



Step Pay: Resource for Supervisors, Managers, and Appointing Authorities

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APPLICATION

This document has been developed to provide information and resources to supervisors, managers, and appointing authorities about the Step Pay Program, effective July 1, 2024.

For questions about the program or application of step pay, determining pay, or performance management, please contact your department or institution's human resources office.

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I. Step Pay Program

Pursuant to Article 31 of the [Partnership Agreement](#), on July 1, 2024 the State will implement the Step Pay Program for eligible classified employees in the State Personnel System.

The step pay program addresses pay equity issues, reduces bias, and addresses employee pay progression through the pay range based on time-in-job series. This program will also help to:

- Recognize and reward State employees for time-in-job series
- Incentivize Coloradans to identify the state system as the ideal employer of choice
- Promote transparency
- Provide personal budget clarity
- Improve organizational budget forecasting

A step pay program is a compensation structure that provides increases to an employee's salary over time. In the State's step pay program, employees earn increases when they reach certain milestone years in their job series as of June 30.

The Step Pay Plan is a listing of all eligible job classifications and the corresponding pay range with base salary amounts for one year up to 25 years of time (steps) in job series as listed below.

- 5% step increase from minimum salary of the pay range at year 3
- 5% step increase from year 3 salary at year 5
- 5% step increase from year 5 salary at year 8
- Movement to the range midpoint at year 10
- 2% step increase from year 10 midpoint salary at year 12
- 2% step increase from year 12 salary at year 15
- 2% step increase from year 15 salary at year 20
- 2% step increase from year 20 salary at year 25

Eligible employees will be placed on the step for their pay grade that reflects their total years in their current job series and begin to earn the rate of pay for that step. No employee shall experience a decrease in pay as a result of step pay.

II. Years in Current Job Series

The State of Colorado and COWINS came together in the fall of 2022 to negotiate wages. In those negotiations, the Parties agreed that the new step program would be based on time in current job series.

Time-in-series is any **completed** year in an employee's **current** job class series as of June 30, 2024. *For example:* If an employee has three years and eleven months as a Training Specialist as of June 30, 2024, their time-in-series is three years. See the [Step Pay Calculate Your Rate 1-pager](#) for reference.

Note: This is different from years of service, which is calculated based on the employee's original hire date.

Time-in-series is calculated based on records from State and IHE personnel systems (ex. EMPL, CPPS). These data sets are aggregated and reviewed to calculate the time-in-series for the employee.

Each employee received a final placement letter that states their specific time-in-series calculation. If an employee believes their time-in-series is incorrect, they are encouraged to follow the process for [submitting additional documentation](#).

III. Pay Adjustments, Underpayment and Overpayments

Personnel rule and fiscal rule 9-5 require overpayments to an employee to be collected,

regardless of who made the error.

In the event of an underpayment to an employee, the amount of the underpayment retroactive to the date the error was made will be paid to the employee in a lump sum.

Employees, supervisors, managers, and appointing authorities should review and ensure accurate employee pay and contact their department or institution's human resources or payroll office if there is an error.

IV. Performance Management

With the implementation of the step pay program, classified staff employees will receive incremental pay increases based on their time-in-job series and not based on their individual performance rating, i.e. merit pay.

Leaders who are responsible for the management of classified state employees need to be aware of the differences between classified and non-classified state employees, particularly regarding performance management and compensation.

Regardless of the status of an employee, a manager is responsible for supervision. Clear expectations should be set by the manager, and discussions should take place with the employee regarding performance. Leaders can use the following tools to help develop successful relationships and discuss employee performance.

- Goal Setting
- Regularly occurring One to Ones
- [Employee Self Evaluation](#)
- [Approved Performance Management Programs](#)
- [Performance Management](#)
- [Performance Plans](#)

V. Salary Offers

Reach out to your human resources team for guidance on making salary offers that conform to Step Pay (after July 1), Equal Pay for Equal Work, and other rules and laws. Guidance on making salary offers that consider the Step Pay Program is coming soon from DPA.

VI. Resources and Tools

- [Partnership Agreement](#)
- [2024 Step Pay Program for State of Colorado Employees Website](#)
- [FY 2024-25 Step Pay Plan](#)

VII. Helpful Definitions

The definitions below have been included for general awareness and understanding in case an employee has questions or asks for clarification on a specific element of the step pay program.

- **Base Pay** - An employee's salary without premium pay. Synonymous with base salary.
- **Classification or Class** - A group of positions whose essential character (general nature of the work and responsibilities) warrants the same pay grade, classification title, and similar qualifications for entry into the class. (For example: Accountant I, Accountant II, Accountant III, etc.)
- **Class Conversion** - Automatic movement of a current title and grade to a new title and grade.
- **Class Description** - The official written description of a class series and its levels as issued by the Department of Personnel.
- **Class Placement** - Portion of a system maintenance study in which all affected positions are individually placed in the proper new class.
- **Class Series** - A group of classes engaged in similar occupational work but representing different levels. Exception: time in trainee class series in occupational groups is included for time in targeted class series. (For example: Accounting, Animal Care, Program Management, etc.)
- **Equal Pay for Equal Work Act:** Requires employers to include compensation in job postings, notify employees of promotional opportunities, and keep job description and wage rate records.
- **Job Series** - Means the same as "class series".
- **Pay Grade** - Reflects the minimum and maximum base salary rates for work in a specific class. Individual salaries vary within the ranges depending on individual movements in accordance with these provisions. Synonymous with pay level, range, or band.
- **Pay Plans** - Listing of all pay grades and their corresponding ranges for occupational groups.
- **Pay Plan (Medical)** - The pay plan that applies to classified positions in specific class series within the Health Care Services Occupational Group. The statutory lid for the class series pay ranges is greater than the general statutory lid. Employees occupying these positions are compensated based solely on performance as established in the required annual contract.
- **Pay Rate** - Actual base pay or salary amount.
- **Skills-based Hiring:** Helps employers identify candidates who may not have formal education or traditional career paths, but have the right mix of skills for the job.
- **Total Years in Job Series or Time-in-Job Series** - An employee's total number of years occupying a position in a job classification or job classifications within a job series, excluding temporary assignments.