

COMPENSATION GUIDELINES

for Classified Staff Employees



Department of Human Resources
Employment Services

Table of Contents **Page**
(Use ctrl + click to go directly to the sections underlined below)

<u>Section I:</u>	<u>Purpose Statement and Critical Elements</u>	3
<u>Section II:</u>	<u>Typical Compensation Actions</u>	4
	A. New Hires.....	5
	B. Upward Movements - Promotions and Reallocations.....	6
	C. Lateral Movements – Transfers.....	7
	D. Downward Movements – Demotions.....	8
	E. Sample Letter for Voluntary Reduction in Hours.....	9
	F. Compensation Exceptions Form.....	10-11
 <u>Section III:</u>	 <u>Discretionary Pay Differentials (DPDs)</u>	 12
	A. Base building DPDs.....	13
	1. Salary Range Compression	
	2. Base Building Counteroffer	
	3. Delayed Promotional Increase	
	4. New Hire Salary Adjustment	
	B. Non-base building DPDs.....	14-15
	1. Temporary Pay Counteroffer	
	2. Signing Bonus	
	3. Referral Award	
	4. Temporary Pay Acting Assignment	
	5. Temporary Pay Long-Term Project	
	6. Temporary Pay Critical Skills	
	7. Senior Level Critical Skills	
	C. DPD Quick Reference Chart.....	16
	D. DPD Guidelines and Individual Agreement Forms.....	17-40
	E. DPD Exception Request Form.....	41
 <u>Section IV:</u>	 <u>Related Compensation Procedures</u>	 42
	A. One Time Payments.....	43-44
	B. Multiple Appointments and Overtime Impacts.....	45-48
	1. Outside Employment Authorization Form	
	2. Dual Employment Overtime Agreement	
	C. Incentive Awards.....	49
	D. Premium Pay.....	50-52
	1. Shift Differential Designation Request Form	
	2. On-call Pay Designation Request Form	
	E. Overtime Overview.....	53-55
	1. Sample Department Overtime Policy	
 <u>Section V:</u>	 <u>Compensation Definitions</u>	 56

Section I**Compensation Guidelines Purpose Statement
and Critical Elements**

Compensation practices are intended to be effective tools in addressing business needs. These guidelines are designed to provide guidance to managers and address the issue of consistency when making pay decisions for classified staff employees. This will help to ensure equal pay for equal work among classified staff. These guidelines are designed to be reasonable and flexible to meet the changing business needs of the University of Colorado at Boulder. *They are intended to support the University's commitment to diversity and equality in education and employment.*

Please note that compensation consulting services are available for any questions or concerns through Employment Services at 492-6475.

Critical Compensation Elements:

- The appointing authority is responsible and accountable for compensation decisions made within his/her department(s).
- Compensation changes must be funded within existing budgets.
- Decisions by appointing authorities must be based on justifiable business reasons. Similarly situated parties must be treated in a similar fashion.
- Compensation practices can not exceed the limits set in the [State Personnel Board Rules and Administrative Procedures](#).
- The statutory salary lid applies in all cases on a monthly basis, except as noted otherwise. Colorado statute requires the State of Colorado Department of Personnel to establish the salary lid each year as a part of the annual total compensation survey. It is the maximum of the pay range for the highest grade in the compensation plan.
- Documentation of any aspect of these guidelines shall be provided to the State Personnel Director or designee in a timely manner when requested.
- For additional questions and information related to the Fair Labor Standards Act (FLSA), such as overtime and compensatory time, contact Employment Services at 492-6475 or visit the [Human Resources](#) web site, Compensation section.
- For questions on classified staff performance management or the Family Medical Leave Act (FMLA), please contact the Department of Human Resources, [Office of Labor Relations](#), at 492-0956.
- The State of Colorado Pay Plan and other compensation related tools for appointing authorities are available from the [Human Resources](#) web site, Compensation section.

Section II**TYPICAL COMPENSATION ACTIONS**

The compensation guidelines listed in this section are intended to be used for the majority of cases. Exceptions to the guidelines in this section should be requested in writing to the appointing authority along with supporting justification for the exception (*see the [Compensation Exceptions Form](#)*). **The appointing authority must approve exceptions to the guidelines provided in this section.**

Please Note: A copy of the Compensation Exceptions Form, signed and approved by the appointing authority, must be submitted to Employment Services before any salary information can be approved in the Human Resources Management System (HRMS).

In this section:

- A. [Guidelines for New Hires](#)
- B. [Upward Movements](#) – Promotions and Reallocations
- C. [Lateral Movements](#) – Transfers
- D. [Downward Movements](#) – Demotions
- E. [Sample Letter for Voluntary Reduction in Hours](#)
- F. [Compensation Exceptions Form](#)

A. Guidelines for New Hires

How is salary set when hiring a new classified staff employee?

According to State Personnel Board Rules and Administrative Procedures (3-9), the appointing authority shall determine the hiring salary within the pay grade for a new employee, including one returning after resignation, which is typically the grade minimum unless recruitment difficulty or other unusual conditions exist.

- A. Recruitment difficulty means difficulty in obtaining qualified applicants or an inadequate number of candidates to promote competition despite recruitment efforts.
- B. Unusual conditions exist when the position requires experience and competencies beyond the entry level and the best candidate possessing the required experience and competencies cannot be obtained by hiring at the minimum of the pay grade.
- C. The appointing authority's determination shall consider such factors as, but not limited to, labor market supply, recruitment efforts, nature of the assignment and required competencies, qualifications and salary requirements of the best candidate, salaries of current and recently hired employees in similar positions in the department, available funds and the long-term impact on personal services budgets of hiring above the minimum of the pay grade.

Boulder Campus Guideline:

- ✓ New regular classified staff, including those returning after resignation, may be hired at a rate up to 5% of the pay grade minimum, with the approval of the appointing authority.
- ✓ *A copy of the [Compensation Exceptions Form](#), signed and approved by the appointing authority, must be sent to Employment Services for all regular classified staff hired at a rate that exceeds 5% of the pay grade minimum.*

What information should be considered when determining appropriate salary level for a new classified staff hire?

- Was there specific recruiting (e.g. advertisement in local newspapers or on a recruiting website) to fill this vacancy?
- Were there fewer than three qualified applicants?
- Are there unusual market conditions?
- Does the selected candidate bring special skills to the job?
- What is the salary history for the selected candidate?
- Are other employees in this job class in your department paid at this level?
- What is the salary relationship between this position and the position to which it reports?
- Is this higher salary comparable with employees who have a similar level of experience?
- Has your department budgeted for the higher salary?

B. Upward Movement Guidelines - (Promotions and Reallocations)

What is an “upward movement”?

An upward movement involves an action that moves an employee to a new pay grade with a higher grade maximum than the employee’s previous pay grade, for example, promotion or reallocation. According to State Personnel Board Rules and Administrative Procedures (3-17), for an upward movement, an employee’s base pay may increase or remain the same, in which case the employee would receive an economic opportunity by moving to the new grade. In no case shall the new base rate be lower than the minimum, except in disciplinary actions, or higher than the maximum of the new grade. Continuation of a salary increase is subject to satisfactory completion of the trial service period.

How is salary set when an employee is promoted or reallocated to a higher pay grade?

Boulder Campus Guideline:

- ✓ If an employee’s current base salary is below the maximum of the new pay grade, an upward movement can result in an increase of up to 10% of the current base pay with the approval of the appointing authority (as long as it does not exceed the grade maximum).
- ✓ If the employee’s salary falls below the minimum of the new pay grade even after a 10% increase, the employee’s salary must be increased by whatever amount necessary to meet the pay grade minimum.
- ✓ A copy of the [Compensation Exceptions Form](#), signed and approved by the appointing authority, must be sent to Employment Services for base salary increases of greater than 10%.
- ✓ NOTE: The Compensation Exceptions Form is NOT needed in situations where more than 10% was given in order to meet state personnel rule requirement to bring an employee’s salary up to the new pay grade minimum.

What information should be considered when determining appropriate salary level or when making an exception to the standard compensation guidelines?

Work Assignment:

- has the job assignment changed significantly?
- did the new job duties come from a higher level position?
- are the new job duties more of the same or higher level in nature?
- is the work assignment critical to the mission of the organization?

Recruiting Issues and Market Conditions:

- are there market conditions that necessitate an exception to the guidelines?
- are there retention or high turnover issues?
- does the employee possess a unique set of competencies and experiences in relation to the total applicant or total talent pool?

Organizational and Budgetary Considerations:

- are there other future increases (base or non-base building) that will or could occur that might impact the total compensation for the employee?
- are there non-cash options that could be included to make the total compensation decision?
- has your department budgeted for the higher salary?
- are other employees in this job class in your department paid at this level?
- what is the salary relationship between this position and the position to which it reports?
- is this higher salary comparable with employees who have a similar level of experience?
- is the reasoning behind each compensation exception consistent within the department?

C. Lateral Movement Guidelines - (Transfers)

What is a “lateral movement”?

A lateral movement involves an action that moves an employee to a different class or position with the same grade maximum. A lateral movement is also referred to as a transfer. According to State Personnel Board Rules and Administrative Procedures (3-18), an employee’s base pay shall be any rate between the employee’s current rate and the grade maximum.

Please note that transferring to a different class or position with a **lower** grade maximum is a downward movement, not a lateral movement. For salary setting limitations in these cases, see the guidelines for Downward Movements on the following page.

How is salary set when an employee transfers?

Boulder Campus Guideline:

- ✓ The salary for an employee on a lateral movement (transfer) is typically set at the current base salary.
- ✓ If an employee’s current salary is below the grade maximum, an increase of up to 5% of the current base pay may be given with the approval of the appointing authority (as long as it does not exceed the grade maximum).
- ✓ A copy of the [*Compensation Exceptions Form*](#), signed and approved by the appointing authority, must be sent to Employment Services for base salary increases of greater than 5%.

What information should be considered when determining appropriate salary level or when making an exception to the standard compensation guidelines?

Recruiting Issues and Market Conditions:

- are there market conditions that necessitate an exception to the guidelines?
- are there retention or high turnover issues?
- does the employee possess a unique set of competencies and experiences in relation to the total applicant or total talent pool?

