

DEPARTMENT OF PERSONNEL AND ADMINISTRATION

State Personnel Board and State Personnel Director

STATE PERSONNEL BOARD RULES AND PERSONNEL DIRECTOR'S ADMINISTRATIVE PROCEDURES

4 CCR 801-1

[Editor's Notes follow the text of the rules at the end of this CCR Document.]

The purpose of the State Personnel Board Rules and Director's Administrative Procedures is to establish a comprehensive system of rules and procedures for employees within the state personnel system. In order to distinguish them from Director's procedures, rules promulgated by the State Personnel Board are noted as "Board Rules". Rules adopted by the Board and procedures adopted by the Director require the formal rulemaking process defined in the Administrative Procedures Act.

Preamble

Unless otherwise noted in a specific provision, the entire body of State Personnel Board Rules were repealed and new permanent rules were adopted by the State Personnel Board on April 19, 2005, pursuant to a Statement of Basis and Purpose dated April 19, 2005. The entire body of the State Personnel Director's Administrative Procedures were repealed and new permanent procedures were adopted by the State Personnel Director on May 5, 2005, pursuant to a Statement of Basis and Purpose dated May 5, 2005. Such rules and procedures were effective July 1, 2005.

This version reflects rulemaking by the State Personnel Director as follows: [This version reflects rulemaking by the State Personnel Director as follows: to modify Procedures 1-10, 1-11, 1-15, 1-22, 1-38.1, 1-48, 1-72, 1-79, 1-79.A, 1-79.B, 3-29, 3-35, 3-36, 5-5, 5-10, 5-13, 5-15.B.3, 10-4.C, and add Procedures 1-38.2, 1-38.3, 1-45.1, 1-55.1, 1-55.2, 1-80, 11-28, 11-29, 11-30, and repeal Procedures 1-9.C, 1-79.E, and 1-79.D, effective April 1, 2020. To modify Procedures 3-9 C., 3-26, 3-27, 3-27 B., 3-42, 5-6 B., 5-10, 5-17, 5-21 A, 5-22, 5-23, 5-24, 5-33, 5-34 A, 5-34 B, 5-35, 5-36, and add procedures 3-26A., 5-17 D, and repeal 9-7 effective November 1, 2019.](#)

Chapter 1 Organization, Responsibilities, Ethics, Payroll Deduction, and Definitions

Authority for rules promulgated in this chapter is found in [State of Colorado Constitution Article XII Colo. Const., art. XII](#), Sections 13, 14 and 15, [State of Colorado Revised Statutes \(C.R.S.\) §§24-50-101, 103, 104\(8\), 112.5, 116, 117, 124, 128, 129, 130, 132, 145, 24-2-103, 24-6-402, 24-31-301-104, 24-30-2103, 24-30-2105, 24-50.3-105, 24-50.3-105, 24-50.5-103, 24-72-201, 204.5, 25-75-112, and 24-18-101 through 205, Title 24 Article 18, Part 1, Code of Ethics, Title 24, Article 50: 101, 102, 103, 104, 109.5, 112.5, 114, 116, 123, 124, 125, 125.3, 125.4, 126, 128, 129, 130, 134, 135, 137, 141, 203, 503, and 507, and 24-18-101 through 205, C.R.S.](#) Board rules are identified by cites beginning with "Board Rule," (04/01/2020).

General Principle

Board Rule 1-1. The purpose of the rules promulgated herein by the Colorado State Personnel Board (hereafter "Board") and the Colorado State Personnel Director's (hereafter "Director") administrative procedures is to provide a sound, comprehensive system of human resources management for the employees within the state personnel system. This system recognizes employee rights, values the differing roles and relevant contributions of various stakeholders, allows reasonable discretion for departments to establish their own operating practices, and ensures the Board rules and Director's administrative procedures (hereinafter "rules") complement each other. It is the intent of the Board and the Director to adopt the minimum rules necessary to ensure the least cumbersome process possible for administering the state personnel system while meeting legal requirements.

State Personnel Board

Board Rule 1-2. Certified employees shall be eligible to elect members of the Board in accordance with §24-50-103, C.R.S.

- A. The Board's director shall conduct an election to fill the vacant position of an elected Board member within three months of the date of vacancy.
- B. A certified employee may contest the election of an elected Board member in the manner described at §24-50-103(3)(c)(II), C.R.S., only after:
 1. Giving notice to the Board of the grounds for contest within seven business days after the election has been certified; and
 2. Giving the Board, through its director, at least 21 days to cure the allegedly invalid election. (1/01/15)

Board Rule 1-3. The Board's director, or other person with written delegation, is the agent for service of process for any action involving the Board.

Board Rule 1-4. The Board shall meet as often as necessary to conduct its business, or at such other times as may be determined by the Board chairperson or a majority of the Board. Reasonable notice of any regular or special meeting shall be given to the Board members, interested parties, and the public as provided in §24-6-402, C.R.S., or successor statute.

Board Rule 1-5. Unless otherwise ordered, all materials to be considered by the Board at its monthly meeting must be received in the Board's office at least 12 calendar days before the meeting. The party must provide the original and nine copies of all materials to be considered by the Board, except as otherwise provided in these rules. (1/1/07).

State Personnel Director

- 1-6. The Director, under a current written delegation, may delegate certain Director's powers to heads of principal departments and presidents of institutions of higher education (hereafter "department"). Such delegated power is discretionary and subject to the Director's review. Law and the Director specify powers that shall not be delegated outside the Department of Personnel.
- 1-7. The Director may delegate any and all powers, duties, and functions to the Division of Human Resources in the Department of Personnel.

Appointing Authority

- 1-8. Executive directors of principal departments and presidents of institutions of higher education (hereafter "department" and "department head") are appointing authorities for their own offices and division directors. Division directors as defined by law are appointing authorities for their respective divisions. An appointing authority may delegate in writing any and all human resource functions, including the approval of further delegation beyond the initial designee. In the area of corrective, disciplinary, or other actions that have an adverse effect on base pay, status, or tenure, each department must establish a written document specifying the appointing authority for each individual employee and this information must be made available to the employee.
- 1-9. Appointing authority powers include, but are not limited to: hiring and evaluating performance; determining the amount and type of any non-base incentive within policies issued by the Director and the department's written plan; defining a job; administering corrective/disciplinary action; determining work hours including meal periods and breaks, and safe conditions and tools of employment; identifying positions to be created or abolished; assigning employees to positions; determining work location; and accountability for any other responsibilities in rule. (7/1/07)
- 1-10. Appointing authorities have a duty to ensure employees are oriented to the work place, including communicating requirements and rights. [\(04/01/2020\)](#)
- 1-11. All appointing authorities, managers, and supervisors are accountable for compliance with these rules and [state and federal all applicable laws, and for reasonable business decisions](#), including implementation of [other policy directives and executive orders](#). [\(04/01/2020\)](#)

Employee Activities

- Board Rule 1-12. Employees are required to know and adhere to personnel rules, laws, and executive orders governing their employment. Departments are required to make those rules, laws, and executive orders available to employees.
- Board Rule 1-13. No employee is allowed to engage in any outside employment or other activity that is directly incompatible with the duties and responsibilities of the employee's state position, including any business transaction, private business relationship, or ownership. The employee is not allowed to accept outside compensation for performance of state duties. This includes acceptance of any fee, compensation, gift, reward, gratuity, expenses, or other thing of monetary value that could result in preferential treatment, impediment of governmental efficiency or economy, loss of complete independence and impartiality, decision making outside official channels, and disclosure or use of confidential information acquired through state employment. Incompatibility includes reasonable inference that the above has occurred, may occur, or has any other adverse effect on the public's confidence in the integrity of state government.
- A. If the employee receives any such form of compensation that cannot be returned, it is to be immediately turned over to the appropriate state official as state property except for

the following. The employee may accept awards from non-profit organizations for meritorious public contributions. Honoraria or expenses for papers, demonstrations, and appearances made with approval of the appointing authority may also be kept if the activity occurs during a holiday, leave, a scheduled day off, or outside normal work hours.

- B. An employee shall give advance notice to the appointing authority and take necessary steps to avoid any direct conflict between the employee's state position and outside employment or other activity.

Board Rule 1-14. Employees may engage in outside employment with advance written approval from the appointing authority. 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, including raising criticism or appearance of a conflict.

- A. An employee may be retained by a different department through a personal services contract to perform a different function consistent with the requirements of Chapter 10.
- B. A personal services contract involving an employee shall not be used to evade overtime.

1-15. Employment with more than one department [is commonly referred to as dual employment](#). An employee may be employed by and receive compensation from more than one department with advance written approval of [the primary both](#) appointing [authority authorities](#). There must be a written agreement between the appointing authorities that specifies the terms and conditions of the arrangement including any overtime considerations. ~~(R~~[For further information, refer to the "Compensation" chapter.](#)) [\(04/01/2020\)](#)

Board Rule 1-16. It is the duty of state employees to protect and conserve state property. No employee shall use state time, property, equipment, or supplies for private use or any other purpose not in the interests of the State of Colorado.

Board Rule 1-17. Employees may participate in political activities subject to state and federal laws. No state time or property may be used for this purpose.

Board Rule 1-18. Employees have the right to associate, self-organize, and designate representatives of their choice. Membership in any employee organization or union is not a condition of state employment. No employee may be coerced into joining or not joining and solicitation of members shall not occur during work hours without the approval of the appointing authority. The employee's representative may confer, with prior consent from the supervisor, on employment matters during work hours. Such conferences should be scheduled to minimize disruption to productivity and the general work environment. A supervisor's consent shall not be unreasonably withheld.

Board Rule 1-19. An employee may voluntarily and knowingly waive, in writing, all rights under the state personnel system, except where prohibited by state or federal law.

