

Career Service Rule Section 2-20 B. - Adoption, Amendment or Repeal of Career Service Rules ("Rules"). When the Board or the OHR Executive Director determines that a change in the Rules is necessary or desirable, the procedure shall be as follows: ... 2) The proposed rule change shall be posted on the same bulletin boards as the local, state, and federal-mandated posters, as well as the Career Service Board's internet page, and made available to appointing authorities, employees, and the general public for comments and suggestions. A short summary of the proposed rule change and the reason(s) for the proposed change shall be posted with the proposed rule change... 4) A public hearing on the proposed rule change shall be held by the Board.

**PLEASE POST ON ALL BULLETIN BOARDS AS SOON
AS POSSIBLE**

Public Hearing Notice - No. 612

A Career Service Board Public Hearing has been scheduled regarding proposed provisional revisions to Career Service Rule 13 **PAY FOR PERFORMANCE**.

The scheduled time for the public hearing is **THURSDAY, OCTOBER 17, 2019 at 9:00 A.M.**, in the **Hearing Office, First Floor**, Webb Municipal Building, 201 West Colfax Avenue.

If anyone wishes to submit written comments or talk to OHR staff regarding this notice, please contact:

Lauren Locklear
HR Compliance Officer
Office of Human Resources
201 West Colfax, 4th Floor
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Denver, Colorado 80202
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Comments regarding this notice should be submitted no later than **12:00 P.M. on MONDAY, OCTOBER 14, 2019**.

If anyone wishes to address the Board regarding this notice please contact George Branchaud at (720) 913-5650 or at george.branchaud@denvergov.org no later than **12:00 P.M. on MONDAY, October 14, 2019** to get on the agenda. You are encouraged to submit written comments regarding the subject matter of your testimony at this time so that the Board has time to adequately consider your input.

**PLEASE POST ON ALL BULLETIN BOARDS
AS SOON AS POSSIBLE**

RULE PROPOSAL 485B

TO: Appointing Authorities, Managers, and Employees
FROM: Karen Niparko, OHR Executive Director
DATE: October 3, 2019
SUBJECT: Proposed revisions of Career Service Rule 13 PAY FOR PERFORMANCE

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

THURSDAY, October 17, 2019, at 9:00 A.M.
Webb Municipal Building Hearing Office, First Floor

Every year the Office of Human Resources (“OHR”) revises the merit table and performance review schedule in Career Service Rule 13 PAY FOR PERFORMANCE to reflect the amount allocated by the City Council for merit increases and to adjust performance review deadlines. OHR is seeking provisional approval of Rule 13, to be confirmed upon final approval by the City Council of the merit increase allocation. Here is a summary of the proposed rule change:

Rule 13 Pay for Performance			
CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
Individuals who receive a “2” rating are rated at “Below Expectations” and meet many, but not all established goals and job requirements. Outcomes are generally less than expected, with improvement required in one or more specific area affecting their performance or behavior.	Individuals who receive a “2” rating are rated at “Development Needed” and meet some, but not all established goals and job requirements. Outcomes are less than expected, with improvement required in one or more specific area(s) affecting their performance or behavior. The employee may not have spent enough time in the position to demonstrate proficiency in meeting established goals.	13-31 A.	“Development Needed” is a more accurate reflection of individuals who receive a “2” rating; Allowing a merit opportunity for individuals rated a “2” gives managers the ability to reward employees for meeting some goals and the ability to reward newly promoted or hired employees who haven’t demonstrated proficiency yet

Rule 13 Pay for Performance			
CURRENT RULE	REVISED RULE	RULE NUMBER	REVISION INTENTION & IMPACT
The proposed percent increase for all eligible employees shall average 3.3% for merit increases and merit payments delivered in 2019.	The proposed percent increase for all eligible employees shall average 3.0% for merit increases and merit payments delivered in 2020.	13-32 B.	Merit increase is adjusted from 3.3% to a proposed 3.0% and year adjusted from 2019 to 2020.
Outdated Merit Table	New Merit Table	13-32 C. 1 Appendix 13.A	Revises the merit table for 2020 to reflect a proposed average 3.0% merit increase and allows employees with a "Development Needed" rating to receive a merit increase. Updates the appendix of the Pay for Performance rule to reflect the 2019 processing deadlines.

DELETIONS ARE INDICATED BY strike through AND ADDITIONS ARE INDICATED BY bold, italics, and underline.

Section 13-30 Performance Review Process

13-31 Performance Ratings

- A. An eligible employee’s overall performance shall be evaluated in an employee’s review as one of the following:

Rating	Rating Name	Definition
5	Exceptional	Consistently delivers outcomes rarely achieved by others. Always exceeds standards. This rating is a special commendation for the employee who offers truly outstanding overall performance.
4	Exceeds Expectations	Consistently exceeds expected job requirements and frequently surpasses established goals. Delivers outcomes that are superior the majority of the time. This rating recognizes overall performance that consistently exceeds standards.
3	Successful	Consistently achieves expected job requirements and established goals. Employee is a solid contributor to the success of the department and the City and County of Denver by completing expected outcomes.
2	Below Expectations <u>Development Needed</u>	Meets many, but not all established goals and job requirements. Outcomes are generally less than expected, with improvement required in one or more specific area affecting their performance or behavior. <u>Meets some, but not all established goals and job requirements. Outcomes are less than expected, with improvement required in one or more specific area(s) affecting their performance or behavior. Additionally, the employee may not have spent enough time in the position to demonstrate proficiency in order to meet established goals.</u>
1	Unacceptable	Work does not meet job expectations in most, if not all, areas. This is considered a rating where significant improvements are immediately required in overall performance.