Organizational and Budgetary Considerations:

- are there other future increases (base or non-base building) that will or could occur that might impact the total compensation for the employee?
- are there non-cash options that could be included to make the total compensation decision?
- have you budgeted for the higher salary?
- does the selected candidate bring special skills to the job?
- what is the salary history for the selected candidate?
- are other employees in this job class in your department paid at this level?
- what is the salary relationship between this position and the position to which it reports?
- is this higher salary comparable with employees who have a similar level of experience?
- is the reasoning behind each compensation exception consistent within the department?

D. Downward Movement Guidelines - (Demotions)

What is a “downward movement”?

A downward movement involves an action that moves an employee to a different class with a lower grade maximum than the employee’s previous pay grade. Examples include non-disciplinary (voluntary) or disciplinary demotions, individual allocations of positions which result in a downward reallocation, and system maintenance studies.

According to State Personnel Board Rules and Administrative Procedures (3-13), in the case of system maintenance studies and individual allocations of positions (downward reallocations), the employee’s base pay shall remain the same, including saved pay.

According to State Personnel Board Rules and Administrative Procedures (3-14), in the case of other downward movements, such as non-disciplinary (voluntary) and disciplinary demotions, base pay shall not exceed the employee’s current salary rate and shall not be above the maximum of the new grade. **Saved pay provisions do not apply for non-disciplinary (voluntary) or disciplinary demotions.**

Upon reversion of a trial service employee to the previously certified class, base pay shall be the amount the employee would be making had the promotion or reinstatement not occurred.

How is salary set when an employee demotes?

Boulder Campus Guideline:

- ✓ Salary for an employee on a non-disciplinary (voluntary) demotion is typically set at the current base salary as long as it does not exceed the maximum of the new pay grade.
- ✓ Base salary **can not be increased** on a demotion, whether disciplinary or non-disciplinary (voluntary).
- ✓ In some situations, a reduction in pay may be appropriate. For example, a reduction in pay of 5% to 10% may be appropriate for the removal of unit supervision responsibility.
- ✓ *Appropriate documentation, such as a written statement by the employee agreeing to accept a voluntary demotion or documentation of disciplinary action, must be sent to Employment Services before any salary information can be approved in the HRMS.*

Can an employee’s salary be decreased for other reasons besides a change in job class?

Yes. Although it is not technically a downward movement (because there is no change in job title) an employee’s salary can be reduced for disciplinary reasons. This action can result in a change in base pay.

According to State Personnel Board Rules and Administrative Procedures (3-10), in the case of fiscal emergency or other budget reasons, an employee may agree to voluntarily reduce current base pay, which shall be approved in writing by the appointing authority and employee (see [Sample Letter for Voluntary Reduction in Hours](#) on the next page.) If funds become available at a later date, the department may restore base pay to any rate up to, and including, the former base pay.

For specific information about other disciplinary actions, refer to the [State Personnel Board Rules and Administrative Procedures](#) Chapter 6 or contact the Department of Human Resources – [Office of Labor Relations](#) at 492-0956.

SAMPLE LETTER FOR VOLUNTARY REDUCTION IN HOURS

THE SUBMITTING INDIVIDUAL WILL REPLACE THE BOLD ITEMS BELOW WITH THE CORRECT INFORMATION.

(Insert Date)

(Insert Appointing Authority Name)

(Insert Department Name)

University of Colorado

Dear **(Insert Appointing Authority Name)**,

I understand that my position as **(Insert Job Title)**, **(Insert Position Number)**, is being reduced from 100% to **(Insert % time)** effective **(Insert Date)**. I voluntarily agree to this reduction in percent of time and understand that by agreeing to this I voluntarily waive my retention rights to full-time positions.

I understand that this reduction in percent of time will affect my accrual of sick and annual leave. The prorated amount of my monthly sick leave accrual will now be **(Insert Hours)** hours per month, and my monthly annual leave accrual will be **(Insert Hours)** hours per month. I understand that this change in my appointment will not affect my other benefits, including the employer's contribution to health insurance. I understand that contributions to PERA will continue to be based on my actual pay amount.

Sincerely,

(Insert Employee Signature)

(Insert Employee Printed Name)

Cc: Employment Services

**COMPENSATION EXCEPTIONS FORM (Page 1)
For Classified Staff**

Use this form to document justification and approval of exceptions to normal compensation practices for classified staff. Types of exceptions are defined below.

Employee Name:		HRMS Employee ID:	
Job Class Title:		Position Number:	
Current (or minimum) salary:		New (or proposed) salary:	
Effective Date of Salary Change:		Department Name:	
Employment Services Reviewer:		Appointing Authority:	

Please check the type of compensation exception and any of the reasons under that exception that apply. **Specific information supporting each reason identified below must be attached to this form (see page 2).**

<input type="checkbox"/>	New Hire	Initial hiring salary above 5% of pay grade minimum (not to exceed grade maximum).
--------------------------	----------	------------------------------------------------------------------------------------

<input type="checkbox"/>	Extensive or unique advertising required to fill position
<input type="checkbox"/>	Fewer than 3 qualified applicants
<input type="checkbox"/>	Unusual market conditions
<input type="checkbox"/>	Candidate with special skills hired
<input type="checkbox"/>	Candidate's salary history higher than norm
<input type="checkbox"/>	Equity within department
<input type="checkbox"/>	Other

<input type="checkbox"/>	Promotion	Base salary increase of more than 10% when promoted or reallocated.
--------------------------	-----------	---------------------------------------------------------------------

<input type="checkbox"/>	Mission-critical or unique work assignment
<input type="checkbox"/>	Retention or turnover issues
<input type="checkbox"/>	Unusual market conditions
<input type="checkbox"/>	Employee has unusual job-related skills
<input type="checkbox"/>	Non-cash awards not an option
<input type="checkbox"/>	Equity within department
<input type="checkbox"/>	Other

<input type="checkbox"/>	Lateral	Base salary increase of more than 5% when laterally transferring w/in same pay grade.
--------------------------	---------	---------------------------------------------------------------------------------------

<input type="checkbox"/>	Mission-critical or unique work assignment
<input type="checkbox"/>	Retention or turnover issues
<input type="checkbox"/>	Unusual market conditions
<input type="checkbox"/>	Employee has unusual job-related skills
<input type="checkbox"/>	Non-cash awards not an option
<input type="checkbox"/>	Equity within department
<input type="checkbox"/>	Other

***Supporting documentation has been included/attached to this form, as required.**

 Appointing Authority (Printed Name and Signature)

Date

**COMPENSATION EXCEPTIONS FORM (Page 2)
For Classified Staff**

Employee Name:		HRMS Employee ID:	
----------------	--	-------------------	--

Please use the box below to provide specific information supporting the need to apply a compensation amount to the employee named above that exceeds typical Boulder campus compensation guidelines. Additional documentation may be attached to this form, as necessary.

Appointing Authority (Printed Name and Signature)

Date

Section III**DISCRETIONARY PAY DIFFERENTIALS (DPDs)**

This section describes discretionary compensation tools, also known as in-range salary movements, currently available to appointing authorities to help address critical business needs. They are intended to be a part of the University's commitment to recruit and retain a diverse workforce. These options include base building and non-base building forms of compensation.

In this section:

- A. **Base Building DPDs (continuing, ongoing compensation)**
 - Salary Range Compression
 - Base Building Counteroffer
 - Delayed Promotional Increase
 - New Hire Salary Adjustment
- B. **Non-Base Building DPDs (temporary compensation)**
 - Temporary Pay Counteroffer
 - Signing Bonus
 - Referral Award
 - Temporary Pay Acting Assignment
 - Temporary Pay Long-Term Project
 - Temporary Pay Critical Skills
 - Senior Level Critical Skills
- C. **DPD Quick Reference Chart**
- D. **DPD Guidelines and Individual Agreement Forms**
- E. **DPD Exception Request Form**

Important Notes on Discretionary Pay:

1. Classified employees are not guaranteed discretionary pay.
2. An appointing authority is not obligated to use or award any type of discretionary pay, even when an employee may be eligible. *This is not intended to be an entitlement.*
3. Non-base building (temporary) discretionary pay, if granted, may be discontinued at any time with the approval of the appointing authority.
4. Given the discretionary nature of these compensation tools, there are no State Department of Personnel grievance or appeal rights, except for discrimination. The only exception is discontinuance of a base-building salary increase.
5. There must be an individual written agreement for **all** forms of discretionary pay between the employee and appointing authority that stipulates (a) the amount; (b) forfeiture or repayment; (c) frequency of payout; (d) service requirements for payments; (e) the duration of the differential or award; (f) the reason for the award; and (g) any other terms and conditions. *See pages 18-40 for [specific guidelines and sample agreement forms](#).*

Exceptions: Exceptions to the specific discretionary pay provisions provided in this section can be requested in writing by the appointing authority to the Director of Employment Services (565 UCB). Exceptions may be requested using the [DPD Exception Request Form](#). Written requests must include documented recruitment and retention difficulty, with supporting justification for the specific award.

A. Base Building DPDs

What is a “base building DPD”?

A base building DPD is a type of lateral adjustment or “in-range salary movement” provided under State Personnel Board Rules and Administrative Procedures (3-18). It allows for a continuing, base building salary adjustment for regular employees who remain in their current classes and positions when there is a critical need not addressed by any other pay mechanism. To be eligible, an employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating, documented coaching session, or documented satisfactory completion of specified training objectives. Base building DPDs are ongoing and can not be discontinued, except through campus disciplinary processes. Base building DPDs are entered in HRMS Job Data as part of the employee’s regular base compensation rate. *See page 17 for [specific requirements and agreement forms](#).*

There are four kinds of base building DPDs. No eligible person is guaranteed a base building DPD.

- Salary Range Compression
- Base Building Counteroffer
- Delayed Promotional Increase
- New Hire Salary Adjustment

Salary Range Compression

A base building salary leveling increase, subject to the pay grade maximum, used when longer-term or more experienced employees are paid lower in the range than new hires or less experienced employees over a period of time resulting in documented ongoing retention difficulties. Thus, there is a valid need to increase one or more employee’s base salary in recognition of contributions equal to or greater than the newly hired or less experienced employees.

Base Building Counteroffer

A base building counteroffer to a verifiable internal or external job offer, subject to the pay grade maximum. Used when an employee with critical, strategic skills receives a salary offer from another department or outside employer and the appointing authority needs to increase the employee’s base salary for retention purposes.