Records

Board Rule 1-20. The Board and the Director shall maintain records of personnel activities that have legal, administrative, or historical value in accordance with statute. Legal value is defined as a Board appeal record less than 20 years old or the statement of basis and purpose for a rule that is in effect or was in effect during the past five years. Administrative value is defined as a record that is less than five years old and summarizes department cost efficiencies, including staffing and workload statistics. Historical value is defined as a record documenting a major change in the function of the Board or the Department of Personnel.

- 1-21. Departments shall maintain official records in written or electronic form. Access to records is governed by §24-72-201, C.R.S, et seq. Each department shall have an authorized records custodian who is accountable for the maintenance, access and confidentiality, and disposition of all records required by state and federal law. The Division of Human Resources shall have access to records required for the monitoring of delegated authorities and other official duties.
- 1-22. When an employee transfers or reinstates to a different department, all official employee records shall be forwarded to the new department within 40-ten business days. Failure to forward these records may result in liability for violation of [these rules and](#) any applicable laws ~~or rules~~. [\(04/01/2020\)](#)
- 1-23. Official Personnel File. Each employee's official personnel file shall include the following and be retained 40-ten years after separation: a separate record of all employment actions; most current application information; corrective/disciplinary action information unless rescinded by the Board or further appeal or removed by the appointing authority; final annual performance evaluations for at least the past three years; grievance and other dispute information; letters of recommendation, reference, or commendation as requested; and, any other information desired by the appointing authority. An employee shall be given a copy of any information placed in the personnel file, except for reference checks. (7/1/07)
- 1-24. Medical Records. Any medical information on the employee or a family member shall be maintained in a separate, confidential medical file with limited access in accordance with law.
- 1-25. Selection Records. Selection records shall be kept for two years after expiration of the eligible list, except when notified of a charge of discrimination. In such a case, the record is maintained until the charge is resolved. The content of selection records must include all related information up to the establishment of the eligible list. (3/30/13)

Human Resource Innovation Programs

Board Rule 1-26. A written statement of each Human Resource Innovation Program (HRIP) implemented by the agency shall be submitted by the head of the agency to the State Personnel Board or State Personnel Director, as appropriate, at 1525 Sherman Street, Denver, CO, 80203, commensurate with the implementation of each HRIP. The description shall indicate the following:

- A. In developing the HRIP, input was obtained from both management and non-management employees in the department; and,
- B. The HRIP complies with the Colorado Constitution, statutes, and rules.

The Board shall forward HRIPs within the Director's jurisdiction to the Director. After review, the Director will issue a written consultation. The Board will review each HRIP within the Board's jurisdiction at the next regularly scheduled public Board meeting and issue a written consultation.

Each department head is responsible for updating the statement and submitting any modifications or revisions of the HRIP to the Board or Director commensurate with such changes. (1/01/15)

Definitions

- 1-27. Advisor. Individual who assists a party during a grievance or the performance management dispute resolution process by explaining the process, helping identify the issues, preparing documents, and attending meetings. (7/1/07)
- 1-28. Allocation. Assignment of an individual position to the proper class.

- 1-29. Announcement. The published notice for a position or class that will be filled on the basis of merit and fitness.
- 1-30. Applicant. An individual who applies for employment in the state personnel system.
- 1-31. Applicant Pool. A group of individuals who have applied for employment in the state personnel system.
- 1-32. Base Pay. An employee's salary without premium pay. Synonymous with base salary.
- Board Rule 1-32.1. Certified. The status of an employee who has successfully completed a probationary period or a trial service period. (3/15/11)
- 1-33. Class. A group of positions whose essential character (general nature of the work and responsibilities) warrants the same pay grade, title, and similar qualifications for entry into the class.
- 1-34. Class Conversion. Automatic movement of a current title and grade to a new title and grade.
- 1-35. Class Description. The official written description of a class series and its levels as issued by the Department of Personnel.
- 1-36. Class Placement. Portion of a system maintenance study in which all affected positions are individually placed in the proper new class.
- 1-37. Class Series. A group of classes engaged in the same kind of occupational work but representing different levels.
- 1-37.1. Comparative analysis. A process that utilizes professionally accepted standards that compares specific job-related knowledge, skills, abilities, behaviors and other competencies. Such a process may be numeric or non-numeric. (3/30/13)
- 1-38. Competencies. Observable, measurable patterns of knowledge, skills and abilities, behaviors, and other characteristics that employees need to successfully perform work-related tasks.
- 1-38.1. Conditional or Provisional Appointments. A temporary appointment to a permanent position approved by the Director/Appointing Authority. ~~A conditional~~The appointment applies to a qualified current certified employee who is qualified and temporarily promotes into a permanent vacancy for which no eligible list exists. (04/01/2020)~~A provisional appointment applies to a qualified person outside of the state personnel system who is temporarily appointed to a permanent vacancy for which no eligible list exists. (3/15/11)~~
- 1-38.2. Conditions of Employment. Conditions of employment refer to essential job duties or working conditions of a position, and can include, but are not limited to; such items as the ability to pass a criminal background check, the ability to meet travel demands, a requirement to work various or additional shifts, working hours, the ability to regularly lift a specified amount of weight, driving requirements and driver's license requirements, etc. Conditions of employment may be based on job analysis and may be documented in the position description. Note: Conditions of employment apply to a position, whereas minimum qualifications apply to a job class. (04/01/2020)
- 1-38.3. Critical Positions. Positions departments determine as critical to their operations. Employees in critical positions can be FLSA exempt or nonexempt and can be expected to work and/or remain at their worksite in delayed start, early release, or closure situations. (04/01/2020)

Board Rule 1-39. Day. Calendar day unless otherwise specified.

Board Rule 1-40. Department. One of the principal departments defined in law and institutions of higher education.

Board Rule 1-40.1. Departmental Reemployment List. A list which is established on a departmental basis, as listed in the "Separation" chapter, containing the names of certified employees who meet one of the following conditions: (a) separated from employment due to layoff; (b) voluntarily demoted in lieu of layoff or as a result of a position's reallocation; and/or (c) former position no longer exists upon return from an exempt position accepted at the request of the governor or other elected or appointed official and the employee is laid off. (3/15/11)

Board Rule 1-41. Disciplinary Suspension. A type of disciplinary action in which an employee is not allowed to work and is not paid for a specified period of time.

Board Rule 1-42. Dismissal. Disciplinary termination of employment.

1-43. Eligible List. A list of persons who have successfully passed through a comparative analysis and may be considered for appointment. Referrals are drawn from this list. (1/1/14)

Board Rule 1-44. Employee. An individual who occupies a full-time or part-time position in the state personnel system.

Board Rule 1-45. Employment Lists. Statutory term that includes promotional and open-competitive eligible lists and reemployment lists.

1-45.1. Essential Positions. Positions that perform essential law enforcement, highway maintenance, and other support services directly necessary for the health, safety, and welfare of patients, residents, and inmates of state institutions or state facilities. Employees in essential positions can be only FLSA nonexempt and can be required to work unexpected or unusual work hours to perform the essential and/or emergency services of the department without delay and/or without interruption. (04/01/2020)

1-46. Examination. A numerical assessment of job-related competencies, knowledge, skills, abilities and job fit to screen applicants for the eligible list. (3/30/13)

Board Rule 1-47. Exempt Employee. One who is not eligible for overtime.

1-47.1. Fair Labor Standards Act (FLSA): The Fair Labor Standards Act (FLSA) includes but is not limited to, the establishment of minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in Federal, State, and local governments. Special rules apply to State and local government employment including: (a) compensatory time off instead of cash overtime pay, (b) fire protection and law enforcement activities and (c) volunteer services. (04/01/2020)

1-48. Full-Time. A position scheduled and budgeted for 2080 hours per fiscal year. ~~(04/01/2020)Any schedule for less than 2080 hours is part time.~~

Board Rule 1-49. Good Cause. Any cause not attributable to a party's or counsel's act or omission, including but not limited to: death or incapacitation of a party or the attorney for the party; a court order staying or otherwise necessitating a continuance; a change in the parties or pleadings sufficiently significant to require a postponement; a showing that more time is clearly necessary to complete authorized discovery or other mandatory preparation for hearing; or an agreement of the parties to a settlement which has been or will likely be approved by the final decision maker.

A. Good cause will normally not include: unavailability of counsel due to an engagement in another judicial or administrative proceeding, unless such other proceeding was involuntarily set subsequent to the present case; unavailability of a necessary witness if the witness' testimony can be taken by telephone or deposition; or failure of an attorney to timely prepare for the hearing.

1-50. Health Care Provider. For purposes of family/medical leave only, a doctor of medicine or osteopathy, dentist, podiatrist, clinical psychologist, optometrist, chiropractor limited to manual manipulation of the spine to correct a subluxation as demonstrated by x-ray, nurse practitioner, physician's assistant, nurse mid-wife, Christian Science practitioner listed with First Church of Christ, Scientist in Boston, and clinical social worker. Health care providers must be authorized to practice and be performing within the scope of their practice.

1-51. Independent Contractor. A firm or individual who is responsible to the state for the results of certain work, but is not subject to the state's control as to the means and methods of accomplishing those results. For purposes of determining independent contractor status, the Director will apply the criteria set forth in the fiscal rules of the state controller, and state and federal law. Independent contractor is synonymous with contractor for purposes of these rules. (5/1/10)

1-52. Job Description. The official document summarizing the primary duties and responsibilities assigned to a position by the appointing authority.

1-53. Job Evaluation System. System of classes and assigned pay grades developed by the Director. All positions are placed in the system during a system maintenance study or are allocated when an assignment changes or a position is created.