- B. “Unacceptable” Rating Procedure:

1. If an eligible employee’s annual performance evaluation rating is expected to be “Unacceptable,” the department or agency shall advise the employee of the expected rating a reasonable time in advance, but not less than seven (7) calendar days prior to the date of the meeting scheduled to discuss the employee’s performance review, and shall allow representation at this meeting in accordance with the provisions of Rule 16 **CODE OF CONDUCT AND DISCIPLINE.**

2. The employee shall be provided with a PIP no later than ten (10) calendar days after the date of the meeting regarding the employee’s “Unacceptable” rating.

13-32 Merit Increases and Merit Payments
(Revised October 20, 2017; Rule Revision Memo 31D)

- A. The funding for merit increases and merit payments is provided in the annual appropriation ordinance. The pay increase associated with a particular performance rating shall be reviewed annually and adjusted as necessary to reflect prevailing practices in the community. The award of merit increases and merit payments is contingent upon this annual appropriation being approved by City Council and the Mayor. In case of a conflict between ordinance and these rules, the ordinance will prevail.
- B.
 1. Departments and agencies are responsible for determining the percentage increase associated with each employee rating. The percent increase for all eligible employees shall average ~~3.03~~ 3.03 for merit increases and merit payments delivered in ~~2019~~ 2020. (~~Revised October 20, 2017; Rule Revision Memo 31D~~)
 2. When there is a change to an employee’s pay rate on the same effective date as the merit increase, the merit increase will be applied before any other pay rate change(s).
- C. Merit Table:
 1. Eligibility for merit increases and merit payments is based on an eligible employee’s overall annual performance rating as measured by a performance review.

<u>20189</u> Performance Rating	<u>201920</u> Merit Increase Percent	<u>201920</u> Lump Sum Merit Payment Percent
5: Exceptional	2.20% - 5.00 %	1.30% - 3.50%
4: Exceeds Expectations		
3: Successful		
2: Below Expectations <u>Development Needed</u>	0% - <u>2.00 %</u>	0%
1: Unacceptable	0%	

2. An eligible employee whose current pay rate is within the pay range of the pay grade assigned to the employee's job classification shall receive a merit increase in accordance with the above table.
 3. An eligible employee whose current pay rate is at or above the pay range maximum of the pay grade assigned to the employee's job classification shall receive a lump sum merit payment in accordance with the above table.
 4. No eligible employee shall receive a merit increase that exceeds the range maximum of the pay grade assigned to the employee's job classification. If the application of this sub-paragraph results in an employee receiving a merit increase that is less than the percentage increase awarded to the employee, the employee shall receive the difference between the merit increase awarded and the merit increase received in the form of an additional merit payment.
- D. In the case of a declared fiscal emergency by the Mayor, and upon the request of the Mayor, there will be no merit increases or merit payments awarded for increments of at least one year. During the declared fiscal emergency appointing authorities, managers and supervisors shall complete performance reviews for eligible employees, but no merit increases or merit payments will be awarded during this time.

13-33 Pro-ration for New Hires

Employees hired after January 1st and on or before September 30th will have their merit increase pro-rated to the employee's start date.

13-34 Effective Date of Merit Increase

- A. Merit increases and merit payments will be calculated from an employee's annual base salary as of the Saturday before the first Sunday of the calendar year and be effective on the first Sunday of the calendar year for eligible employees who were employed in the Career Service on December 31st of the previous year.
- B. An employee's merit increase shall not be included as part of another pay change (such as a promotional increase), and must be applied as a separate merit increase.

13-35 Performance Review Schedule

Departments and agencies shall submit proposed merit increases and merit payments to the Office of Human Resources ("OHR") as provided in the schedule attached as Appendix A.

13-36 Review of Performance with Employee

Each employee's written performance review shall be reviewed with the employee as provided in the schedule attached as Appendix A.

13-37 Official Records

The annual performance review and any supporting documentation shall be made a permanent part of the employee's official personnel record.

13-38 Discipline

The written performance review and/or PIP(s) may be used as a basis for disciplinary action under Rule 16 **CODE OF CONDUCT AND DISCIPLINE**, up to and including dismissal, if an employee's performance fails to comport with the standards set forth in any of these documents.

13-39 Grievances and Appeals Relating to Performance Reviews

- A. An eligible employee may grieve any performance rating pursuant to Rule 18 **DISPUTE RESOLUTION**.
- B. An eligible employee may appeal a grievance of an "Unacceptable" rating in accordance with Rule 19 **APPEALS**. Appeals of grievances of other ratings are not permitted.
- C. An eligible employee may not grieve or appeal any other aspect of the performance review program.

APPENDIX 13.A

2019~~20~~ PERFORMANCE REVIEW SCHEDULE

DUE DATE	TASK
December 240, 20189	Deadline for performance evaluations for the 2018 9 calendar year to be completed by supervisors, second level managers, and agency approvers.
January 18, 2019 <u>17, 2020</u>	Deadline for appointing authorities to submit merit increase and merit payment recommendations to the OHR. All eligible employees must be accounted for in these recommendations. The percent increase for all eligible employees in a department or agency should average 3. 03 % for merit increases and merit payments delivered in 2019 20 .
February <u>21, 2020</u> 22, 2019	Merit increases and merit payments appear on employee paychecks, as well as retroactive merit increases and merit payments for the period from January 6 5 th until February 2 nd nd <u>1st</u> .

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