

# State of Colorado



**John W. Hickenlooper**  
*Governor*

**Kathy Nesbitt**  
*Executive Director*

**Jennifer Okes**  
*Deputy Executive Director*

## DPA

**Department of Personnel  
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March 28, 2013

Mr. Scott Wasserman, Executive Director  
Colorado WINS  
2525 West Alameda Avenue  
Denver CO 80219

Dear Mr. Wasserman,

In its November 1, 2012 Budget Request, the Executive Branch requested an across-the-board pay increase of 1.5% for classified State employees. The Department of Personnel & Administration believes an across-the-board adjustment is necessary due to the fact that State employees have not received a pay increase in the past four fiscal years, while the consumer price index (CPI-U) rose roughly 9% from January 2008 to January 2013.

During the Total Compensation Figure Setting Hearing on January 30, 2013, the Joint Budget Committee moved to increase the across-the-board adjustment from 1.5% to 2.0% for all State employees.

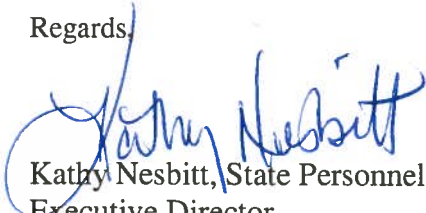
The Department understands the intent expressed by the Joint Budget Committee. However, current statute does not allow for base-building pay increases for employees whose pay is above the range maximum for his or her respective pay range. Specifically, C.R.S. 24-50-104 (5) (b) states: "No employee in any pay plan may exceed an established maximum salary amount for such plan, except as provided in paragraph (e) of subsection (1) of this section."

The Department will comply with the intent of the Joint Budget Committee to the extent allowable by law. To that end, the Department worked with various stakeholders and representatives from your organization to reach an agreement that ensures as many State employees as possible receive an across-the-board pay increase. The details of that agreement are as follows:

1. The Department will increase the range maximum for all pay ranges by 2.0% – an amount equal to the across-the-board adjustment;
2. The Department will then apply a base-building 2.0% increase for all employees up to the new revised range maximum; and
3. Individuals whose salaries will be over the range maximum as a result of the 2.0% increase will receive the difference as a one-time, non-base building payment.

As always, the Department will make itself available to address any remaining questions, comments or concerns. Please feel free to contact me at any time to discuss any remaining issues.

Regards,

A handwritten signature in blue ink that reads "Kathy Nesbitt". The signature is written in a cursive style with a large, looping initial "K".

Kathy Nesbitt, State Personnel Director and  
Executive Director,