1-53.1. Job Qualifications. Includes the minimum qualifications for a vacancy's class; any special qualifications, including but not limited to any required education or experience and any licensure or certification requirements; and/or any pre- or post-employment screening requirements. (3/15/11)

1-54. Laid Off. Involuntary non-disciplinary separation from a position in the state personnel system and, if applicable, the offer of retention rights and/or placement on a reemployment list. (3/30/13)

1-55. Layoff. Process of involuntarily separating an employee from a position in the state personnel system due to abolishment of the position for lack of work, lack of funds, reorganization, or displacement by another employee exercising retention rights. (3/30/13)

1-55.01. Minimum Qualification. The type and level of education, experience, licensure, certification, and/or any applicable substitutions required for entry into a defined state personnel system job class. Minimum Qualifications are established by the State Personnel Director. (04/01/2020)

1-55.02. Nonexempt Employee. Employee in a position that is eligible for overtime under the FLSA. (04/01/2020)

Board Rule 1-55.1. Non-disciplinary Demotion. An appointment which is a voluntary change to a class with a lower pay range maximum. (3/15/11)

Board Rule 1-56. Non-Permanent Position. A position established for a nine-month period or less. It may be a full-time or part-time work schedule. Synonymous with temporary. (3/30/13)

1-56.1. Open Competitive List. A list containing the names of individuals who have successfully completed any applicable comparative analysis process resulting from a job announcement that

was not restricted to current state employees. (3/30/13)

[1-56.2. Part-Time. A position scheduled for less than 2080 hours per fiscal year. \(04/01/2020\)](#)

- 1-57. Party or Parties. A person appealing and any person or department against whom an appeal is filed.
- 1-58. 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.
- 1-59. Pay Plans. Listing of all pay grades and their corresponding ranges for occupational groups.

[1-59.1. 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. \(04/01/2020\)](#)

1-60. Pay Rate. Actual base pay or salary amount.

Board Rule 1-61. Permanent Position. A position that is carried on the staffing pattern in excess of nine months or on an annual, seasonal basis. It may be a full- or part-time work schedule. (3/30/13)

Board Rule 1-62. Position. An individual job, as defined by an appointing authority, within the state personnel system.

Board Rule 1-62.1. Probationary. A person who is not a current certified employee and who has been selected from a referral list for a permanent position but has not yet been certified to the class for that position. (3/15/11)

1-62.2. Promotional List. A list containing the names of individuals who have successfully completed any applicable comparative analysis process resulting from a job announcement restricted to current state employees or former state employees separated from employment due to layoff. (3/30/13)

[1-62.2.1. Provisional Appointment. An immediate temporary appointment to a position with a person from outside of the state personnel system for which no eligible list exists. Employees with a provisional appointment do not have the rights and benefits provided to classified employees within the state personnel system except for those mandated by law and pay range minimums. Appointees shall possess the minimum qualifications for the position. Appointees shall not retain the position as provisional longer than nine months from the date of entrance of duty or one month after the establishment of a referral list intended to permanently fill the position, whichever date is earlier. \(04/01/2020\)](#)

1-62.3. Qualified Applicant. An individual who submits a timely and sufficient application in response to an announcement and meets the job qualifications for the vacancy. (3/30/13)

1-62.4. Qualified Applicant Pool. All individuals who are eligible to be included in any applicable comparative analysis process because each of them satisfies the definition of qualified applicant for the respective position or class. (3/30/13)

1-62.5. Rank. Relative to position or degree of value. (1/1/14)

1-63. Reemployment. The right of an employee to be returned or rehired to the class from which separated by layoff.

Board Rule 1-64. Reemployment List. List of certified employees who were involuntarily terminated or demoted due to layoff.

1-64.1. Referral List. A list of the top six individuals drawn from the eligible list who are to be considered by the appointing authority. In cases in which a non-numerical comparative analysis has been used, the appointing authority must also consider all applicants who are eligible for veteran's preference. (1/1/14)

Board Rule 1-64.2. Reinstatement. An appointment of a former or current employee either to a class in which the person was certified and resigned or voluntarily demoted in good standing or to a related class at the same or lower pay range maximum. (3/15/11)

Board Rule 1-65. Resignation. Voluntary separation from the state personnel system.

Board Rule 1-66. Retention Credit. Credit of time and, if necessary, the calculation of an employee's ranking under the department's matrix in a layoff situation, in order to calculate the employee's retention rights. (10/1/07)

Board Rule 1-67. Retirement. Separation of an employee from the state personnel system who is eligible to retire under the provisions of the state retirement plan in which the employee is enrolled (e.g., Public Employees' Retirement Association's defined benefit plan). (1/1/07)

1-68. Saved Pay Rate. Temporary means of maintaining current base pay during certain situations that accommodate base pay amounts between the maximum of a pay grade and a statutory lid.

1-69. Serious Health Condition. For purposes of family/medical leave, an illness, injury, impairment, physical or mental condition that requires inpatient care in a hospital, hospice, or residential medical care facility or continuing treatment by a health care provider. Continuing treatment is a period of incapacity of more than three calendar days, pregnancy, a chronic serious health condition, or permanent long-term condition for which there is no treatment but the patient is under supervision, or multiple treatments without which a period of incapacity would result.

1-70. Service Date. The date continuous state service begins, including state employment outside the state personnel system, but excluding temporary and student employment. Service dates do not change except for separation from service of more than 90 days, or any break in a probationary period. (5/1/10)

Board Rule 1-71. Sexual Harassment. Quid pro quo sexual harassment is unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission to or rejection of such conduct is used as the basis for an employment decision. Hostile work environment sexual harassment is any harassment or unequal treatment based on sex, even if not sexual in nature, which results in unreasonable interference with an individual's work performance or creates an intimidating, hostile, or offensive working environment.

1-72. Special Qualifications. [Position specific Unique job requirements that add to but do not substitute for existing minimum qualifications. Special Qualifications shall not supersede nor diminish an existing minimum qualification. \(04/01/2020\)](#)

Board Rule 1-73. Status. Categories that determine the rights of an employee under the state personnel system, i.e., probationary, trial service, certified, conditional, provisional, and temporary.

1-73.1. Substitute Appointment. A temporary appointment that is made to perform the duties of a filled position during a leave or for training purposes. (3/15/11)

1-74. System Maintenance Study. The process used to determine classes and/or pay grades and to properly place all affected positions into new classes. It includes class placement.

1-74.1. Temporary Appointment. This refers to a qualified person who is appointed to a position or positions for a period not to exceed nine months in any 12 month period inclusive of all temporary appointments with any state employer. Temporary appointments include temporary, conditional, provisional, and substitute positions. (04/01/2020)

1-74.2. Temporary Employee. A person who holds a temporary appointment and is employed at-will, not having the rights and benefits provided to permanent employees, except those mandated by law and pay range minimums. (04/01/2020)

Board Rule 1-75. Tenure. Combination of rights which vest in a certified employee by virtue of certified status, seniority, and years of service.

Board Rule 1-76. Termination. Separation of an employee from the state personnel system by resignation, retirement, layoff, dismissal, or death.

Board Rule 1-76.1. Transfer. An appointment of a qualified and current employee to a different position in the same class or to a class with the same pay grade. (3/15/11)

1-77. Treatment. For purposes of family/medical leave, examination to determine if a serious health condition exists, subsequent exams to evaluate the condition, and a course of prescriptive medication or therapy requiring special equipment. Routine exams or treatments that do not require the intervention or continuing supervision of a health care provider are excluded.

Board Rule 1-77.1. Trial Service. Status of a current certified employee or reemployment applicant who promotes or, unless appointing authority requires a probationary period, a reinstated applicant. May also apply, at the discretion of the appointing authority, to a current employee who transfers within the same class or to a current certified employee or a reemployed applicant who transfers to a different class with the same pay range maximum. (3/15/11)

Board Rule 1-78. Unclassified Position. A position in state government that is not covered by the state personnel system.

Payroll Deduction

1-79. State departments and institutions of higher education shall process ~~the following types of~~ payroll deductions ~~including but not limited to, those required by federal law, state statute, executive order, through state sponsorship and including: (04/01/2020)-(7/1/07)~~

A. ~~Required by federal law or state statute (e.g., tax withholdings, garnishments, court-ordered child support); (8/1/08) Pre-tax benefit contributions governed by the State's Salary Deduction Plan, (04/01/2020)~~

B. ~~Authorized by federal or state statute for programs made available by a department or institution (e.g., employee benefits, "eco-passes," tax treatment elections); (8/1/08)~~

C. ~~Expressly authorized for state sponsorship by executive order of the governor and available to all state employees (e.g., Colorado Combined Campaign);~~

B. ~~For the purpose of facilitating t~~The reimbursement of monies owed to the state from an

employee (e.g., higher education tuition, uniforms, salary overpayments); ~~or (8/1/08),~~
(04/01/2020)

C. – E. Repealed. (04/01/2020)

- A. ~~Required by federal law or state statute (e.g., tax withholdings, garnishments, court-ordered child support); (8/1/08)~~
- B. ~~Authorized by federal or state statute for programs made available by a department or institution (e.g., employee benefits, "eco passes," tax treatment elections); (8/1/08)~~
- C. ~~Expressly authorized for state sponsorship by executive order of the governor and available to all state employees (e.g., Colorado Combined Campaign);~~
- D. ~~(Moved to B.) For the purpose of facilitating the reimbursement of monies owed to the state from an employee (e.g., higher education tuition, uniforms, salary overpayments); or (8/1/08)~~

~~E. Authorized by the Director through a written application and approval process (e.g., employee organization membership). The Director will consider the following criteria in making this determination:~~

- ~~a. The cost or administrative burden to the state;~~
- ~~b. The legal status and purpose of the organization receiving the payroll deduction;~~
- ~~c. The deduction is not prohibited by law;~~
- ~~d. The organization and the purpose of the deduction have a reasonable relationship to state employment; and~~
- ~~e. Any other reasonably relevant factor.~~

~~All applications and employee requests for authorizations or terminations for payroll deductions shall be on forms and within time frames specified by the Director. Payroll deductions authorized by the Director pursuant to this rule are valid until revoked in writing by the Director, an authorized officer of the receiving organization, or the paying employee, except as otherwise required by law.~~

1-80. All employee requests to start or terminate a payroll deduction shall be made within specific time frames on forms approved by the Director, department head or their designee. (04/01/2020)

Chapter 3 – Compensation

Authority for rules promulgated in this chapter is found in State of Colorado Constitution Article XII, Section 13, State of Colorado Revised Statutes (C.R.S.) §§24-50-104 (1)(a), (b), (c), (e), (f), (4), (5), (6), (9), and 24-50-104.5(1), 109.5, 136, 137, and 208, C.R.S. Board rules are identified by cites beginning with "Board Rule-" (04/01/2019)

General Principles

- 3-1. The Department of Personnel shall establish rules governing compensation for the state personnel system. Compensation practices shall provide for equitable treatment of similarly situated employees.
- 3-2. Pay grades shall reflect prevailing labor market compensation and any other pertinent considerations. No individual employee's base pay shall be less than the minimum of the grade or exceed a statutory lid. In the case of disciplinary action, base pay may be less than the minimum of the grade for a period not to exceed 12 months, subject to FLSA requirements.

