C. Pay schedules are reviewed on an annual basis by collecting and analyzing market data within the occupational groups during the market pay survey process. 

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**8-42 Pay Schedules to Establish Pay**

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 8-30 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 in Rule 8-31 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). [MODIFIED AND MOVED FROM CSR 8-30 A]

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).

8-31 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. [MODIFIED AND MOVED FROM CSR 8-43 A]

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).
Section 8-30 43 Implementation of Pay Survey Recommendations Process

A. CSA annually performs a 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) (Revised effective May 3, 2006; Rules Revision Memo 8C) [MODIFIED AND MOVED TO 8-41 B]

B. 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.

C. B. The Board provides their recommendations to the Mayor and City Council as required by ordinance.

D. C. City Council and the Mayor may accept, reject, or modify the recommendations.

E. D. CSA shall implement the pay survey adjustments as approved by City Council and the Mayor and as provided in the DRMC.

Section 8-50 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.
8-43 Pay Maintenance

All classifications shall be organized into occupational groups. [DELETED – ALREADY STATED IN CSR 8-30]

A. Within each occupational group are benchmark classifications which are analyzed to determine what pay survey adjustments, if any, should be recommended. [MODIFIED AND MOVED TO CSR 8-42 A]

B. Pay adjustments:
   (Revised effective December 21, 2006; Rules Revision Memo 14C)

1. When a classification is changed to a different occupational group, pay grade, and/or pay range as the result of a re-allocation as described in Rule 7 CLASSIFICATION, the pay for employees in that classification shall be set at the step in the new pay range that is closest to the employees’ current rate of pay without a loss in their current pay. In no event shall an employee receive less than the entry rate of the new pay range. [MOVED TO CSR 9-35 C]

2. a. When a classification is changed to a higher pay grade as a result of a pay survey adjustment as defined in this Rule 8, the pay for employees in that classification shall be increased by 4.55% per pay grade increase. In no event shall an employee receive less than the entry rate of the new pay range. [DELETED – NOW COVERED BY ORDINANCE]

   b. The effective date of any such changes occurring after the implementation of the annual pay survey adjustment shall be the beginning of the first work week following approval by the Board. [DELETED – NOW COVERED BY ORDINANCE]

C. Pay survey adjustments shall be applied to the occupational groups as established in the Denver Revised Municipal Code. [DELETED – ALREADY STATED IN CSR 8-41 B]
APPENDIX 8.B. A.

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

Rule 8, posting for Public Hearing, scheduled for June 18, 2009
APPENDIX 8.A-B

CRITERIA FOR SELECTING MARKET SURVEYS
(REFERRED TO IN RULE 8-31 D 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 be 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.A-B, CSA must inform the Board at a public meeting.

Rule 8, posting for Public Hearing, scheduled for June 18, 2009
9-35 Re-allocation

A. When a position is re-allocated to another classification, the incumbent’s pay shall be set at a step that is closest to that employee’s existing rate of pay without losing pay. If the employee’s pay is higher than the last step of the pay range of the new classification, the employee’s pay shall remain at the employee’s existing rate of pay until such time that either:

1. The employee changes positions; or

2. The pay range of the new classification catches up to the employee’s rate of pay when the pay range is adjusted.

In no event shall the employee receive less than the entry rate of the pay range of the new classification.

B. When an employee meets the requirements to progress to a higher classification in a current delegated progressive classification series and the Personnel Director approves the progression to the higher classification, the employee’s pay shall be set at a step that reflects a two and one quarter percent (2.25%) increase in pay. In no event shall the employee receive less than the entry rate of the pay grade of the new class.

C. When a classification is changed to a different occupational group, pay grade, and/or pay range as the result of a re-allocation as described in Rule 7 CLASSIFICATION, the pay for employees in that classification shall be set at the step in the new pay range that is closest to the employees’ current rate of pay without a loss in their current pay. In no event shall an employee receive less than the entry rate of the new pay range. [MOVED FROM CSR 8-43 B.1]
RULE 8
COMPENSATION
(Effective January 1, 2006; Rule Revision Memo 2C)

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.

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(Revised effective December 21, 2006; Rules Revision Memo 14C)

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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.

Rule 8, posting for Public Hearing, scheduled for June 18, 2009
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 be 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.

Rule 8, posting for Public Hearing, scheduled for June 18, 2009
9-35 Re-allocation

A. When a position is re-allocated to another classification, the incumbent’s pay shall be set at a step that is closest to that employee’s existing rate of pay without losing pay. If the employee’s pay is higher than the last step of the pay range of the new classification, the employee’s pay shall remain at the employee’s existing rate of pay until such time that either:

2. The employee changes positions; or

2. The pay range of the new classification catches up to the employee’s rate of pay when the pay range is adjusted.

In no event shall the employee receive less than the entry rate of the pay range of the new classification.

B. When an employee meets the requirements to progress to a higher classification in a current delegated progressive classification series and the Personnel Director approves the progression to the higher classification, the employee’s pay shall be set at a step that reflects a two and one quarter percent (2.25%) increase in pay. In no event shall the employee receive less than the entry rate of the pay grade of the new class.

C. When a classification is changed to a different occupational group, pay grade, and/or pay range as the result of a re-allocation as described in Rule 7 CLASSIFICATION, the pay for employees in that classification shall be set at the step in the new pay range that is closest to the employees’ current rate of pay without a loss in their current pay. In no event shall an employee receive less than the entry rate of the new pay range.