Delayed Promotional Increase

A one-time base building salary increase of up to 10%, subject to the pay grade maximum, applied within 12 months of the date of promotion. Used when a promotion is made with no salary increase or partial salary increase because production expectations are unproven and/or funds may be unavailable at the time of promotion.

New Hire Salary Adjustment

A one-time base building salary increase of up to 10%, subject to the pay grade maximum, applied within 12 months of hire. Used when an employee is hired and production expectations for critical skills are unproven and/or funds may be unavailable.

B. Non-Base Building DPDs

What is a “non-base building DPD”?

A non-base building DPD is a temporary, non-base building salary adjustment provided under State Personnel Board Rules and Administrative Procedures (3-50) that can be used to recognize the temporary addition of duties among other reasons listed below.

Non-base building pay differentials should not be used in place of classification or promotional processes when the work assignment is ongoing. Although these differentials are non-base building, they are paid through regular payroll. Only temporary pay that meets the [One Time Payment](#) guidelines is entered through HRMS Time Collection. All other forms of additional temporary pay are entered through HRMS Job Data using the BASTPD (Base Temporary Pay Differential) rate code as a component of the regular compensation rate. *See page 17 for [specific requirements and agreement forms](#).*

There are seven kinds of non-base building DPDs. No eligible person is guaranteed a non-base building DPD.

- Temporary Pay Counteroffer
- Signing Bonus
- Referral Award
- Temporary Pay Acting Assignment
- Temporary Pay Long-Term Project
- Temporary Pay Critical Skills
- Senior Level Critical Skills

Temporary Pay Counteroffer

A non-base building counteroffer to a verifiable internal or external job offer. Used when an employee with critical strategic skills receives a salary offer from another department or outside employer and the appointing authority needs to retain the employee. May be any amount up to 20% of the employee’s current pay rate, subject to the statutory lid in any given month.

Signing Bonus

A non-base building bonus that may be used to attract new regular employees into the state personnel system for one of the following reasons:

- To fill positions in critical occupations where there is a documented shortage in the labor market and recruitment or retention difficulty that jeopardizes the campus mission, or
- The applicant possesses a unique, critical skill in relation to the job market.

A signing bonus does not apply to current state employees. May be any amount up to 20% of the pay grade maximum, subject to the statutory lid. May be paid in one or several payments.

Referral Award

A non-base building lump sum of up to \$500, subject to the statutory lid, to reward current classified employees for the referral and subsequent hire of a new employee into the state personnel system into a position with a unique, specialized skill when there are documented

shortages in the market and recruitment and retention difficulties. Use of this award is not intended to increase UCB recruitment costs unnecessarily so it is not to be used when the situation does not meet the above criteria. In addition, those with significant influence or responsibility for the hiring process are ineligible for this award. For example, human resource professionals who perform recruitment and hiring supervisors or managers are ineligible.

Temporary Pay Acting Assignment

The Acting Assignment differential applies when an employee assumes the full set of duties from a higher-level vacant position or from a higher-level encumbered position whose incumbent is on an extended leave. It can be used for a period that is longer than 30 days but less than six months. May be any amount up to 10% of the employee's current pay rate, subject to the statutory lid in any given month.

Temporary Pay Long-Term Project

The Long-Term Project differential applies when an employee is assigned a project which is critical to the mission of the University and enhances its operation as defined by the purpose, time frame, and expected results of the project. The type of project work is not customarily assigned to the position, and project assignments are not an expected part of the regular assignment. May be any amount up to 10% of the employee's current pay rate, subject to the statutory lid in any given month.

Temporary Pay Critical Skills

The Critical Skills differential may be used to retain a unique, specialized set of skills or knowledge that is critical to the mission and productivity of the University. The loss would result in documented severe adverse effect on the University's mission and productivity. May be any amount up to 20% of the employee's current pay rate, subject to the statutory lid in any given month. In certain situations where documented market conditions exist, critical skills pay may be ongoing with advanced approval from Employment Services.

Senior Level Critical Skills

The Senior Level Critical Skills differential may be used to recognize the extra responsibilities or staff authority expertise of employees in eligible job classes (Administrative Assistant III, Accounting Technician III, and Program Assistant II) where the work assignment meets the definition for Senior Level Critical Skills (*See page 17 for [specific requirements and agreement forms](#)*). Critical skills pay under this category is ongoing provided the job assignment continues to meet program criteria. May be any amount up to 20% of the employee's current pay rate, subject to the statutory lid in any given month.

C. QUICK REFERENCE CHART FOR DISCRETIONARY PAY DIFFERENTIALS

	BASE BUILDING PAY	NON-BASE BUILDING PAY	SIGNING BONUS	REFERRAL AWARD
Eligibility	Current employee.	Current employee.	New employee.	Current employee, except hiring authorities and HR.
Purpose	Keep/reward employees in current positions. <ul style="list-style-type: none"> ➤ Compression = longer term or more experienced employees paid less than new hires or less experienced employees. ➤ Counteroffer to verifiable job offer. ➤ Promotional Increase = one-time increase within 12 months of promotion. ➤ New Hire = one-time increase within 12 months of hire. 	Keep/reward employees in current positions. <ul style="list-style-type: none"> ➤ Counteroffer to verifiable job offer. ➤ Acting = higher-level assignment more than 30 days but less than 6 mos. ➤ Project = long-term, mission-critical project outside scope of regular assignment. ➤ Critical skills = unique set of skills required for job that cannot afford to lose or recruit for during labor shortage/recruiting difficulty. ➤ Senior Level = recognizes extra responsibilities or staff authority expertise beyond classification level. 	Attract potential regular employees. <ul style="list-style-type: none"> ➤ Lump sum(s) to applicant with unique, critical skill who is hired in job with documented labor shortage and recruiting or retention difficulty jeopardizes campus mission. 	Attract potential regular employees and reward current employees. <ul style="list-style-type: none"> ➤ Lump sum(s) paid to a current employee who refers a person who is subsequently hired into a job that requires a unique, specialized skill and where there is a documented labor shortage and recruiting or retention difficulty.
Amount	Compression/counteroffer base pay increase up to grade maximum. Promotion/new hire base pay increase up to 10%, subject to the grade maximum.	Acting assignment/long-term project up to 10% of employee's current pay rate. Counteroffer/critical skills up to 20% of employee's current pay rate.	Any amount up to 20% of the annual grade maximum for the job class.	Any amount up to \$500.
Payment	Base building increase is paid through regular payroll. Salary increase can not be retroactive. Typically limited to one base building increase in a 12 month period.	Paid monthly through regular payroll. This differential is temporary and non-base building. May be discontinued at any time. Differential, with current base pay, cannot exceed statutory salary lid.	One or more payments, but <i>recommend a minimum of 2 payments</i> . First payment upon reporting to work and subsequent payments made if employee is performing satisfactorily.	One payment to current employee when new employee reports to work.
Pay Method	See specific guidelines for complete details.	See specific guidelines for complete details.	See specific guidelines for complete details.	See specific guidelines for complete details.
PERA	Included as salary under PERA.	Included as salary under PERA.	Not included as salary under PERA.	Not included as salary under PERA.
FLSA	Included for overtime calculation.	Included for overtime calculation.	Not included for overtime calculation.	Not included for overtime calculation.
Budget	Within existing dollars.	Within existing dollars.	Within existing dollars.	Within existing dollars.
Agreement	Must have an individual written agreement with amount, terms and conditions.	Must have an individual written agreement with amount, terms and conditions.	Must have an individual written agreement with amount, terms and conditions.	Must have an individual written agreement with amount, terms and conditions.
Dispute	No grievance or appeal except for discrimination or discontinuance.	No grievance or appeal except for discrimination.	No grievance or appeal except for discrimination.	No grievance or appeal except for discrimination.

D. DPD Guidelines and Individual Agreement Forms

Base building DPDs – pages 18-25

- [Salary Range Compression](#)
- [Base Building Counteroffer](#)
- [Delayed Promotional Increase](#)
- [New Hire Salary Adjustment](#)

Non-base building DPDs – pages 26-40

- [Temporary Pay Counteroffer](#)
- [Signing Bonus](#)
- [Referral Award](#)
- [Temporary Pay Acting Assignment](#)
- [Temporary Pay Long-Term Project](#)
- [Temporary Pay Critical Skills](#)
- [Senior Level Critical Skills](#)

Salary Range Compression Guidelines

Purpose: To provide a salary leveling increase to ease compression when longer-term or more experienced employees are paid lower in the range than new hires or less experienced employees over a period of time resulting in documented ongoing retention difficulties. Thus, there is a valid need to increase one or more employee's base salary in recognition of contributions equal to or greater than the newly hired or less experienced employees.

Eligibility: Any current, regular classified employee. The employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating or documented coaching session.

Amount: Base building (continuing) pay may be increased by any percentage up to grade maximum of the encumbered position.

Authority: The supervisor may request a salary range compression adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A base building adjustment is paid through regular payroll. A base building salary range compression adjustment is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BMC (Begin Matching Pay Compression). On the compensation page, include the compression adjustment figure as part of the employee's total base pay (BASEM or BASEH).

Other Terms and Conditions: If the appointing authority decides to use this award, a Salary Range Compression Individual Agreement must be completed with the employee. Given the discretionary nature of these pay differentials, there are no grievance or appeal rights except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary action apply. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement, supporting justification and documentation of satisfactory or better performance must be submitted to Employment Services (565 UCB) for reporting requirements.

Salary Range Compression Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Title		Position Number:	
Department Name:		% Base Building Increase:	
Current Base Salary:		Effective Date:	
New Base Salary:		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Salary Range Compression Discretionary Pay Differential. The current employee named above is at a lower base rate than _____ (employee name and ID) who was hired on _____ (date) and is paid \$_____ per month. The employee received a satisfactory or better performance review on _____ (date). The Discretionary Pay Differential will be paid monthly through regular payroll. The payments will begin as indicated above.

The adjustment is made to the employee's base pay, up to grade maximum, and regular personnel rules and procedures apply. The employee understands that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary actions apply. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Base Building Counteroffer Guidelines

Purpose: To retain a current classified employee with critical, strategic skills when the employee receives a salary offer from another department or outside employer.

Eligibility: Any current, regular classified employee. Written confirmation of the other entity's salary offer is required. The employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating or documented coaching session.

Amount: Base building (continuing) pay may be increased by any percentage up to grade maximum of the encumbered position.