Annual Compensation Survey

- 3-3. The Department of Personnel shall conduct the annual compensation survey. The Director shall establish and publish the distribution of annual compensation changes among salaries, including establishment of statewide priority groups and group benefit contributions, which shall be effective as provided by law. (9/1/12)
- 3-4. When upward pay grade changes are implemented, the grade minimum and maximum shall be adjusted and no employee shall be paid outside of the new grade, except in disciplinary actions resulting in salary temporarily below the new minimum and continuation of saved pay above the new maximum. (7/1/07)
- 3-5. If pay grade changes are downward, employees' base pay shall remain unchanged, subject to the statutory three-year limitation on saved pay.

Pay Rates

- 3-6. The Department of Personnel shall publish the annual pay plan. Departments shall use an hourly rate based on an annual salary to compensate employees who do not work a predetermined or full schedule. (1/1/18)
- 3-7. Saved pay applies to downward movements due to individual allocation, system maintenance studies, and the annual compensation survey to maintain an employee's current base pay when it falls above the new grade maximum. It may also apply when retention rights are exercised pursuant to the "Separation" chapter. In no case shall the employee's base pay remain above the grade maximum after three years from the action, even if it results in a loss in pay. (1/1/18)
- 3-8. Unless authorized by the Director, the rate resulting from multiple actions effective on the same date shall be computed in the following order. The Director may withhold salary adjustments for any employee with a final overall rating of needs improvement, except as provided in 3-4. (7/1/07)

~~1-A.~~ System maintenance studies.

~~2-B.~~ Upward, downward, or lateral movements.

~~3-C.~~ Repealed. (8/1/08)

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

4.D. Changes in pay grade minimums and maximums to implement approved annual compensation changes to the pay structure.

5.E. Across-the-board increases authorized by the General Assembly. (1/1/18)

6.F. Adjustments to the base pay of employees due to merit pay in approved annual compensation changes, subject to the new grade maximum and 3-19(C)(1)(a). (1/1/18)

7.G. Bring salaries to the new grade minimum as a result of compensation survey pay grade changes, except in disciplinary actions. (1/1/18)

8.H. Non-base merit payments (based on new annual salary). (1/1/18)

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. (7/1/06)

- 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 or the best candidate cannot be obtained by hiring at the minimum of the pay grade. (1/1/18)
- 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 expectations 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.

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. 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. This policy shall not be used to substitute for other provisions in this chapter.

3-11. When an unclassified position is brought into the state personnel system, the base pay for an employee appointed to the position shall be computed in accordance with the Department of Personnel's directives that shall ensure that total compensation is preserved to the greatest extent possible, except that base pay shall not exceed the grade maximum. (1/1/18)

Downward Adjustments

3-12. Downward movement is a change to a different class with a lower range maximum (e.g., non-disciplinary or disciplinary demotions, individual allocations, system maintenance studies including class placement, or the annual compensation survey).

3-13. In the case of system maintenance studies and individual allocations of positions, the employee's base pay shall remain the same, including saved pay.

- A. A department head has sole discretion to grant saved pay when employees exercise retention rights and the decision must be applied consistently throughout the retention area. If saved pay is granted, the employee's name shall not be placed on a reemployment list. (7/1/07)

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Right: 0",
Numbered + Level: 1 + Numbering Style: A, B, C, ... +
Start at: 1 + Alignment: Left + Aligned at: 0.25" +
Indent at: 0.5"

- 3-14. In the case of other downward movements, the base pay shall not be above the maximum in the new grade.
- A. 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. (1/1/14)

Upward Adjustments

- 3-15. Upward movement is a change to a different class with a higher range maximum (e.g., promotions, individual allocations, system maintenance studies including class placement, or the annual compensation survey).
- 3-16. In the case of system maintenance studies, employees' base pay shall remain the same. If the Director finds that severe and immediate recruitment and retention problems make it imperative to increase pay to maintain critical services, the Director may order that base pay be increased up to the percentage increase for the new class.
- 3-17. In the case of other upward movements, the employee's base pay may increase or remain the same, in which case the employee would receive the 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.
- A. When conditional employees move upward, the base pay shall be computed based on the certified class.

Lateral Adjustments

- 3-18. Lateral movement is a change to a different class or position with the same range maximum (e.g., transfers, individual allocations, system maintenance studies including class placement), or an in-range salary movement in the same class and position. Base pay can be offered at a rate that falls within the pay range of the class and does not exceed the grade maximum. In addition, in-range salary movements are subject to the provisions below. (1/1/14)

In-Range Salary Movements. A department may use these discretionary movements to increase base salaries of permanent employees who remain in their current classes and positions when there is a critical need not addressed by any other pay mechanism. The use of in-range salary movements is not guaranteed and shall be funded within existing budgets. These movements shall not be retroactive and unless specifically noted in these rules, frequency is limited to one in-range salary movement in a 12-month period. No aspect of granting these movements is subject to grievance or appeal, except for alleged discrimination; however, an alleged violation of the department's plan can be disputed. A department's decision in the dispute is final and no further recourse is available. Once granted, a reduction in base salary is subject to appeal. Departments must develop a written plan addressing appropriate criteria for the use of any movement based on sound business practice and needs, e.g., eligibility, funding sources, approval requirements, [and](#) measures to ensure consistent use. The plan must be communicated within the department and a copy provided to the Director prior to implementation. If granted, there must be an individual written agreement between the employee and the appointing authority that stipulates the terms and conditions of the movement. Records of any aspect of these movements shall be provided to the Director when requested. (02/2017)

- A. Salary Range Compression. Used as a salary leveling increase where longer-term or more experienced employees are paid lower in the range for the class than new hires or less experienced employees over a period of time resulting in documented retention difficulties. Thus, there is a valid need to increase one or more employee's base salary in the class to recognize contributions equal to or greater than the newly hired or less experienced employees. Justification shall be required based on facts. To be eligible, an employee must be performing satisfactorily as evidenced by the most recent final overall performance rating. The increase may be up to ~~40-ten~~ percent (10%) or the maximum permitted by the department's policy on hiring salaries, whichever is greater, and subject to the pay grade maximum. (9/1/12)
- B. Counteroffer. Used when an employee with critical, strategic skills receives a higher salary offer from another department or outside employer and the appointing authority needs to increase the employee's base salary for retention purposes. To be eligible, an employee must be performing satisfactorily as evidenced by the most recent final overall performance rating. Written confirmation of the other entity's salary offer is required. The increase may be up to ~~40-ten~~ percent (10%) or the maximum permitted by the department's policy on promotional pay, whichever is greater, and subject to the pay grade maximum.
- C. Delayed Transfer or Promotional Pay Increase. Used when a transfer or promotion is made with no salary increase or partial salary increase because performance expectations are unproven and/or funds may be unavailable at the time of transfer or promotion. This is a one-time base salary increase within 12 months of the date of transfer or promotion when funds become available and the employee's contributions are fulfilled. The intent to provide a later salary increase must be documented at the time of the transfer or promotion. To be eligible, an employee must be performing satisfactorily as evidenced by the most recent final overall performance rating. The increase may be up to ~~40-ten~~ percent (10%) or the maximum amount permitted in the department's policy on transfer or promotional pay increases, whichever is greater, and subject to the pay grade maximum. Transfer, promotion, demotion, or separation of the employee will negate the delayed increase. (1/1/18)
- D. New Hires. Used at the time an employee is hired when performance expectations are unproven and/or funds may be unavailable. This is a one-time base salary increase within 12 months of hire. The intent to provide a later salary increase must be documented at the time of hire. To be eligible, early satisfactory completion of specified training objectives must be documented. This is limited to a one-time increase up to ~~40-ten~~ percent (10%) or the maximum permitted by the department's policy on promotional pay increases, whichever is greater, and subject to the pay grade maximum. Transfer, promotion, demotion, or separation of the employee will negate the delayed increase. (02/2017)
- E. Competency-Based Increase. Used when an employee applies the complete set, or a subset, of competencies required to successfully perform the work of a specific position. Required competencies must be specifically defined with deadlines and evaluation criteria for achievement, and must be communicated in writing to the employee prior to granting an increase. Competencies that are the basis for this increase must be required to perform permanent, essential functions assigned to the position. The intent of this increase is to promote career development by aligning pay increases with achieving all required competencies to fully perform the job. Increases are limited to no more than two per 12-month period. This type of increase shall not be applied as a substitute for Merit Pay. To be eligible, an employee must demonstrate required competencies as evidenced by a written evaluation by the appointing authority. The increase may be up to ~~40-ten~~ percent (10%) or the maximum permitted by the department's policy, whichever is greater, and subject to the pay grade maximum.

