



DATE: May 15, 2015

TO: State of Colorado Employees

FROM: Division of Human Resources, Compensation Unit

FY 2015-16

Employee Across-the-Board and Merit Pay Increases

Each year at this time, annual adjustments to employee compensation are finalized for implementation for the next fiscal year. These changes are subject to annual appropriations and legislative approval of funding. Below is information about the across-the-board (ATB) pay increases, merit pay increases, and adjustments to the State's compensation plan for FY 2015-16.

FY 2015-16 Across-the-Board (ATB) Pay Increase

All executive branch and State classified employees, hired prior to July 1, 2015, will receive a pay increase of 1.0%. The increase may be base building, non-base building or a combination of both, as Colorado State Statute C.R.S. §24-50-104 (1)(III) does not allow for base-building pay increases for employees whose pay is above the their respective range maximum. The following information outlines the details for implementing increases:

1. Pay ranges will be adjusted for each Occupational Group (page 2).
2. A 1.0% ATB increase will be applied to each employee's base pay up to the new revised pay range maximum.
3. Employees whose base pay reaches the pay range maximum without receiving the full 1.0% ATB will receive the difference as a one-time, non-base building payment.
4. Employees whose base pay is above the pay range maximum, after Occupational Group adjustments are applied, will receive the 1.0% ATB as a one-time, non-base building payment.

FY 2015-16 Merit Pay Increases

The State provides merit pay increases to drive results, retain talent and recognize employee performance.

The following merit pay increases are approved for FY 2015-16:

- All State classified employees are eligible for a merit increases based on their individual performance.
- Merit increases are based on each employee's performance rating and location within their respective pay range.
- Merit increases for non-classified employees are optional and applied at the discretion of the employing agency.

To receive a merit increase, an employee must have received a 'Successful' or 'Exceptional' overall rating on their performance evaluation, for the period of April 1, 2014 through March 31, 2015. The increase will be prorated for employees who worked less than 12 months during the performance period.





FY 2015-16 Merit Pay Table

Range Minimum

Range Midpoint

Range Maximum



| Performance Rating | Quartile 1 0-24.99% | Quartile 2 25-49.99% | Quartile 3 50-74.99% | Quartile 4 75-100% | Above Range Maximum |
|-----------------------|------------------------|-------------------------|-------------------------|-----------------------|------------------------|
| 3 - Exceptional | 1.80% | 1.60% | 1.40% | 1.20% | 1.00% |
| 2 - Successful | 1.00% | 0.80% | 0.60% | 0.40% | 0.20% |
| 1 - Needs Improvement | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Base Building
Non-Base Building

FY 2015-16 State of Colorado Compensation Plan

The State of Colorado [FY 2015-16 Annual Compensation Report](#) was published on August 1, 2014. The report and FY 2015-16 Pay Plan are available at colorado.gov/dhr/compensationplans.

Pay ranges within each Occupational Group have been adjusted according to the [FY 2015-16 Annual Compensation Report](#):



FY 2015-16 Occupational Group Adjustments

| OCCUPATIONAL GROUP | ADJUSTMENT |
|---------------------------------------|------------|
| A Enforcement and Protective Services | 1.06% |
| C Health Care Services | 1.90% |
| D Labor, Trades and Crafts | 2.60% |
| G Administrative Support and Related | 1.00% |
| H Professional Services | 3.00% |
| T Information Technology | 3.00% |
| I Physical Science and Engineering | 6.10% |



Shift Differential and On-Call Rates:

The compensation plan includes the official designation of eligibility for shift differential and on-call premium pay for each State job class, as required by [Personnel Director's Administrative Procedures](#) rules 3-43 and 3-45. This information is coded in the compensation plan under 'PAY DIFF' and is interpreted as follows:

- 0 No Systemic Pay Differential
- 1 Shift Differential Eligible Only
- 2 On-call Eligible Only
- 3 Shift Differential and On-call Eligible

Departments are required to pay shift differential and on-call premium pay to employees in classes that are designated as premium eligible, as appropriate (i.e., employees working eligible shifts or on-call assignments). Department heads may approve shift differential and on-call eligibility pay for individual positions in classes that are not published as eligible for premium pay. Departments must maintain records of such decisions.

The following shift differential premium pay rates are effective from July 1, 2015 - June 30, 2016.

|  FY 2015-16 Shift Differential Premium Rates | | | |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------|---------|--------------------|
| Group | Shift | Weekday | Weekend or Holiday |
| Non-Health Care Services Classes ¹ | 1 st | NA | NA |
| | 2 nd | 7.5% | 7.5% |
| | 3 rd | 10.0% | 10.0% |
| Health Care Services Classes ² | 1 st | NA | 7.5% |
| | 2 nd | 7.5% | 14.0% |
| | 3 rd | 14.0% | 20.0% |

1) Class codes not beginning with 'C'
2) Class codes beginning with 'C'

The following on-call pay premium pay rates are effective from July 1, 2015 - June 30, 2016.

|  FY 2015-16 On-Call Rates | |
|--------------------------------------------------------------------------------------------------------------|--------------------|
| On-Call | Rates |
| General Employees | \$2.00 per hour |
| Mid Level Provider class <i>(applies only at correctional facilities)</i> | \$736.53 per week* |

*Represents a 1.9% increase from occupational group structure adjustment.

Overtime Hourly Rate & Minimum Wage:

The hourly rate for overtime compensation must be calculated on a case-by-case basis. The overtime hourly rate is one and a half times an employee's regular hourly base pay rate (based on 2,080 hours), plus any shift differential and on-call premium compensation received.



Departments are required to designate overtime eligibility for all positions individually and enter such designation into their payroll and personnel records. The compensation plan reflects the Colorado minimum wage of \$8.23 per hour. This rate applies to all State employees including temporary and part-time employees.

Hazardous Duty Premium:

The hourly rate for hazardous duty pay is \$1.00. Hazardous duty pay is a non-base building pay premium added to employees' salaries who may be working in occupations where exposure to physical hazards is not a customary part or expectation of the occupation and its preparation for entry. Refer to [Personnel Director's Administrative Procedures](#) rule 3-50 for additional information.

Statutory Lids:

Colorado State Statute (C.R.S. §24-50-104(5)(b)) requires the greater of either (1) the percentage change in the Employment Cost Index for the preceding calendar year, or (2) the percentage change in the State's General Fund appropriations, in relation to the preceding fiscal year, to calculate salary lid values. For FY 2015-16 the change in State's General Fund appropriations was used to adjust the new salary lid values.

|  FY 2015-16 Salary Lid Values | | |
|----------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------------------|
| General Lid | Medical Lid | Senior Executive Service Lid (25% above general lid) |
| \$13,092 | \$23,252 | \$16,365 |

Family Medical Leave Act (FMLA)

The FMLA entitles eligible employees who work for covered employers to take unpaid, job-protected leave in a defined 12-month period for specified family and medical reasons.

Beginning July 1, 2015, FMLA leave entitlements will take into consideration FMLA leave taken during the previous 12-month period. This "rolling back" change will help create equity among employees and will provide for a more efficient tracking process.

Resources

Your Department's Human Resources Office

Employees and supervisors who have additional questions are first encouraged to consult with their respective [Department Human Resources Office](#).

Division of Human Resources

colorado.gov/dhr/compensation

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