Authority: The supervisor may request a base building counteroffer adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A base building adjustment is paid through regular payroll. A base building counteroffer adjustment is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BMP (Begin Matching Pay Counteroffer). On the compensation page, include the counteroffer adjustment figure as part of the employee's total base pay (BASEM or BASEH).

Other Terms and Conditions: If the appointing authority decides to use this award, a Base Building Counteroffer Individual Agreement must be completed with the employee. Given the discretionary nature of these pay differentials, there are no grievance or appeal rights except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary action apply. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement, supporting justification and documentation of satisfactory or better performance must be submitted to Employment Services (565 UCB) for reporting requirements.

Base Building Counteroffer Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Title		Position Number:	
Department Name:		% Base Building Increase:	
Current Base Salary:		Effective Date:	
New Base Salary:		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above in response to a verifiable job offer from _____ (see **documentation attached**) and for meeting the established criteria of the Base Building Counteroffer Discretionary Pay Differential. The employee received a satisfactory or better performance review on _____ (date). The adjustment will be paid monthly through regular payroll. The payments will begin as indicated above.

The adjustment is made to the employee's base pay, up to grade maximum, and regular personnel rules and procedures apply. The employee understands that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary actions apply. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Delayed Promotional Increase

Purpose: To retain a current classified employee by providing a later salary increase when a promotion is made with no salary increase or partial salary increase because production expectations are unproven and/or funds may be unavailable at the time of promotion.

Eligibility: Any current, regular classified employee. The employee must have been promoted to a higher pay range within the last 12 months. The employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating or documented coaching session.

Amount: Base building (continuing) pay may be increased by any amount up to 10% of the employee's current pay rate, subject to the grade maximum.

Authority: The supervisor may request a delayed promotional increase adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A base building adjustment is paid through regular payroll. A base building delayed promotional increase is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of DPR (DPD – Delayed Promotional). On the compensation page, include the delayed promotional adjustment figure as part of the employee's total base pay (BASEM or BASEH).

Other Terms and Conditions: If the appointing authority decides to use this award, a Delayed Promotional Increase Individual Agreement must be completed with the employee. Given the discretionary nature of these pay differentials, there are no grievance or appeal rights except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary action apply. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement, supporting justification and documentation of satisfactory or better performance must be submitted to Employment Services (565 UCB) for reporting requirements.

Delayed Promotional Increase Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Title		Position Number:	
Department Name:		% Base Building Increase:	
Current Base Salary:		Effective Date:	
New Base Salary:		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above for meeting the established criteria of the Delayed Promotional Increase Discretionary Pay Differential. The current employee named above was promoted within the last 12 months on _____(insert effective date of promotion). The employee received a satisfactory or better performance review on _____(date). The salary adjustment will be paid monthly through regular payroll. The payments will begin as indicated above.

The adjustment is made to the employee’s base pay, up to grade maximum, and regular personnel rules and procedures apply. The employee understands that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary actions apply. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

New Hire Salary Adjustment

Purpose: To retain a current classified employee by providing a later salary increase within 12 months of hire when production expectations for critical skills are unproven and/or funds may be unavailable.

Eligibility: Any current, classified employee hired within the last 12 months. The employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating or documented coaching session.

Amount: Base building (regular) pay may be increased by any amount up to 10% of the employee's current pay rate, subject to the grade maximum.

Authority: The supervisor may request a new hire salary adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A base building adjustment is paid through regular payroll. A base building new hire salary adjustment is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of NEH (DPD – New Hire). On the compensation page, include the new hire adjustment figure as part of the employee's total base pay (BASEM or BASEH).

Other Terms and Conditions: If the appointing authority decides to use this award, a New Hire Salary Adjustment Individual Agreement must be completed with the employee. Given the discretionary nature of these pay differentials, there are no grievance or appeal rights except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary action apply. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement, supporting justification and documentation of satisfactory or better performance must be submitted to Employment Services (565 UCB) for reporting requirements.

New Hire Salary Adjustment Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Title		Position Number:	
Department Name:		% Base Building Increase:	
Current Base Salary:		Effective Date:	
New Base Salary:		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above for meeting the established criteria of the New Hire Salary Adjustment Discretionary Pay Differential. The current employee named above was hired within the last 12 months on _____ (insert date of hire). The employee received a satisfactory or better performance review on _____ (date). The salary adjustment will be paid monthly through regular payroll. The payments will begin as indicated above.

The adjustment is made to the employee's base pay, up to grade maximum, and regular personnel rules and procedures apply. The employee understands that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination or discontinuance. In the case of discontinuance, for reasons pursuant to the State Personnel Board, appeal rights for disciplinary actions apply. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Temporary Pay Counteroffer Guidelines

Purpose: To retain a current classified employee with critical, strategic skills when the employee receives a salary offer from another department or outside employer.

Eligibility: Any current, regular classified employee. Written confirmation of the other entity's salary offer is required.

Amount: Non-base building (temporary) pay may be increased by any amount up to 20% of the employee's current pay rate, subject to the statutory salary lid in any given month. A temporary pay counteroffer may be paid in one or more payments, but can not exceed 12 months of pay.

Authority: The supervisor may request, in writing, a temporary pay counteroffer adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A temporary pay counteroffer adjustment can be paid as a One Time Payment or through regular payroll for multiple payments. A non-base building counteroffer adjustment is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), process one-time adjustments as a One Time Payment using the Temporary Pay Differential (TPD) earnings code. *The Temporary Pay Counteroffer Individual Agreement form is required for approval of the One Time Payment.* For multiple payments, insert a new row in Job Data using the action of Pay Rate Change and the reason of BMP (Begin Matching Pay Counteroffer). On the compensation page, include the senior level critical skills adjustment figure as a multiple component of pay using the BASTPD (Base Temporary Pay Differential) rate code.

Forfeiture: This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this award, a Temporary Pay Counteroffer Individual Agreement must be completed with the employee. Given the discretionary nature of these pay differentials, there are no grievance or appeal rights except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement and supporting justification must be submitted to Employment Services (565 UCB) for reporting requirements.

Temporary Pay Counteroffer Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		% Temporary Increase:	
Current Base Salary:		Begin Date:	
Employment Services Review (initials & date):		Not to Exceed Date:	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above in response to a verifiable job offer from _____ (see **documentation attached**) and for meeting the established criteria of the Temporary Pay Counteroffer Discretionary Pay Differential. The payments will begin as indicated above.

This adjustment is not part of base pay. The employee understands that this temporary pay adjustment is discretionary and may be discontinued at any time. It is further understood that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt. The temporary pay amount, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate payment in monthly installments.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Signing Bonus Guidelines

Purpose: To attract new employees with unique, critical skills in relation to the job market for classified staff positions in critical occupations where there is a documented shortage in the labor market and recruitment or retention difficulty in the organization that jeopardizes its mission.

Eligibility: The employee must be entering the state personnel system, or returning as a reinstatement eligible employee, in order to receive this one-time bonus.

Amount: The non-base building (temporary) bonus can be any amount up to 20% of the annual grade maximum for the job class.

Authority: The hiring supervisor may request, in writing, a signing bonus to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: The signing bonus will be made in one or more payments, with a recommendation of at least two payments. The first payment will be made when the employee reports to work. The subsequent payments will be made at the discretion of the appointing authority, as long as the employee is performing satisfactorily or above. It should be noted that the subsequent payments may need to be made in monthly installments if the signing bonus payment and base pay would exceed the statutory lid in any given month; however, the bonus is still non-base building (i.e. one-time only). *A signing bonus is not included as salary for PERA or overtime purposes.*

Pay Method: Using the Human Resources Management System (HRMS), process the signing bonus amount as a One Time Payment using the Bonus (BON) earnings code. *The Signing Bonus Individual Agreement form is required for approval of the One Time Payment.*

Forfeiture: The employee must still be employed in the same position and performing satisfactorily or above, or the subsequent payments are forfeited. This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this signing bonus, a Signing Bonus Individual Agreement must be completed with the employee. No aspect of a signing bonus is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement and supporting justification must be submitted to Employment Services (565 UCB) for reporting requirements.

Signing Bonus Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		Current Base Salary:	
Number of Payments:		Total Bonus Amount:	
Payment Effective Dates and Amounts:		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Signing Bonus Discretionary Pay Differential. The signing bonus is necessary because:

_____ (attach additional documentation, as necessary) . The signing bonus will be paid in ___ payments. The first payment of ___% will be made when the employee reports to work on _____. The subsequent payments of ___% will be made upon completion of ___ months of satisfactory or above service.

This signing bonus is not part of base pay. The employee understands that the signing bonus is forfeited if the employee fails to report to work. The subsequent payments are forfeited if the employee is no longer in the position to which hired or performance is not satisfactory. It is further understood that the signing bonus, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate paying the signing bonus in monthly installments. The employee understands that a signing bonus is not included in salary calculations for retirement (PERA), or overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Referral Award Policy

Purpose: To reward current classified employees for the referral and subsequent hire of a new employee into the state personnel system into a position with a unique, specialized skill when there are documented shortages in the market and recruitment and retention difficulty in the organization. *This does not apply to employees of the Human Resources Department, Office of Diversity and Equity, or to hiring supervisors and appointing authorities of the position being filled.*

Eligibility: Any current, regular classified employee. The referring employee must be currently employed at the University of Colorado at Boulder at the time the new employee reports to work.

Amount: The non-base building (temporary) referral award can be any amount up to \$500.

Authority: The referral award request must be in writing to the department appointing authority. The request must include the recommended amount and appropriate supporting justification and must be verified by the hiring supervisor. *The appointing authority of the hiring department will determine whether to grant the adjustment and the exact amount in each case.*

Payment: The non-base building referral award will be made in one payment. The payment will be made when the new employee reports for work. A referral award is not included as salary for PERA or overtime purposes.

Pay Method: Using the Human Resources Management System (HRMS), process the referral award amount as a One Time Payment using the Referral Award (REF) earnings code. *The Referral Award Individual Agreement form is required for approval of the One Time Payment.*

Forfeiture: The referral award is forfeited if the referred employee fails to report to work. This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this referral award, a Referral Award Individual Agreement must be completed with the employee. No aspect of a referral award is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement must be submitted to Employment Services (565 UCB) for reporting requirements.