Merit Pay (9/1/12)

- 3-19. Merit pay consists of both base and non-base building adjustments. Any permanent employee is eligible for merit pay, except as provided below and as otherwise provided in this chapter. Prior to the payment of merit pay, the Director shall specify and publish the percentage for any merit pay increase for applicable priority groups. Adjustments are effective on July 1. The employee must be employed on July 1 to receive payment. The employee's current department as of July 1 is responsible for payment, unless arrangements are made whereas the transferring department will provide full payment of a portion of any non-base building merit pay increase. (1/1/18)
- A. If the final overall rating is needs improvement, the employee is ineligible for any merit pay. Merit pay shall not be denied because of a corrective or disciplinary action issued for an incident after the close of the previous performance cycle. (9/1/12)
 - B. Employees hired into the state personnel system during the performance evaluation cycle shall receive a prorated portion of any base or non-base building merit pay. The proration shall be based on the number of calendar months worked. (1/1/18)
 - C. Base building merit pay shall be based on final performance evaluation and salary position within the pay range on June 1. (1/1/18)
 - 1. Payment of base building merit pay shall not cause an employee's base pay to exceed the grade maximum, and is paid as regular salary. (9/1/12)
 - a. The payment of any remaining portion of base building merit pay that would cause base pay to exceed grade maximum shall be paid as a onetime, non-base building lump sum in the July payroll. The statutory salary lid does not apply to such a payment. (1/1/14)
 - 2. Payment of base building market pay shall be a comparison of state personnel system salaries to market salaries for the purpose of measuring competitiveness. Market shall result in base building increases to pay, only when an employee's salary is below a newly adjusted pay range minimum. (9/1/12)
 - D. Non-base building merit pay shall be a non-base building or one-time lump sum payment and shall be calculated after any annual compensation adjustments, including base building merit pay. (1/1/18)
 - 1. Non-base building merit pay must be earned each year and shall be paid as a one-time lump sum in the July payroll. The grade maximum and statutory lid do not apply to non-base building merit pay. (9/1/12)
 - a. An employee must be employed on the date of the payment in order to be eligible to receive a non-base building merit payment. (9/1/12)
 - E. Base building or non-base building merit pay may be provided to employees, at a department's discretion if approved by the Governor's Office of State Planning and Budgeting, when funded from a department's state employee reserve fund using department reversions. These discretionary merit payments shall only be paid to certified employees, in order of priority grouping established by the Director. (1/1/18)
 - 1. Base building merit pay increases funded from a department's state employee reserve fund shall be provided only if the department can justify sustainability as determined by the Governor's Office of State Planning and Budgeting. (9/1/12)

2. Merit pay increases funded from a department's state employee reserve fund shall not be provided more than once in a 12-month period per employee. 9/1/12)

3. Repealed. (1/1/18)

F. Repealed. (1/1/18)

Incentives

3-20. Departments are strongly encouraged to use incentives. (7/1/06)

3-21. An appointing authority may grant an immediate non-base cash or non-cash incentive award to an employee in recognition of special accomplishments or contributions throughout the year or to augment merit pay, e.g., on-the-spot cash awards, work-life options, or administrative leave, in accordance with a department's established incentive plan. Other than augmenting merit pay, incentives shall not be used to supplement or substitute for annual compensation adjustments or other base pay movements. The statutory salary lid does not apply to these incentives. (9/1/12)

A. Departments must have an incentive plan prior to the use of incentives. Such plans shall include eligibility criteria, the types of incentives allowed, cash amounts or limits and payment methods, and a communication plan. Such plans shall be developed with the input of employees and managers.

1. If a department uses a type of incentive that shares cost savings from innovations, the following applies.

- a. Employees are ineligible if they are wholly responsible for control and operation of a division (or equivalent), the primary assignment includes responsibility for identifying efficiencies and cost reductions, or the position has statewide program or budget authority.
- b. Savings are the result of innovative ideas that increase productivity and service levels while decreasing costs. Savings are not the result of normal progressive business evolution, obvious solutions to mandated budget cuts, cost avoidance or revenue enhancement, nor do they have adverse cost impact on other departments.
- c. Savings are the difference between anticipated expenditures prior to implementation and actual expenditures following implementation for a full 12-month period. The complete award amount shall be no more than ~~10-ten~~ percent (10%) of the first year's savings, not to exceed a total of \$1,000 per employee.

3-22. Repealed. (8/1/08)

3-23. Repealed. (8/1/08)

Medical Plan

3-24. Employees in the medical pay plan shall be compensated based solely on performance as established in the required annual contract to be negotiated by July 1 of the contract year, or within 30 days of hire or movement within the medical pay plan for the remainder of the contract year. Employees are not eligible for any pay adjustments, such as merit pay. Current

performance contracts may be modified during the contract year but not compensation. Change in compensation shall only occur at the end of a contract period, unless an employee moves to another position, and may increase, decrease, or remain unchanged from the previous year. In the case of upward or downward movement in the medical pay plan, compensation must be no lower than the minimum or higher than the maximum rates of the new grade and a new contract must be negotiated for the remainder of the contract year. (9/1/12)

- A. If no contract is negotiated, the existing contract continues and base pay stays the same until a new contract is negotiated. Employees in the medical pay plan may grieve the rate unless it is lower, which is then subject to appeal. If the employee moves into or out of the medical pay plan into another open-range class, the base pay shall be negotiated subject to the grade maximum of the new class.

FLSA and Overtime

- 3-25. All employees are covered by [the Fair Labor Standards Act \(FLSA\)](#). Under FLSA, the state is considered to be a single employer. Employees cannot waive their rights under FLSA. [\(04/01/2020\)](#)
- 3-26. The state's standard FLSA workweek is Saturday at 12:00am through Friday at 11:59pm. This standard FLSA workweek applies to agencies that use the official payroll system designated by the State Controller. (11/1/2019)
 - A. For law enforcement, healthcare, and fire protection employees, appointing authorities may adopt a "work period" under the FLSA between 7 consecutive days to 28 consecutive days in length. Overtime compensation is not required until the employee satisfies the maximum hour standard under the federal regulations. (11/1/2019)
- 3-27. Overtime is the actual hours worked by a ~~non-exempt~~[nonexempt](#) employee in excess of the 40 hours during a standard FLSA workweek or in excess of established work hours in adopted work periods for law enforcement, healthcare, and fire protection employees. Such excess hours are paid at 1 ½ times the employee's regular hourly base pay rate, including applicable premium pay. Non-exempt employees paid on a biweekly or monthly pay cycle must be paid overtime on the employee's next regularly scheduled payroll following the period the overtime was earned. Biweekly employees must be paid on the biweekly payroll and monthly employees must be paid on the monthly payroll. (11/1/2019)
 - A. Overtime for ~~non-exempt~~[nonexempt](#) employees shall be approved in accordance with a department's procedure. A department head shall establish a policy to address unauthorized overtime work; however, prohibition of unauthorized overtime does not avoid the requirement to pay if it is actually worked.
 - B. Compensatory time in lieu of monetary payment is allowed if there is a written agreement between the department and any employee hired after April 15, 1986. Written agreements for those hired prior to April 15, 1986, are unnecessary provided that the department had a regular practice in place for granting compensatory time. Acceptance of compensatory time may be a condition of employment for new employees. Appointing authorities must ensure that compensatory time is scheduled as soon as practical. Compensatory time shall not exceed 240 hours (or 480 hours – see FLSA) and any additional overtime must be paid as indicated in Rule 3-27. If a department wants to place limits on the accrual or payment of compensatory time up to 240 hours (or 480 hours – see FLSA), a policy must be developed and communicated prior to use and on an ongoing basis. Unused compensatory time at termination or transfer to another department must be paid at that time. (11/1/2019)

Eligibility

- 3-28. Department heads are responsible for determining if each position is exempt or ~~non-~~
~~exempt~~~~nonexempt~~ based on the actual duties performed regardless of class. Determinations
must be entered into the payroll system and a record kept on file.
- 3-29. An exempt employee's pay is not subject to reduction except as follows: (04/01/2020)
- A. Deductions in increments of one day are allowed for a major workplace rule violation.
- B. Deductions are allowed for any amount of time if:
1. a leave of absence was not requested or was denied and accrued leave is not
used; ~~or~~
 2. ~~is the time is~~ covered by the Family and Medical Leave Act (FMLA); or the state
family medical leave; (04/01/2020)
 3. accrued leave is exhausted; ~~or~~
 4. ~~for the time is a~~ voluntary furlough; or
 - 4.5. ~~In the case of the time is a~~ mandatory furloughs for budgetary reasons exempt
status is not changed, except for the workweek in which the furlough occurs and
pay is reduced. Improper reductions make the employee non-exempt.
(7/1/06)(04/01/2020)
- 3-30. Exempt employees shall not be granted extra pay for hours worked in excess of 40 hours in a
workweek. An appointing authority may grant discretionary administrative leave or other
incentives but such awards shall not be tied to hours worked. (7/1/06)
- 3-31. An employee may request a review of a decision regarding eligibility, calculation of overtime
hours, and payment to the Director in accordance with the "Dispute Resolution" chapter.

Dual Employment

- 3-32. In a properly authorized dual employment arrangement, the written agreement shall include the
exemption status designation based on the combined duties, the department responsible for
paying any overtime, and the overtime hourly rate. The overtime rate, if applicable, is either the
regular rate from one of the jobs or a weighted rate from both jobs. Work time from both jobs is
combined to calculate overtime. (1/1/18)

Work Hours

- 3-33. In order to minimize overtime liability, appointing authorities may deny, delay, or cancel leave
before it is taken. Appointing authorities may require the use of accrued compensatory time but
cannot schedule compensatory time if that will make an employee forfeit annual leave at the end
of the fiscal year. (1/1/18)
- 3-34. Compensatory time is not leave, but a form of compensation. Therefore, it is not included in the
calculation of work hours for overtime purposes.

