



Memorandum

DATE: May 23, 2017
TO: State Employees through HR Directors
FROM: Kim Burgess, Chief HR Officer
RE: FY 2017-18 Annual Rate Increases and Pay Plan

Each year at this time, annual adjustments to employee compensation are finalized for implementation in the next fiscal year. Following is information about across-the-board and merit pay increases, and adjustments to the State’s compensation plan.

FY 2017-18 Pay Plan

The FY 2017-18 Pay Plan applies to the state personnel system classified pay ranges, adjusted by 2.2%. The State of Colorado FY 2017-18 Annual Compensation Report was published on August 1, 2017. The Pay Plan is available at colorado.gov/dhr/compensationplans.

FY 2017-18 1.75% Across-the-Board (ATB) Pay Increase

All state classified employees hired prior to July 1, 2017 will receive a pay increase of 1.75%. The increase may be base-building, non-base building or a combination of both as Colorado State Statute does not allow for base-building pay increases for employees whose pay is above the their respective pay range maximum. The following information outlines the details for implementing ATB increases:

1. The range maximum for all pay ranges will be increased by 2.2%.
2. A 1.75% increase will applied to the employee’s base pay up to the new revised range maximum.
3. Individuals whose base pay reaches the range maximum without receiving the full 1.75% in base-building will receive the difference as a one-time, non-base building payment.
4. Individuals whose base pay is above the range maximum will receive the 1.75% as a one-time, non-base building payment.

State Troopers FY 2017-18 ATB Pay Increase

FY 2017-18 State Trooper ATB Adjustments

Class	Class Title	ATB Adjustment
A4A6XX	State Patrol Admin I	1.75%
A4A7XX	State Patrol Admin II	2.75%
A4A1IX	State Patrol Cadet	1.75%
A4A5XX	State Patrol Supervisor	1.75%
A4A3TX	State Patrol Trooper	6.25%
A4A4XX	State Patrol Trooper III	1.75%



FY 2017-2018 0.75% Merit Increase

The State provides merit increases to drive results, retain talent and recognize employee performance. Performance pay increases are based on a matrix that is designed to drive performance. Merit pay is subject to annual appropriations and legislative approval of funding. Please download the [Merit Pay Calculator](#) provided to calculate your estimated merit pay increase.


The following was approved for FY 2017-18:

- All State classified employees are eligible for a merit increases based on their individual performance.
- Merit increases for non-classified employees are optional.
- Merit increases are based on each employee’s performance rating and location within their respective pay range.


To receive a merit increase, an employee must have received a Successful or Exceptional rating for the April 1, 2016 through March 31, 2017 performance cycle. The merit increase will be prorated for employees who worked less than 12 months during the performance cycle.

FY 2017-18 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	1.15%	1.05%	0.95%	0.85%	0.85%
2 - Successful	0.75%	0.65%	0.55%	0.35%	0.35%
1 - Needs Improvement	0.00%	0.00%	0.00%	0.00%	0.00%



Base Building



Non-Base Building

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

Agencies 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). Agency heads may approve shift differential and on-call eligibility pay for individual positions in classes that are not published as eligible for premium pay. Agencies must maintain records of such decisions. The following premium pay rates for shift differential and on-call are effective July 1, 2017.

FY 2017-18 Shift Differentials

Group	Shift	Week Day	Weekend/Holiday
Non-Health Care Services Classes (class codes not beginning with "C")	1st	N/A	N/A
	2nd	7.5%	7.5%
	3rd	10%	10%
Health Care Services Classes (class codes beginning with "C")	1st	N/A	7.5%
	2nd	7.5%	14%
	3rd	14%	20%

FY 2017-18 On-Call Rates

On-Call	Rates
General Employees	\$2.00 per hour
Mid-Level Provider class (positions at correctional facilities only)	\$722.80 per week

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.

Agencies are required to designate overtime eligibility for all positions individually and enter such designation into their personnel and payroll records. The compensation plan reflects the Colorado minimum wage of \$9.30 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 2017-18 the change in the State's General Fund appropriations was used to adjust the new salary lid values.

FY 2017-18 Statutory Lids

General Lid	Medical Lid	SES Lid (25% above general lid)
\$14,654	\$26,026	\$18,318