Referral Award Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		Referral Award Amount:	
Current Base Salary:		Effective Date:	
Person Referred: (Name and Emp ID)		Employment Services Review (initials & date):	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated to the employee named above for meeting the established criteria of the Referral Award Discretionary Pay Differential by recruiting _____ (name and Emp ID) who was hired into position #_____. The referral award will be paid in one payment when the referred employee reports to work on _____, unless the award amount, in combination with base pay, exceeds the statutory salary lid. This situation may necessitate paying the referral award in monthly installments.

This referral award is not part of base pay. The employee understands that the referral award is forfeited if the referred employee fails to report to work. It is further understood that the referral award, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate paying the referral award in monthly installments. The employee understands that a referral award is not included in salary calculations for retirement (PERA), or overtime purposes, if non-exempt.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Temporary Pay Acting Assignment Guidelines

Purpose: To reward current classified employees for temporarily assuming the full set of duties from a higher-level vacant position or from a higher-level encumbered position whose incumbent is on an extended leave. It is not a substitution for the promotional or allocation process.

Eligibility: Any current, regular classified employee that assumes the **full** set of duties and authorities from a higher-level position. An acting assignment applies to a vacant position, or an encumbered position whose incumbent is on an extended leave. The acting assignment must be for a period of at least 30 days and no longer than six months. It does not apply to “in absence of” assignments where the full scope of duties and authorities is not delegated.

Amount: Non-base building (temporary) pay may be increased by any amount up to 10% of the employee’s current pay rate, subject to the statutory salary lid in any given month. A temporary pay acting assignment may not exceed 6 months of pay.

Authority: The supervisor may request, in writing, an acting assignment adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A temporary pay acting assignment will be paid monthly through regular payroll. The differential is temporary and non-base building. It is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BAA (Begin Acting Assignment). On the compensation page, include the acting assignment adjustment figure as a multiple component of pay using the BASTPD (Base Temporary Pay Differential) rate code.

Forfeiture: This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this differential, a Temporary Pay Acting Assignment Individual Agreement must be completed with the employee. No aspect of an acting assignment differential is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement and supporting justification must be submitted to Employment Services (565 UCB) for reporting requirements.

Temporary Pay Acting Assignment Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		% Temporary Increase:	
Current Base Salary:		Begin Date:	
Employment Services Review (initials & date):		Not to Exceed Date:	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Temporary Pay Acting Assignment Discretionary Pay Differential. _____ (Employee name and Empl ID) will remain in position # _____ as a _____ (job class title), but will perform all of the duties and authorities assigned to position # _____, a _____ (job class title), while the incumbent is on extended leave or due to a vacancy. The acting assignment differential will be paid monthly through regular payroll.

This adjustment is not part of base pay. The employee understands that this temporary pay adjustment is discretionary and may be discontinued at any time. It is further understood that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt. The temporary pay amount, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate payment in monthly installments.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Temporary Pay Long – Term Project Guidelines

Purpose: To reward current classified employees who accept a long-term project assignment which is critical to the campus mission, and enhances its operation, as defined by the purpose, time frame, and expected results of the project. A long-term project assignment is not customarily assigned to the position or an expected part of the regular assignment. It is distinctly outside the scope of the regular assignment, long term, and critical to the mission of the campus. It is not a substitution for the promotional or allocation process.

Eligibility: Any current, regular classified employee. Continued use of the Temporary Pay Long-Term Project should be assessed periodically. Only in unusual circumstances would this temporary pay continue beyond 12 months. If the long-term project extends beyond twelve months in duration, it may be more appropriate to consider reallocating the position.

Amount: Non-base building (temporary) pay may be increased by any amount up to 10% of the employee's current pay rate, subject to the statutory salary lid in any given month.

Authority: The supervisor may request, in writing, a long-term project adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A temporary pay long-term project adjustment will be paid monthly through regular payroll. The adjustment is temporary and non-base building. It is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BLP (Begin Long-term Project). On the compensation page, include the long-term project adjustment figure as a multiple component of pay using the BASTPD (Base Temporary Pay Differential) rate code.

Forfeiture: This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this differential, a Temporary Pay Long-Term Project Individual Agreement must be completed with the employee. No aspect of a long-term project differential is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement and supporting justification must be submitted to Employment Services (565 UCB) for reporting requirements.

Temporary Pay Long-Term Project Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		% Temporary Increase:	
Current Base Salary:		Begin Date:	
Employment Services Review (initials & date):		Not to Exceed Date:	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Temporary Pay Long-Term Project Discretionary Pay Differential. **A description of the assigned long-term project, which is critical to the mission of the campus, is attached.** The differential will be paid monthly through regular payroll. The payments will begin and end as indicated above. At the end of this period of time, the project progress will be assessed to determine the appropriateness of continuing this pay differential. *Only in unusual circumstances will this long-term differential continue beyond 12 months.*

This adjustment is not part of base pay. The employee understands that this temporary pay adjustment is discretionary and may be discontinued at any time. It is further understood that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt. The temporary pay amount, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate payment in monthly installments.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Temporary Pay Critical Skills Guidelines

Purpose: To reward current classified employees who possess unique, specialized knowledge or skills that are critically important to the mission of the campus and its productivity. The skill set is of such value that the loss of the employee, or inability to recruit for the skill set due to documented labor shortage and recruitment difficulty, would result in a demonstrated, severe adverse impact on the campus mission and productivity.

Eligibility: Any current, regular classified employee. Continued use of the Temporary Pay Critical Skills should be assessed periodically. Only in unusual circumstances would this temporary pay continue beyond 12 months. In certain situations where documented market conditions exist, critical skills pay may be ongoing with advanced approval from Employment Services.

Amount: Non-base building (temporary) pay may be increased by any amount up to 20% of the employee's current pay rate, subject to the statutory salary lid in any given month.

Authority: The supervisor may request, in writing, a critical skills adjustment to the department appointing authority. The request must include the recommended amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Payment: A temporary pay critical skills adjustment will be paid monthly through regular payroll. The adjustment is temporary and non-base building. It is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BCS (Begin Critical Skills). On the compensation page, include the critical skills adjustment figure as a multiple component of pay using the BASTPD (Base Temporary Pay Differential) rate code.

Forfeiture: This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the appointing authority decides to use this differential, a Temporary Pay Critical Skills Individual Agreement must be completed with the employee. No aspect of a critical skills differential is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the original signed written agreement and supporting justification must be submitted to Employment Services (565 UCB) for reporting requirements.

Temporary Pay Critical Skills Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		% Temporary Increase:	
Current Base Salary:		Begin Date:	
Employment Services Review (initials & date):		Not to Exceed Date:	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Temporary Pay Critical Skills Discretionary Pay Differential. The unique, specialized knowledge or skills that the employee possesses which are critically important to the mission of the University and its productivity **are described in the attached document**. The critical skills differential will be paid monthly through regular payroll, with the beginning and ending dates identified above. At the end of this period of time, an assessment will take place to determine the appropriateness of continuing this pay differential. *Only in unusual circumstances would this critical skills differential continue beyond 12 months.*

This adjustment is not part of base pay. The employee understands that this temporary pay adjustment is discretionary and may be discontinued at any time. It is further understood that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt. The temporary pay amount, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate payment in monthly installments.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Senior Level Critical Skills Guidelines

Purpose: To recognize the extra responsibilities or staff authority expertise of current classified employees in eligible job classes as described in Appendix B of the *CU Personnel System Review Task Force Report: Fostering Positive Change* (October 23, 2006) and as defined below.

Definition of Senior Level Critical Skills: In some instances, the unique capabilities, experience, or knowledge a particular employee brings to the job can have an effect on the work performed and therefore on the classification of the position. While it is the position which is classified, the relationship of the employee to the position can be recognized when the performance of the incumbent broadens the nature or scope and effect of the work being performed. For example, exceptional ability of the employee may lead to the attraction of especially difficult and complex work assignments, unusual freedom from supervision, special authority to speak for and commit the agency, continuing contribution to organizational efficiency and economy, recognition as an "expert" sought by peers, or similar considerations. Such changes affect the difficulty of work or the responsibility and authority given the employee.

In these instances, the performance of a particular individual actually makes the job materially different from what it otherwise would be. It is not the mere fact that an individual in a position possesses higher qualifications or stands out from other individuals in comparable positions that warrants higher level compensation. A senior-level employee is perceived by others inside and outside the work unit as an expert, a leader, and a role model in that role or function. In addition, a senior-level employee possesses such a level of expertise and historical knowledge related to the work assignment and the overall function of the organization that it would take a new employee more than a standard training period to be able to perform similar work. In other words, it is not a matter of a new employee becoming fully trained or fully functional. A senior-level employee performs responsibilities beyond what would be expected or what was intended of a fully operational employee in that job classification.

Eligibility: Any current, regular classified employee in the Administrative Assistant III, Accounting Technician III, or Program Assistant II job classes performing a work assignment meeting the definition described above. The job responsibilities must be described in an updated PDQ, signed by the appointing authority, and submitted to Employment Services for evaluation PRIOR to the offer of a pay differential to the employee. Appointing authorities may not enter into a DPD agreement with an employee for the senior level critical skills without first receiving approval of the PDQ from Employment Services. Do not submit signed agreements at the time the PDQ is submitted for review. The employee must be performing satisfactorily as evidenced by the most recent performance evaluation rating or documented coaching session. Critical skills pay under this category may be ongoing provided the job assignment continues to meet program criteria.

Amount: Non-base building (temporary) pay may be increased by any amount up to 20% of the employee's current pay rate, subject to the statutory salary lid in any given month.

Authority: The supervisor may request, in writing, to the department appointing authority that an updated PDQ be sent to Employment Services for review of senior level critical skills eligibility. If approved by Employment Services, the supervisor may request, in writing, the recommended DPD amount and appropriate supporting justification. The *appointing authority* will determine whether to grant the adjustment and the exact amount in each case.

Compensation Guidelines for Classified Staff

Payment: A senior level critical skills adjustment will be paid monthly through regular payroll. The adjustment is temporary and non-base building. It is included as salary for PERA and the calculation of overtime.

Pay Method: Using the Human Resources Management System (HRMS), insert a new row in Job Data using the action of Pay Rate Change and the reason of BCS (Begin Critical Skills). On the compensation page, include the senior level critical skills adjustment figure as a multiple component of pay using the BASTPD (Base Temporary Pay Differential) rate code.

Forfeiture: This adjustment is temporary and may be discontinued at any time at the discretion of the appointing authority.