- 3-35. Overtime does not accrue until a ~~non-exempt~~nonexempt employee works more than the maximum hours allowed in a standard FLSA workweek or designated work period as permitted in Rule 3-26 (A). All time worked must be recorded on a daily basis. Overtime is calculated based on the total time worked in the standard FLSA workweek or designated work period as permitted in Rule 3-26 (A), rounded to the nearest quarter hour. Overtime pay for nonexempt employees for time worked over 40 hours in a standard FLSA workweek or in excess of established work hours in adopted work periods as permitted in Rule 3-26 (A), excludes paid leave or holiday leave with the exception of Essential and Critical Positions, see rule 3-36. If operational needs require an employee to regularly report to work early or leave late, that time is counted as work hours for the calculation of weekly overtime purposes. (04/01/2020)
- 3-36. ~~Essential, and critical non-exempt~~nonexempt positions, as designated by a department head, shall have paid leave counted as work time. (04/01/2020)Essential positions perform law enforcement, highway maintenance, and support services directly responsible for the health, safety, and welfare of patients, residents, students, and inmates.
- 3-37. Scheduled meal periods are discretionary. Scheduled meal periods are not work time and must be at least 20 minutes. However, if the employee is materially interrupted or not completely free from duties, the meal period is counted as work time.
- 3-38. Work breaks are discretionary. If granted, breaks of up to 20 minutes are work time. Breaks shall not offset other work time or substitute for paid leave, not be taken at the beginning or end of the workday, nor be used to extend meal periods.
- 3-39. Ordinary travel to and from work is not work time. Travel from work site to work site is work time. When an employee is required to travel a substantial distance to perform a job away from the regular work site, the travel is work time.
- 3-40. Mandatory training or meetings are work time. Voluntary training during work hours, as approved by the appointing authority, which is directly related to an employee's job and is designed to enhance performance, is work time. Voluntary training after hours to gain additional skill or knowledge is not work time, even if it is job related.

Recordkeeping

- 3-41. FLSA requires that certain basic records be maintained for both exempt and ~~non-~~nonexempt employees. Each department is accountable for maintaining those records. (7/1/07)
- 3-42. Time records must be approved by both the employee and the supervisor. The time records are the basis for overtime calculation and compensation. (11/1/2019)

Other Premium Pay

- 3-43. Shift Differential is additional pay beyond base pay for employees working shifts. Eligible classes are published in the annual pay plan. Department heads may designate eligibility for individual positions in classes not published and shall maintain records for such cases. Shift differential does not apply to any periods of paid leave. Second shift rate applies when half or more of the scheduled work hours fall between 4:00 p.m. and 11:00 p.m. Third shift rate applies when half or more of the scheduled work hours fall between 11:00 p.m. and 6:00 a.m. If hours are evenly split

between shifts, the higher shift differential rate applies to all hours worked during the shift.
(1/1/18)

- 3-44. 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 of the employee's regular base 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.
(1/1/18)
- 3-45. On Call is additional pay beyond base pay for 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 rate are published in the annual pay plan. A department head may designate eligibility for individual positions in classes not published and maintain records of such on-call designations. 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. (1/1/18)
- 3-46. Second Domicile is additional discretionary pay up to ~~40-ten~~ percent (10%) of base pay for employees who are required to maintain a second domicile for more than ~~40-ten~~ consecutive calendar days while working out-of-state on official state business. The department head must authorize such payments.
- 3-47. Repealed. (1/1/18)
- 3-48. Housing Premium is a stipend granted by a department head to designated employees living and working in high housing cost areas with demonstrated recruitment and retention problems. It is not part of the base rate and may begin or end at any time. Records on any aspect of this premium must be provided to the Director when requested.
- 3-49. Discretionary Pay Differentials. A department may use non-base building discretionary pay differentials on a temporary basis, which shall be funded within existing budgets. Use of these pay differentials is at the discretion of the appointing authority and shall not be used as a substitute for annual compensation adjustments, other pay policies, or promotions. No differential is guaranteed and, if granted, may be discontinued at any time. No aspect of any discretionary pay differential is subject to grievance or appeal, except for discrimination; however, an alleged violation of the department's plan can be disputed. A department's decision in the dispute is final and no further recourse is available. Departments must develop and communicate a written plan addressing appropriate criteria for the use of any differential based on sound business practice and needs. If granted, there must be an individual written agreement between the employee and appointing authority that stipulates the terms and conditions of the differential, including the dates the differential will begin and end. Records of any aspect of these differentials must be provided to the Director when requested. (8/1/08)
- A. Counteroffer to a verifiable job offer may be used when an employee with critical strategic skills receives a higher salary offer from another department or outside employer and the appointing authority needs to retain the employee. The sum of a non-base building differential and current base pay cannot exceed a statutory lid in any given month and may be paid in one or more payments. (8/1/08)

B. Signing bonus is a non-base building lump sum that may be used to attract new permanent employees into the state personnel system. It may be paid in one or several payments; however, the sum of the bonus and current base pay cannot exceed a statutory lid in any given month. Signing bonuses may be used for the following reasons:

1. to fill positions in critical occupations where there is a documented shortage in the labor market and recruitment or retention difficulty in the department that jeopardizes its mission; or,
2. when the applicant possesses a unique, critical skill in relation to the job market.

C. Referral award is a non-base building lump sum that may be granted to a current employee for the referral and subsequent hire of a new employee into the state personnel system where the position requires a unique, specialized skill and there is a documented shortage in the labor market and recruitment or retention difficulty in the department. This award is to be used for permanent employees unless the Director grants an exception. Employees who influence or are responsible for hiring and those performing recruitment as part of their regular assignments are ineligible. The sum of the award and current base pay cannot exceed a statutory lid in any given month.

D. Temporary pay differential is a non-base building award that may be granted to a current permanent employee in the same position. The sum of the temporary award and current base pay shall not exceed a statutory lid in any given month and is paid through regular payroll. This differential shall not be used as a substitute for the promotional or allocation process. Temporary pay differentials may be used for the following reasons:

1. acting assignment where the employee assumes the full set of duties (not "in absence of") of a higher-level position that is vacant or the incumbent is on extended leave for a period longer than 30 days but less than nine months. The differential shall not exceed nine months for any given acting assignment;
2. long-term project assignment that is not an expected or customary part of the regular assignment and is critical to the mission and operations of the department as defined by the purpose of the project, its time frame, and the critical nature and expected results; or,
3. retain a unique, specialized set of skills or knowledge that is critical to the mission and productivity of the department. The loss would result in documented severe adverse effect on the department's mission and productivity.

3-50. Hazardous Duty is a non-base building premium that may be granted to positions working in occupations where exposure to physical hazards is not a customary part or expectation of the occupation and its preparation for entry. Such positions work for a majority of their time in settings that involve clear, direct, and unavoidable exposure to risk of major injury or loss of life even after making allowances for safety. This premium is not guaranteed and, if granted, may be discontinued at any time. No aspect of this premium pay can be grieved or appealed, except for alleged discrimination. Departments must develop appropriate criteria for the use of hazard pay based on sound business practice and need, and communicate these criteria prior to use of this premium. The premium rate will be published in the annual pay plan and, in combination with current base pay and other premium pay, cannot exceed a statutory lid in any given month.

(1/1/18)

Postemployment Compensation (9/1/12)

- 3-51. Postemployment compensation, which includes voluntary separation incentives or severance pay, are discretionary financial payments that may be offered to certified employees when a layoff has happened or may happen based upon documented lack of funds, lack of work, or reorganization. Postemployment compensation may include, but is not limited to, a hiring preference, payment towards the continuation of health benefits, tuition or educational training vouchers, portion of salary, placement on a reemployment list. Postemployment compensation may be contingent upon an employee's waiver of retention and reemployment rights, but waiving those rights does not affect the employee's eligibility for reinstatement. A department head must establish a postemployment compensation plan before a department makes any postemployment compensation offers. (1/1/14)
- 3-52. Any total postemployment compensation payment and other benefits shall not exceed an amount equal to one week of an employee's salary for every year of his or her service, up to 18 weeks. Any additional limitations shall be established and published by the director, taking into consideration prevailing market practice and other factors. (1/1/18)
- 3-53. Repealed. (1/1/18)
- 3-54. The employee and department must execute a written contract before payment of any post employment compensation. The contract must include the following provisions. (1/1/14)
- A. A statement that the employee is required to pay all applicable taxes on the payment;
 - B. The employee's acknowledgement that the state will withhold taxes according to law before payment;
 - C. The employee's agreement to waive retention and reemployment rights, if applicable, along with a statement that the contract is voluntary and not coerced or obtained through means other than the terms of the contract; (9/1/12)
 - D. The date of the employee's last day of work;
 - E. An acknowledgement that no payment will be made until after the last day of work and compliance with other provisions of the contract; and,
 - F. Upon signature, a copy of each contract must be provided to the state personnel director. (9/1/12)
 - G. The employee's agreement to waive any and all claims they may have or assert against the employer, relative to their employment prior to the execution of this agreement. (9/1/12)

Chapter 5 - Time Off

Authority for rules promulgated in this chapter is found in State of Colorado Constitution Article XII, Section 13, The Family Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), Family Care Act (FCA), Uniformed Services Employment and Reemployment Rights Act (USERRA), The Patient Protection and Affordable Care Act (PPACA), commonly called the Affordable Care Act (ACA), and 26 U.S.C. 63, State of Colorado Revised Statutes (C.R.S.) §§ 1-6-115, 1-6-122, 1-7-102, 8-40-101, 14-2-101, 14-15-103, 24-11-101, 24-11-112, 24-18-102, 24-33.5-825, 24-50-104, 24-50-109.5, 24-50-401, 28-1-104, 28-3-601, 28-6-602, 28-3-607, 28-3-609, and 28-3-610. (04/01/2020).

General Principles

- 5-1. Employees are required to work their established work schedule unless on approved leave. Employees are responsible for requesting leave as far in advance as possible. The leave request must provide sufficient information to determine the type of leave. (5/1/10)
 - A. The appointing authority shall respect the employee's privacy rights when requesting adequate information to determine the appropriate type of leave. (02/2017)
 - B. Appointing authorities are responsible for approving all leave requests and for determining the type of leave granted, subject to these rules and any additional departmental leave procedures. Departmental procedures shall be provided to employees. (02/2017)
 - C. Unauthorized use of any leave may result in the denial of paid leave and/or corrective or disciplinary action.
 - D. Mandates to maintain a minimum balance of sick or annual leave (or a combination of both) are not permitted except under a leave sharing program or a corrective or disciplinary action. (02/2017)
- 5-2. Paid leave is to be exhausted before an employee is placed on unpaid leave, unless the reason for leave does not qualify for the type of leave available, or during a mandatory or voluntary furlough. (02/2017)
- 5-3. Departments shall keep accurate leave records in compliance with rule and law and be prepared to report the use of any type of leave when requested by the Director. (5/1/10)

Accrued Paid Leave

- 5-4. Annual leave is for an employee's personal needs and use is subject to the approval of the appointing authority. The appointing authority may establish periods when annual leave will not be allowed, or must be taken, based on business necessity. These periods cannot create a situation where the employee does not have a reasonable opportunity to use requested leave that will be subject to forfeiture. If the department cancels approved leave that results in forfeiture, the forfeited hours must be paid before the end of the fiscal year. (5/1/10)
- 5-5. Sick leave is for health reasons only, including diagnostic and preventative examinations, treatment, and recovery. Accrued sick leave may be used for the health needs of: (04/01/2020)
 - A. of the employee or family members including domestic partners, in-laws and step relatives. Special consideration will also be given to any other person whose association with the employee is similar to a family member.(04/01/2020)

A.B. An injured military service member as established under Rule 5-20 (F), legal dependent, or a person in the household for whom the employee is the primary care-giver. (04/01/2020)~~The appointing authority may require documentation of the familial relationship. (02/2017)~~

B.C. Appointing authorities may use discretion to send employees home for an illness or injury that impacts the employee's ability to perform the job or the safety of others. Sick leave shall be charged but annual leave shall be charged if sick leave is exhausted; unpaid leave if both annual and sick leave are exhausted. (02/2017)

C.D. Employees shall provide the State's authorized form (or other official document containing the same information) from a health care provider for an absence of more than three consecutive full working days for any health reason or the use of sick leave shall be denied. Appointing authorities have the discretion to require the State's authorized form (or other official document containing the same information) for absences of less than three days when the appointing authority has a reasonable basis for suspecting abuse of sick leave. (02/2017)

1. The completed official form or document must be returned within 15 days from the appointing authority's request. (02/2017)
2. Failure to provide the State's authorized form (or other official document containing the same information) may result in corrective/disciplinary action. Appointing authorities have the discretion to approve other forms of leave if sick leave is denied. (02/2017)

Exhaustion of Leave and Administrative Discharge

5-6. If an employee has exhausted all credited paid leave and is unable to return to work, unpaid leave may be granted or the employee may be administratively discharged by written notice following a good faith effort to communicate with the employee. Administrative discharge applies only to exhaustion of leave. (11/1/2019)

- A. The notice of administrative discharge must inform the employee of appeal rights and the need to contact the employee's retirement plan on eligibility for retirement.
- B. An employee cannot be administratively discharged if FML, state family medical leave, or short-term disability leave (includes the 30-day waiting period) apply, or if the employee is a qualified individual with a disability under the ADA who can reasonably be accommodated without undue hardship. (11/1/2019)
- C. A certified employee who has been discharged under this rule and subsequently recovers has reinstatement privileges.

5-7. Table (02/2017)

Monthly Leave Earning, Accrual, Payout, and Restoration for Permanent Employees							
Annual Leave				Sick Leave			
Years of Service*	Hrs. / Mon.	Max Accrual**	Payout	Hrs. / Mon.	Max Accrual***	Restoration	Payout
Years 1 – 5 (01 – 60 Months)	8	192 hours	Upon termination or death, unused leave is paid out up to the maximum accrual rate.	6.66	360 hours	Previously accrued sick leave up to 360 hours is restored when eligible for reinstatement or reemployment.	Upon death or if eligible to retire, ¼ of unused leave paid out to the maximum accrual rate. PERA's age and service requirements under the Defined Benefit plan are applied regardless of the plan actually enrolled in.
Years 6 – 10 (61 – 120 Months)	10	240 hours					
Years 11 – 15 (121 – 180 Months)	12	288 hours					
Years 16 or Greater (181 or more Months)	14	336 Hours					
<p>* Years of service is computed from the 1st calendar day of the month following the hire date; except if the employee began work on the 1st working day of a month, include that month in the count. Employees with prior permanent state service, in or out of the state personnel system, earn leave based on the total whole months of service, excluding temporary assignments.</p> <p>** Over-accrued amounts are forfeited at the beginning of the new fiscal year (July 1st).</p>				<p>*** Over-accrued sick leave up to 80 hours is converted to annual leave each new fiscal year (July 1st) at a 5:1 ratio (five hours of sick converts to one hour annual leave). An employee may have an individual maximum accrual that is greater than 360 hours if continuously employed in the state personnel system prior to 7/1/88. Maximum accrual for these employees is calculated by adding 360 hours to the leave balance on 6/30/88.</p>			
General Provisions							
<p>Employees must be at work or on paid leave to earn monthly leave. Leave is credited on the last day of the month in which it is earned and is available for use on the first day of the next month, subject to any limitations elsewhere in Chapter 5, Time Off. A terminating employee shall be compensated for annual leave earned through the last day of employment.</p> <p>Part-time employees who work regular, non-fluctuating schedules earn leave on a prorated basis based on the percentage of the regular appointment, rounded to the nearest 1/100 of an hour. Leave for part-time employees who work irregular, fluctuating schedules and full-time employees who work or are on paid leave less than a full month is calculated by dividing the number of hours paid by the number of work hours in the monthly pay period. The percentage is then multiplied by the employee's leave earning rate to derive the leave earned. Overtime hours are not included in leave calculations.</p> <p>Leave payouts at separation are calculated using the annualized hourly rate of pay (annual salary divided by 2080 hours for full-time employees), and employees are only eligible for the sick leave payout one time - initial eligibility for retirement.</p> <p>Forfeiture of leave as a disciplinary action or a condition of promotion, demotion, or transfer is not allowed.</p> <p>Borrowing against any leave that may be earned in the future or "buying back" leave already used is not allowed.</p> <p>Use of annual leave cannot be required for an employee being laid off.</p> <p>Make Whole: When an employee is receiving workers' compensation payments, accrued paid leave is used to make the employee's salary whole in an amount that is closest to the difference between the temporary compensation payment and the employee's gross base pay, excluding any pay differentials. Leave earning is not prorated when an employee is being made whole.</p> <p>Short-Term Disability: Employees are required to use paid leave during the 30-day waiting period for short-term disability benefits, including the use of accrued annual leave and/or compensatory time once sick leave has been exhausted. Any remaining sick leave beyond the 30-day waiting period must be exhausted prior to eligibility for short-term disability benefit payments.</p>							

Leave Sharing

- 5-8. Leave sharing allows for the transfer of annual leave between permanent state employees for an unforeseeable life-altering event beyond the employee's control, and is subject to the discretionary approval of a department head. Departments must develop and communicate their programs prior to use, including criteria for qualifying events. The authority to approve leave sharing shall not be delegated below the department head without advance written approval of the Director. (02/2017)
- 5-9. Employees must have at least one year of state service to be eligible. Leave sharing is not an entitlement even if the individual case is qualified. Donated leave is not part of the leave payout upon termination or death. (5/1/10)
- A. Donated leave is allowed for a qualifying event for the employee or the employee's immediate family member as defined under Rule 5-5. In order to use donated leave, the employee must first exhaust all applicable paid leave and compensatory time and must not be receiving short-term disability or long-term disability benefit payments. If all leave is exhausted, donated leave may be used to cover the leave necessary during the 30-day waiting period for short-term disability benefit payments. The transfer of donated leave between departments is allowed only with the approval of both department heads. (02/2017)

Holiday Leave

- 5-10. Permanent full-time employees employed by the state when the holiday is observed are granted eight hours of paid holiday leave (prorated for permanent part-time employees) to observe each legal holiday designated by law, the Governor, or the President. Appointing authorities may designate alternative holiday schedules for the fiscal year. If a holiday occurs when an employee is on short or long-term disability and is being paid for the benefit, the employee will be paid through those benefits and not be granted eight hours of holiday leave. (~~11/1/19~~)(04/01/2020)
- A. Department heads have the discretion to grant employee requests to observe César Chávez day, March 31, in lieu of another holiday in the same fiscal year. The department must be open and at least minimally operational for both days and the employee must have work to perform.
- B. Each department shall establish an equitable and consistent policy to ensure that all permanent employees are granted their full complement of holidays. (02/2017)

Other Employer-Provided Leaves

- 5-11. The types of leave in this section do not accrue, carry over, or pay out. (5/1/10)
- 5-12. Bereavement leave is for an employee's personal needs and use is subject to the approval of the appointing authority. The appointing authority may provide up to 40 hours (prorated for part-time work or unpaid leave in the month) of paid leave to permanent employees for the death of a family member or other person. Employees are responsible for requesting the amount of leave needed. Documentation may be required when deemed necessary by the appointing authority. (02/2017)
- 5-13. Military leave provides up to ~~45 paid regular workdays~~120 hours in a fiscal year to permanent employees who are members of the National Guard, military reserves, or National Disaster Medical Service to attend the annual encampment or equivalent training or who are called to active service, including declared emergencies. Unpaid leave is granted in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) after exhaustion of

the ~~120 hours~~ 15 regular workdays. The employee may request the use of annual leave before being placed on unpaid leave. ~~(02/2017)~~ (04/01/2020)

A. In the case of a state emergency, the employee must return upon release from active duty. In the case of federal service, the employee must notify the appointing authority of the intent to return to work, return to work, or may need to apply to return, and is entitled to the same position or an equivalent position, including the same pay, benefits, location, work schedule, and other working conditions. This leave is not a break in service. (02/2017)

5-14. Jury leave provides paid leave to all employees; however, temporary employees receive paid leave for a maximum of three days of jury leave. Jury pay is not turned over to the department. Proof may be required. (02/2017)

5-15. Administrative leave may be used to grant paid time when the appointing authority wishes to release employees from their official duties for the good of the state. In determining what is for the good of the state, an appointing authority must consider prudent use of taxpayer and personal services dollars and the business needs of the department. (02/2017)