Other Terms and Conditions: If the PDQ is approved by Employment Services and the appointing authority decides to use this differential, a Senior Level Critical Skills Individual Agreement must be completed with the employee. No aspect of a critical skills differential is subject to grievance or appeal, except for discrimination. The individual agreement may contain other terms and conditions.

Before any discretionary pay salary change can be processed in the HRMS, the approved PDQ, the original signed written agreement, supporting justification and documentation of satisfactory or better performance must be submitted to Employment Services (565 UCB) for reporting requirements.

Compensation Guidelines for Classified Staff
Senior Level Critical Skills Individual Agreement

1. Please fill in employee, department, and salary information (refer to specific guidelines for salary limitations):

Employee Name:		HRMS Employee ID:	
Job Class Code / Title		Position Number:	
Department Name:		% Temporary Increase:	
Current Base Salary:		Begin Date:	
Employment Services Review (initials & date):		Not to Exceed Date:	

2. Certify agreement and terms by signing below:

The Regents of the University of Colorado, a body corporate, on behalf of the above-named campus department agrees to pay the amount indicated per month to the employee named above, for meeting the established criteria of the Senior Level Critical Skills Discretionary Pay Differential. The responsibilities and expertise the employee possesses which meet the senior level definition are described in the PDQ dated _____ which was approved by Employment Services for senior level critical skills on _____. The employee received a satisfactory or better performance review on _____(date). The critical skills differential will be paid monthly through regular payroll.

This adjustment is not part of base pay. The employee understands that this temporary pay adjustment is discretionary and may be discontinued at any time. It is further understood that this adjustment is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt. The temporary pay amount, in combination with base pay, cannot exceed the statutory salary lid, which may necessitate payment in monthly installments.

The Compensation Guidelines for Classified Staff Employees is incorporated by reference and made a part of this agreement. The terms and conditions have been discussed with the employee. Given the discretionary nature of these pay differentials, it is understood that no aspect of this adjustment is grievable or appealable, except for discrimination. The employee understands and agrees to these terms and conditions.

The Regents of the University of Colorado, a Body Corporate

Employee Signature

By: Appointing Authority Signature

Printed Name

Printed Name

Title

Title

Date

Date

Compensation Guidelines for Classified Staff

To: Gloria Timmons
Director of Employment Services

From:

Date:

Re: Request for Exception to Discretionary Pay Differentials Guidelines

This is to request an exception to the program provisions for the _____
Discretionary Pay Differential. We wish to award _____
(employee name ,Empl ID, title, and position number) a differential:

- In excess of the percentage amount provided in the guidelines (but not to exceed statutory salary lid), specifically _____% which is equal to \$_____ per month in addition to the employee's base pay of \$_____ per month. This is necessary due to the following recruitment/retention difficulty :

- For a longer time period than provided in the guidelines which states _____. The original DPD start date: _____ and end date: _____. The total time period needed for this differential is _____ based on the following justification:

- For a reason not specifically set forth in any of the seven types of differentials provided. The need for this differential is based on the following recruitment/retention difficulty:

The differential amount requested is _____% which is equal to \$_____ per month in addition to the employee's base pay of \$_____ per month. The expected duration of this differential is _____.

Appointing Authority (Printed Name and Signature)

Date

FOR EMPLOYMENT SERVICES USE ONLY

DECISION:

REASON:

- Granted
- Not Granted

Date: _____ Signature: _____

Director of Employment Services

Section IV**RELATED COMPENSATION PROCEDURES****In this section:**

- A. **[One Time Payments](#)**
- B. **[Multiple Appointments and Overtime Impacts](#)**
 - Outside Employment Authorization Form
 - Dual Employment Overtime Agreement
- C. **[Incentive Awards](#)**
- D. **[Premium Pay](#)**
 - Shift Differential Designation Request Form
 - On-call Pay Designation Request Form
- E. **[Overtime Overview](#)**
 - Sample Department Overtime Policy

A. One Time Payments

What are One Time Payments?

One Time Payments, or additional pay, are flat dollar amounts made to employees under specific criteria. One Time Payments are managed using both an off-line paper process and an electronic process associated with the Human Resources Management System (HRMS). This is required because one-time payments need written approval from the Chancellor, Provost, Senior Vice Chancellor or Vice Chancellor. A one time payment form must always be submitted when paying an employee any additional gross salary (not required for exception pay such as approved overtime or additional straight time paid to overtime eligible employees). For specific information on routing and processing, refer to the PBS website under [Employee Payroll - Policies – Payroll Adjustments](#).

What are some of the requirements for One Time Payments?

The use of One Time Payments for classified staff must follow the parameters of the State of Colorado Personnel Board Rules and Administrative Procedures and should not be used to replace paying overtime to a non-exempt employee. One Time Payments can only be used for current employees already set up in the HRMS with an active paying job. Employees and departments are responsible for paying the deductions and contributions taken from One Time Payments. These payments may be subject to state and federal taxes, retirement, or insurance benefits and must be funded with existing budget dollars. One Time Payments are typically paid the following month in which the reason for the one time payment was generated. Approved One Time Payments are entered in the HRMS Time Collection with applicable earnings code unless otherwise noted on the One Time Payment Earnings Codes list, located on the [One Time Payment form](#).

What are acceptable uses of One Time Payments for classified staff employees?

Signing Bonus – A non-base building lump sum that may be used to attract new regular employees into the state personnel system. (See “[Discretionary Pay Differentials](#)” section for specific guidelines). Current employees are not eligible for a signing bonus. The Signing Bonus Individual Agreement form is required for approval of the One Time Payment. Use the Bonus (BON) earnings code.

Referral Award – A non-base building lump sum to reward current employees for the referral and subsequent hire of a new employee into the state personnel system. (See “[Discretionary Pay Differentials](#)” section for specific guidelines). The Referral Award Individual Agreement form is required for approval of the One Time Payment. Use the Referral Award (REF) earnings code.

Incentive Award – A cash incentive award to classified employees in recognition of special accomplishments or contributions throughout the year or to augment an annual performance salary adjustment. (See “[Related Compensation Procedures](#)” section for additional information on use of Incentive Awards). Employment Services review and Chancellor, Provost, Senior Vice Chancellor, or Vice Chancellor approval of department award program is required for approval of the One Time Payment form. Use the Awards-Taxable (AWR) earnings code.

Non-cash awards are not paid through HRMS Time Collection but may be subject to tax and other reporting requirements. Please refer to the PBS Procedures Guide under [Awards \(for Special Recognition or Achievement\)](#) for additional information on tax reporting requirements. Also, additional information on University fiscal processes and requirements for employee awards and recognition gifts is available from the Procurement Service Center (PSC) website in the [PSC Procedural Statement: Recognition and Training Activities](#).

Compensation Guidelines for Classified Staff

Separation Incentive – The [Separation Incentive Program](#) provides a financial incentive to classified employees in positions directly impacted by layoff. If offered a separation incentive under this program, the employee must agree to voluntarily separate from employment with the University and willingly waive his or her retention and reemployment rights in order to receive the financial incentive. The Separation Incentive Agreement form is required for approval of the One Time Payment. Advanced consultation with Employment Services is required for all Separation Incentives. Approved payments should be sent to PBS for processing with the earnings code (SEV).

Uniform Allowances – For some positions, a uniform allowance may be provided to help cover the cost of purchasing a required work uniform. In these cases, a One Time Payment for Uniform Allowances (ALW) may apply.

Additional Pay – On rare occasions, *one-time* additional pay for services rendered may be appropriate for classified staff. Additional Pay should not be used to replace paying overtime to non-exempt employees as a result of performing additional work within the scope of their primary work assignments or as a result of a dual employment situation. See the criteria described under “[Multiple Appointments and Overtime Impacts](#)” in these situations. Additional Pay should also not be used for circumstances which fall under the “[Discretionary Pay Differentials](#)” section of these guidelines since specific agreement forms and Employment Services review are required. *Advanced consultation* with the appropriate Chancellor, Provost, or Vice Chancellor’s office or Employment Services is required before a One Time Payment Additional Pay may be approved. Use the Additional Pay Flat Amount (APF) earnings code.

Honorarium - Reward, or token payment, made to an individual in limited circumstances for *one-time services* for which custom forbids a price to be set (e.g., guest lecturer) or where a price is not negotiated prior to delivery of service. For additional information, refer to the Administrative Policy Statement from the University Controller on [Honoraria](#). One-time services are single events, for which the work effort does not extend beyond a single pay period cycle. Teaching a course or seminar for an entire semester or term represents continuous service not one-time service. To receive an honorarium, employees must be providing incidental, additional services *beyond the scope* of their regular job descriptions and workload agreements. An honorarium should not be used to replace paying overtime to non-exempt employees as a result of performing additional work within the scope of their primary work assignments or as a result of a dual employment situation. See the criteria described under “[Multiple Appointments and Overtime Impacts](#)” in these situations. Typically, these one-time activities cross disciplinary lines (e.g., guest lecturer outside their own school). *Advanced consultation* with the appropriate Chancellor, Provost, or Vice Chancellor’s office or Employment Services (as well as the sponsoring agency when using grant or contract funds) is required before a One Time Payment Honorarium may be approved. Use the Honorarium–One Time Payment (HN1) earnings code.

Other uses of One Time Payments (such as stipends, tuition waivers, and moving expenses) are not appropriate for classified staff employees and will not be approved.

B. Multiple Appointments and Overtime Impacts (Outside Employment, Dual/Secondary Employment, and Volunteering)

What is Outside Employment?

Outside employment occurs when a classified employee performs work outside of his/her primary appointment with the state of Colorado. It is expected that a state job will be the employee's primary employment.

Per State Personnel Board Rules and Administrative Procedures (1-13 and 1-14), outside employment (including business ownership and volunteer activities), either with another state or non-state employer, that is or could be perceived as incompatible with the employee's primary job duties and responsibilities is prohibited without advance approval from the employee's primary appointing authority. Failure to obtain approval before beginning outside or dual employment may result in corrective or disciplinary action. The appointing authority shall base approval on whether the outside employment interferes with the performance of the state job or is inconsistent with the interests of the state or the university, including raising criticism or appearance of a conflict.

What is Dual or Secondary Employment?

The State of Colorado is one employer. Dual employment (also referred to as secondary employment) occurs when a classified employee works for more than one state agency or works for more than one campus or department within the University of Colorado system.

What is the difference between Outside Employment and Dual Employment?

Both Outside Employment and Dual Employment require advanced approval from the employee's primary appointing authority to ensure the secondary work is not incompatible with the employee's primary job assignment. There are no overtime concerns related to Outside Employment. However, since Dual Employment involves work for the same employer, i.e., the state of Colorado, overtime must be tracked and compensated for eligible employees.

If a classified employee is hired by a private temporary employment service to work for a state department doing a different type of work from his/her primary job, the secondary employment does not qualify as "dual employment." The employee is considered to be working for two independent employers, i.e., outside employment, and the time worked for the two employers does not have to be combined for the purpose of overtime compensation consideration.

Can a current employee perform volunteer work for the University?

Non-exempt employees under the FLSA can not volunteer additional time (without compensation) to do the same type of work for which they are employed. If the work is closely related to the employee's primary duty, then the additional time must be paid and counted towards overtime calculations. It does not matter if the employee does the volunteer work for a different department. However, if the work is not closely related to the employee's primary job duty, then it can be performed voluntarily with advanced approval from the employee's primary

Compensation Guidelines for Classified Staff

appointing authority. *Contact Employment Services for assistance in determining the job relatedness of any proposed volunteer work.*

What are the requirements for a classified employee to work for another state or university department?

According to State Personnel Board Rules and Administrative Procedures (1-15), a classified employee may be employed by and receive compensation from more than one department with advance written approval of the primary appointing authority. In these situations, the following guidelines apply:

Boulder Campus Guideline:

- ✓ An employee who wishes to work outside of his/her primary appointment, as described above, must submit a written request to his/her primary appointing authority for approval. A copy of the written request and approval should be kept in the employee's personnel file. See [Outside Employment Authorization Form](#) on the next page.
- ✓ If the situation involves dual employment within the university or with another state employer and the employee is eligible for overtime, there must be a written agreement between both appointing authorities that specifies the terms and conditions, including overtime determination, the department responsible for paying any overtime, recordkeeping, and the overtime hourly rate. See [Dual Employment Overtime Agreement](#).
- ✓ *For classified employees eligible for overtime, the original written agreement described above signed by the employee and both appointing authorities must be sent to Employment Services before any compensation information can be approved in the HRMS.*

For eligible employees, the overtime rate is one and one-half times the regular hourly rate. Work time from both jobs is combined to calculate overtime.

If the dual employment involves a one-time service beyond the scope of the employee's regular work assignment, an Additional Pay or Honorarium One Time Payment may be applicable. (See guidelines under the "[One Time Payments](#)" section).

For specific assistance in determining whether or not overtime applies and calculating overtime for a non-exempt employee, please contact Employment Services at (303) 492-6475.

AUTHORIZATION TO ENGAGE IN OUTSIDE EMPLOYMENT

I, _____, understand that, as a classified State employee, State of Colorado laws and rules and / or University policy provide that my employment at the University is my principal vocation, and that I must seek advance written approval to engage in outside employment, and that any outside employment must not present a conflict of interest or commitment with the University or adversely affect the performance of my duties. Accordingly, I request approval to engage in the following outside employment:

Type of outside employment: _____

Hours _____ per _____

Expected duration of outside employment, end date: _____

Employer or associates: _____

Employer's address: _____

This outside employment will not interfere with my duties and will not present an actual or apparent conflict of interest or commitment because:

If my outside employment changes, I understand that I must obtain re-approval by means of resubmitting a revised version of this form.

Employee Name (print) _____
Employee Signature _____ Date _____

Approved:

Supervisor Name (print) _____
Supervisor Signature _____ Date _____

Appointing Authority Name (print) _____
Appointing Authority Signature _____ Date _____

Compensation Guidelines for Classified Staff

**AGREEMENT REGARDING OVERTIME COMPENSATION FOR DUAL
EMPLOYMENT OF CLASSIFIED EMPLOYEES**

This agreement is entered into by:

Employee Name and ID: _____
Primary Department Name: _____
Secondary Department Name(s): _____

The employee listed above holds a classified State of Colorado position (*position number* _____) at _____ percent of time as a _____ (*insert job title*) with the Department of _____ (the "Primary Department"). This position is _____ (*exempt / non-exempt*) under the Fair Labor Standards Act ("FLSA").

The Department of _____ (the "Secondary Department") has offered the employee an additional position (*position number* _____), a _____ (*regular / temporary*) position at _____ percent of time. This appointment is _____ (*exempt / non-exempt*) under the FLSA.

(Optional Paragraph #1)

The combination of work performed by the employee in these positions meets the _____ (*executive, professional, administrative, teacher, computer*) exemption criteria under the FLSA. As a result, the employee is not entitled to overtime compensation for the work performed in the Secondary Department.

(Optional Paragraph #2)

The work performed in the Secondary Department meets the _____ (*executive, professional, administrative, teacher, computer*) exemption criteria under the FLSA. The secondary work is in a different occupational category from the employee's primary employment; it is sporadic, infrequent, irregular, or occurring in scattered instances; and it is done on a voluntary basis. As a result, the employee is not entitled to overtime compensation for the work performed in the Secondary Department.

(Optional Paragraph #3)

The combination of work performed by the employee in the above positions is non-exempt under the FLSA and is entitled to overtime compensation for all hours worked beyond 40 hours in a work week. The Secondary Department is responsible for compensating employee for any overtime accrued and the overtime compensation is calculated based on one and one-half times the regular rate paid the position in the Secondary Department. The Primary Department is responsible for overtime compensation for any hours the employee works beyond 40 hours in the Primary Department.

The employee agrees to keep accurate records of time worked in each department, to submit separate time reports in a timely manner for each department, to have these time reports signed by the respective supervisors, and to submit them to each department payroll liaison for time entry.

By signing this agreement, all parties agree to all of the stipulations above.

Employee Name (print) _____
Employee Signature _____ Date _____

Primary Department Appointing Authority Name (print) _____
Primary Department Appointing Authority Signature _____ Date _____

Secondary Department Appointing Authority Name (print) _____
Secondary Department Appointing Authority Signature _____ Date _____

C. Incentive Awards

What are Incentive Awards?

According to State Personnel Board Rules and Administrative Procedures (3-21), an appointing authority may grant an immediate cash or non-cash incentive award to classified employees in recognition of special accomplishments or contributions throughout the year or to augment an annual performance salary adjustment, e.g., on-the-spot cash awards, work-life programs, or administrative leave. Other than augmenting performance awards, incentives shall not be used to supplement or substitute for annual salary adjustments or other base pay movements.

Departments must develop and communicate, **prior to use and on an ongoing basis**, a plan outlining their award program. Such plans should be developed with the input of employees and managers and must be approved by the appropriate Chancellor, Provost, Senior Vice Chancellor or Vice Chancellor. Employment Services must review the department award program **prior** to VC approval to ensure compliance with state personnel rules and [PSC Procedural Statement: Recognition & Training Activities](#).

What information should be included in an Incentive Award Program?

Generally, Incentive Award Programs include the following elements: duration of the program, the purpose or goal of the program, recognition categories, a description of who is eligible to receive recognition under the program, a description of the recognition award criteria (i.e., the criteria that employees will be measured by), a description of the selection method including how awards will be determined, and types of cash and/or non-cash awards available including award limits and/or ranges. Incorporating these elements into an Incentive Award Program provides for consistency in application which is critical to its success.

Boulder Campus Guideline:

The following procedures should be followed when implementing an Incentive Award Program:

- ✓ The appointing authority should submit the Incentive Award Program to Employment Services for review to ensure compliance with State Personnel Board Rules and Administrative Procedures and the [PSC Procedural Statement: Recognition and Training Activities](#).
- ✓ Employment Services will notify the requesting department once the review is completed. At that point, the appointing authority should submit the Incentive Award Program to the appropriate Chancellor, Provost, Senior Vice Chancellor, or Vice Chancellor for approval.
- ✓ Once final approval has been received, the Incentive Award Program may be shared with employees.

How are Incentive Awards paid?

A departmental award program description must be reviewed and approved as described above before any One Time Payment Forms can be completed and approved. Incentive awards are one-time, non-base building awards and are not intended to increase an employee's regular, base building salary. Incentive awards are not limited by the state statutory salary lid. Cash incentive awards should be processed using the [One Time Payment Form](#) available from the PBS website. Use the Awards-Taxable (AWR) earnings code and enter payment in the HRMS Time Collection. Non-cash awards are not paid through HRMS Time Collection but may be subject to tax and other reporting requirements. Please refer to the [PBS Procedures Guide](#) for additional information on tax reporting requirements. When cash-like or non-cash items are given to an employee, a [Recognition Reporting Form](#) must be completed and forwarded to PBS including documented approval of the formal recognition program (e.g., memorandum from the Human Resources department noting the recognition program name and indicating program approval). Refer to the [PSC Procedural Statement: Recognition and Training Activities](#) for more specific information.

D. Premium Pay

What is premium pay?

Premium pay includes such items as shift differential pay, on-call pay, and call back pay. Eligibility for shift differential and on-call pay are designated by job class title in the state's annual [compensation plan](#).

Effective July 1, 2002, Employment Services was delegated authority to approve premium pay eligibility for individual positions in job classes that are not designated as eligible in the state's annual compensation plan. Approval of any exceptions to the compensation plan designations **must** be obtained from Employment Services **before** premium pay begins.

Shift Differential Pay

According to State Personnel Board Rules and Administrative Procedures (3-44), shift differential pay is additional pay beyond base pay for working shifts in eligible job classes as published in the state's annual compensation plan (or as designated by Employment Services). Shift differential does not apply to any periods of paid leave. Positions must be non-exempt under the FLSA overtime provisions to receive shift differential pay. Second shift rate applies when half or more of the scheduled work hours fall between 4:00 pm and 11:00 pm. Third shift rate applies when half or more of the scheduled work hours fall between 11:00 pm and 6:00 am. If the hours are evenly split between shifts, the higher shift differential rate applies to all hours worked during the shift.

Call Back Pay

According to State Personnel Board Rules and Administrative Procedures (3-45), call back applies when an eligible employee is required to report to work before the start or after the end of a scheduled shift. If there is no release from work between the call back hours and regular shift, it is considered a continuation of the shift and call back does not apply. When call back applies, a minimum of two hours pay is guaranteed. Eligible employees are those who are eligible for overtime, and any call back time is counted as work time. Employees exempt from overtime are also eligible when approved by a department head.

On-Call Pay

According to State Personnel Board Rules and Administrative Procedures (3-46), on-call is additional pay beyond base pay for eligible employees specifically assigned, in advance, to be accessible outside of normal work hours and where freedom of movement and use of personal time is significantly restricted. Eligible classes and the on-call pay rate are published in the state's annual compensation plan (or designated by Employment Services). Only time while actually on call shall be paid at the special rate. In call back situations, employees eligible for both on-call and call back pay shall receive call back pay only.

How is premium pay for a position requested?

For positions in job classes not already listed as eligible for premium pay in the state's annual compensation plan, a Shift Differential Pay Designation Request Form or an On-Call Pay Designation Request Form on the following pages should be completed by the supervisor, signed by the appointing authority, and submitted to Employment Services for consideration.

Shift Differential Designation Request Form

For Classified Staff

Shift differential pay is additional pay beyond base pay for working shifts. Use this form to document justification of shift differential pay for a position in a class not already designated as eligible for shift differential pay in the state of Colorado compensation plan.

Employee Name:		HRMS Employee ID:	
Job class title:		Department:	
Effective Date:		Position Number:	
ES Reviewer:		Appointing Authority:	

Second Shift (4:00pm to 11:00pm). This applies when half or more of the scheduled work hours fall within this time period.

Third Shift (11:00pm to 6:00am). This applies when half or more of the scheduled work hours fall within this time period.

Why is it appropriate for this position to work either second or third shift?

Why is shift differential pay appropriate for this position?

 Appointing Authority Signature

Date

 HR Approval

Date

On-Call Pay Designation Request Form

For Classified Staff

On-call pay is additional pay beyond base pay for eligible employees specifically assigned, in advance, to be accessible outside of normal work hours and where freedom of movement is significantly restricted. Use this form to document justification of on-call pay for a position in a class not already designated as eligible for on-call pay in the state of Colorado compensation plan.

Employee Name:		HRMS Employee ID:	
Job class title:		Department:	
Effective Date:		Position Number:	
ES Reviewer:		Appointing Authority:	

Please check any of the following that apply to this position:

- Employee in this position EXPECTS to be called back into work during the on-call period.
- Employee in this position is severely restricted geographically during the on-call period.
- Employee in this position must be constantly available by telephone during the on-call period.
- Position is eligible for overtime (non-exempt under the FLSA).

Please complete the following (provide additional documentation if necessary):

- How often, and for what period of time, is this position typically on-call?
- Please provide information showing that comparable positions in the marketplace are compensated this way.
- Please document any recruitment or retention issues your department has experienced that are directly related to lack of on-call compensation.
- Any other relevant information?

This department has considered the financial implications of requesting on-call status for this position.

Appointing Authority Signature	Date
--------------------------------	------

HR Approval	Date
-------------	------

E. Overtime Overview

What is overtime?

The federal Fair Labor Standards Act (FLSA) requires that non-exempt employees receive one and one-half times their regular hourly rate, in the form of pay or compensatory time, for all hours worked in excess of 40 in a work week. Eligible employees can not waive their rights to overtime under the FLSA.

Positions designated as exempt under the FLSA are not eligible for overtime compensation. Employees exempt under the FLSA are paid for performing a job regardless of the number of hours worked; therefore, they do not receive additional compensation for working more than 40 hours in a work week.

What positions are eligible for overtime?

For classified staff, the FLSA status as exempt or non-exempt is designated by Employment Services for each position at the time the position is classified. This determination is made on a position-by-position basis and depends upon the work assigned to the position, not the job title. The final overtime designation decision is documented on the Job Evaluation Allocation Decision Notice.

How is overtime compensated?

Overtime is compensated in the form of cash payment or compensatory time off at a rate of 1.5 hours for each hour of overtime worked (not hour for hour).

It is recommended that individual departments have an internal policy in place which is communicated to employees if compensatory time off is used in lieu of cash payment. Samples are provided on the next two pages. Compensatory time should be scheduled as soon as practical and shall not exceed 240 hours. Additional hours above 240 must be paid in cash at the next regular pay period.

What counts toward overtime?

Overtime is not accrued until after 40 hours are worked during the established work week. Holidays, vacation leave and sick leave are not counted as hours worked when calculating overtime - except for essential service employees. *For assistance with overtime calculations for essential service employees, please contact Employment Services.*

Can a non-exempt employee volunteer to work extra hours without being paid overtime?

No. Non-exempt employees cannot waive their right to overtime compensation (voluntarily or involuntarily).

Overtime work for non-exempt employees must be pre-approved by the appointing authority and/or supervisor. Unauthorized overtime may result in corrective and/or disciplinary action. Authorized or not, once overtime hours are worked and acknowledged, a non-exempt employee must be compensated accordingly.

What are a supervisor's responsibilities related to overtime?

- ✓ It is recommended that individual departments have a policy in place that establishes overtime expectations for employees. Ensure that employees understand this policy and agree to compensatory time off in lieu of cash payment if that is the department's practice. *See next page for sample department overtime policy.*
- ✓ Ensure that non-exempt employees understand that all hours worked over 40 in a work week must be approved in advance (but whether approved or not, the time must be compensated accordingly.)
- ✓ Ensure that non-exempt employees understand that all hours worked must be reported on the department's official time record/work hours form, including any hours over 40 in a work week. By signing the timesheet, the employee and supervisor are attesting to the accuracy of hours worked and leave taken, so it is critical that timesheets reflect all hours worked and leave taken. Do not rely on informal or offline records.

What if I have additional questions?

Since overtime issues may be complex and depend on the specific circumstances involved, please contact Employment Services for questions and additional information. You may also refer to the [HR website](#) for additional FLSA tools and resources.

Sample Compensatory Time Agreement

I agree to accept compensatory time off in lieu of cash payment for overtime work performed by me for my department. I understand that the rate of compensatory time off will be one-and-one half (1½) times all actual overtime work hours. I also understand that by signing this agreement, my department has the option to use either cash or compensatory time to pay the overtime work performed by me. I have reached this agreement with my department freely and without coercion or pressure. This agreement stays effective until it is voided by mutual agreement.

Employee Signature

Date

SAMPLE OVERTIME / COMPENSATORY TIME POLICY**(Insert Department Name)****(Insert Effective Date)**Purpose

To equitably manage the use of compensatory (comp) time for **(Insert Department Name)**, while maintaining compliance with the Fair Labor Standards Act (FLSA). *The use of compensatory time, instead of overtime pay, is the preferred practice for **(Insert Department Name)**. All staff employed after **(Insert Effective date)** are required to use compensatory time in lieu of overtime payment.*

Eligibility

All employees who are in positions designated non-exempt are eligible for overtime and can earn compensatory time. If there are any questions regarding eligibility, please see your supervisor.

Overtime is accrued when a non-exempt employee works more than 40 hours in any given workweek. The standard workweek is generally defined as 12:01 a.m. Sunday through midnight, the next Saturday. Exceptions may be granted with written approval from the Boulder Campus Director of Employment Services.

Terms and Conditions

- **All overtime worked must be approved in advance by the supervisor.** This request shall be in writing (e-mail is fine) and include an estimated amount of compensatory time that will be accrued and the specific work to be accomplished during that period of time. Only in exceptional circumstances (e.g. a meeting with a client that runs late, a pressing deadline etc.) can this request be made at the last minute. The supervisor will evaluate last minute requests on a case-by-case basis. An employee who works overtime without prior supervisory approval is subject to corrective action.
- Whenever feasible, efforts should be made to avoid accruing compensatory (comp) time by adjusting the employees' work hours within the same work week. Employees should make arrangements with their supervisor to leave early or arrive late in order not to exceed 40 hours worked in the same work week. If comp time is accrued, it will be governed by the following FLSA guidelines:
 1. Comp time that carries over from one workweek to the next is accrued at time and one-half.
 2. There is a maximum comp time accrual of 160 hours (or 240 hours at time and one-half) Any comp time exceeding this limit is paid in cash.
 3. Accumulated comp time must be scheduled as soon as practical after the end of the payroll period in which the overtime was worked.
- Requests to use accrued comp time are handled like annual leave requests. Therefore, a **written request** (e-mail is fine) for comp time leave must be submitted in advance, just like the current practice for annual leave.

I acknowledge receipt of this Compensatory Time Policy and agree to comply with the terms and conditions set forth.

Print Name_____
Signature_____
Date

Section V

COMPENSATION DEFINITIONS

Base Pay

An employee's *regular* salary without premium pay. Base pay must be at or below the grade maximum for that job class.

Base Building Pay Increase

An increase in an employee's regular salary as a result of an annual salary survey or performance pay increase; a promotion or transfer; or as provided in the [Discretionary Pay Differential](#) guidelines. A base-building increase can not exceed the grade maximum for that job class.

Exempt

An employee who is not eligible for overtime. As defined in the Fair Labor Standards Act (FLSA), this determination is made by Employment Services on a position-by-position basis and depends upon the work assigned to the position, not the job title.

Exempt Professional (or non-classified)

Exempt Professional positions include non-faculty officers, administrators, and certain other professional positions which meet certain statutory criteria for exemption from the classified personnel system.

Non-Base Building Pay Increase

A *temporary* increase to an employee's salary as a result of an annual performance pay increase or as provided in the [Discretionary Pay Differential](#) guidelines. A non-base building pay increase can be below or above the grade maximum for that job class. Typically, temporary pay increases do not last longer than 12 months and can not exceed the statutory salary lid.

Non-Exempt

An employee who is eligible for overtime, as defined in the FLSA. This determination is made by Employment Services on a position-by-position basis and depends upon the work assigned to the position, not the job title.

Pay Grade

A number used to identify a pay range assigned to a job class. The [Classified Staff Pay Plan](#) lists the pay grades and salary ranges assigned to each job class.

Statutory Salary Lid

The highest monthly amount any classified employee may be paid, according to statute. The State of Colorado salary lid is now determined by the lesser of the change in the Consumer Price Index (CPI) from the previous calendar year or the change in general fund appropriation from the current fiscal year compared to the previous year.

Saved Pay

Temporary means of maintaining current base pay during certain situations, such as system maintenance studies, that accommodate base pay amounts between the maximum of a pay grade and a statutory lid. Base pay shall be moved to the maximum of the pay grade at the first available opportunity that does not cause a loss in pay. However, in no case will base pay remain above the maximum after three years from the action, even if it results in a loss in pay.