A. Activities performed in an official employment capacity, including job-related training and meetings, voluntary training, conferences, participation in hearings or settlement conferences at the direction of the Board or Director, and job-related testimony in court or official government hearings required by an appointing authority or subpoena are work time and not administrative leave. Administrative leave is not intended to be a substitute for corrective or disciplinary action or other benefits and leave. (02/2017)

B. Administrative leave may be granted for the following: (02/2017)

1. Up to five days for local or 15 days for national emergencies per fiscal year to employees who are certified disaster service volunteers of the American Red Cross. (02/2017)

2. One period of administrative leave for the initial call up to active military service in the war against terrorism of which shall not exceed 90 days and applies after exhaustion of paid military leave. Administrative leave is only used to make up the difference between the employee's base salary (excluding premiums) and total gross military pay and allowances. The employee must furnish proof of military pay and allowances. This leave does not apply to regular military obligations such as the annual encampment and training. (02/2017)

3. Volunteering in community or school activities. A department shall adopt and communicate a policy regarding the amount of leave available, employee eligibility, and process for requesting and approving leave. (04/01/2020)
~~Employee participation in community or school volunteer activities. (02/2017)~~

4. Employee recognition for special accomplishments or contributions in accordance with the department's established incentive plan. (02/2017)

C. Administrative leave must be granted for the following: (02/2017)

1. Two hours to participate in general elections if the employee does not have three hours of unscheduled work time during the hours the polls are open. (02/2017)

2. Up to two days per fiscal year for organ, tissue, or bone donation for transplants. (02/2017)

3. To serve as an uncompensated election judge unless a supervisor determines that the employee's attendance on Election Day is essential. The employee must provide evidence of service. (02/2017)
 4. Up to 15 days in a fiscal year when qualified volunteers or members of the Civil Air Patrol are directed to serve during a declared local disaster, provided the employee returns the next scheduled workday once relieved from the volunteer service. (02/2017)
- 5-16. Administrative leave that exceeds 20 consecutive working days must be reported to the department head and the Director. (02/2017)
- 5-17. Unpaid leave may be approved by the appointing authority unless otherwise prohibited. The appointing authority may also place an employee on unpaid leave for unauthorized absences and may consider corrective and/or disciplinary action. Probationary and trial service periods are extended by the number of days on unpaid leave and may be extended for periods of paid leave. The amount of unpaid leave for employees paid on a monthly pay cycle is calculated based on the monthly salary multiplied by the number of unpaid leave hours divided by the number of hours in the pay period. The amount of unpaid leave for ~~non-exempt~~nonexempt employees paid on a biweekly pay cycle is calculated based on the hourly pay rate multiplied by the number of unpaid leave hours. The amount of unpaid leave for exempt employees paid on a biweekly pay cycle is calculated based on the biweekly salary multiplied by the number of unpaid leave hours divided by the number of hours in the pay period. (11/1/2019)
- A. Short-term disability (STD) leave is a type of unpaid leave of up to six months while either state or PERA STD benefit payments are being made. To be eligible for this leave, employees must have one year of service and an application for the STD benefit must be submitted within 30 days of the beginning of the absence or at least 30 days prior to the exhaustion of all accrued sick leave. The employee must also notify the department at the same time that a benefit application is submitted.
 - B. Voluntary furlough is unpaid job protection granted for up to 72 workdays per fiscal year when a department head declares a budget deficit in personal services. The employee may request such absence to avoid more serious position reduction or abolishment. Employees earn sick and annual leave and continue to receive service credit as if the furlough had not occurred.
 - C. Victim protection leave is unpaid job protection granted for up to 24 hours (prorated for part-time employees) per fiscal year for victims of stalking, sexual assault, or domestic abuse or violence. An employee must have one year of state service to be eligible and have exhausted all annual and, if applicable, sick leave. All information related to the leave shall be confidential and maintained in separate confidential files with limited access. Retaliation against an employee is prohibited; however, this rule does not prohibit adverse employment action that would have otherwise occurred had the leave not been requested or used.
 - D. State family medical leave is unpaid job protection granted for up to 40 hours subsequent to FML. To be eligible for this leave, the employee must be eligible for FML, see Rule 5-20. Employees do not need to apply for state family medical leave separately. (11/1/2019)
- 5-18. Parental Academic leave. Departments may provide up to 18 hours (prorated for part-time) in an academic year for parents or legal guardians to participate in academic-related activities. A department shall adopt and communicate a policy on whether the leave will be unpaid or paid, the amount and type of paid leave, and specifically the substitution of annual leave or use of

administrative leave. (02/2017)

Family/Medical Leave (FML)

- 5-19. The state is considered a single employer under the Family and Medical Leave Act (FMLA) and complies with its requirements, the Family Care Act (FCA), and the following rules for all employees in the state personnel system. Family/medical leave cannot be waived. (02/2017)
- A. The FCA provides unpaid leave to eligible employees to care for their partners in a civil union or domestic partnership who have a serious health condition and is administered consistent with FML. (02/2017)
- 5-20. FML is granted to eligible employees for the following conditions: (02/2017)
- A. Birth and care of a child and must be completed within one year of the birth; (02/2017)
 - B. Placement and care of an adopted or foster child and must be completed within one year of the placement; (02/2017)
 - C. Serious health condition of an employee's parent, child under the age of 18, an adult child who is disabled at the time of leave, spouse, partner in a civil union, or registered domestic partner for physical care or psychological comfort; see Chapter 1, Organization, Responsibilities, Ethics, Payroll Deduction, And Definitions for the definition of serious health condition and ADA definition for disability; (02/2017)
 - D. Employee's own serious health condition; (02/2017)
 - E. Active duty military leave when a parent, child, or spouse experiences a qualifying event directly related to being deployed to a foreign country; or (02/2017)
 - F. Military caregiver leave for a parent, child, spouse, or next of kin who suffered a serious injury or illness in the line of duty while on active duty. Military caregiver leave includes time for veterans who are receiving treatment within five years of the beginning of that treatment. (02/2017)
- 5-21. To be eligible for FML, an employee must have 12 months of total state service as of the date leave will begin, regardless of employee type. A state temporary employee must also have worked 1250 hours within the 12 months prior to the date leave will begin. Time worked includes overtime hours. (11/1/2019)
- A. Full-time employees will be granted up to 480 hours of FML per rolling 12-month period. Once eligible for FML, the employee also is eligible for up to an additional 40 hours of state family medical leave. The amount of leave is determined by the difference of 520 hours and any FML or state family medical leave taken in the previous 12-month period and is calculated from the date of the most recent leave. The amount of leave is prorated for part-time employees based on the regular appointment or schedule. Any extension of leave beyond the amount to which the employee is entitled is not FML, or state family medical leave, see Rule 5-1 B. (11/1/2019)
- 5-22. Military caregiver leave is a one-time entitlement of up to 1040 hours (prorated for part-time) in a single 12-month period starting on the date the leave begins. While intermittent leave is permitted, it does not extend beyond the 12-month period. In addition, the combined total for military caregiver, state family medical leave, and all other types of FML shall not exceed 1040 hours. (11/1/2019)

- 5-23. All other types of leave, compensatory time, and make whole payments under workers' compensation run concurrently with FML and state family medical leave and do not extend the time to which the employee is entitled. The employee must use all accrued paid leave subject to the conditions for use of such leave before being placed on unpaid leave for the remainder of FML and state family medical leave. An employee on FML or state family medical leave cannot be required to accept a temporary "modified duty" assignment even though workers' compensation benefits may be affected. (11/1/2019)
- 5-24. Unpaid leave rules apply to any unpaid FML and state family medical leave except the state continues to pay its portion of insurance premiums. An employee's condition that also qualifies for short-term disability benefits must comply with the requirements of that plan. (11/1/2019)
- 5-25. Employer Requirements. The appointing authority, human resources director, or FMLA coordinator must designate and notify the employee whether requested leave qualifies as FML based on the information provided by the employee, regardless of the employee's desires. Departments shall follow all written directives and guidance on designation and notice requirements. (02/2017)
- 5-26. Employee Requirements. Written notice of the need for leave must be provided by the employee 30 days in advance. If an employee becomes aware of the need for leave in less than 30 days in advance, the employee shall provide notice either the same day or the next business day. Failure to provide timely notice when the need for leave is foreseeable, and when there is no reasonable excuse, may delay the start of FML for up to 30 days after notice is received as long as it is designated as FML in a timely manner. Advance notice is not required in the case of a medical emergency. In such a case, an adult family member or other responsible party may give notice, by any means, if the employee is unable to do so personally. (5/1/10)
- 5-27. The employee shall consult with the appointing authority to: establish a mutually satisfactory schedule for intermittent treatments and a periodic check-in schedule; report a change in circumstances; make return to work arrangements, etc. (5/1/10)
- 5-28. Employees shall provide proper medical certification, including additional medical certificates and fitness-to-return certificates as prescribed in Rules 5-29 through 5-32. If the employee does not provide the required initial and additional medical certificates, the leave will not qualify as FML and shall be denied. (02/2017)

Medical Certificates

- 5-29. Employees must provide the State's authorized medical certification form (or other official document containing the same information) when initiating an FML leave request. Appointing authorities have the discretion to require periodic medical certification to determine if FML continues to apply or when the appointing authority has a reasonable basis for suspecting leave abuse. Medical certification for FML may be required for the first leave request in an employee's rolling 12-month period. Additional medical certification may be required every 30 days or the time period established in the initial certification, whichever is longer, unless circumstances change or new information is received. (02/2017)
- A. The medical certification must be completed by a health care provider as defined in federal law. The completed medical certification must be returned within 15 days from the appointing authority's request. If it is not practical under the particular circumstances to provide the requested medical certification within 15 days despite the employee's diligent, good faith efforts, the employee must provide the medical certification within a reasonable period of time involved, but no later than thirty calendar days after the initial date the appointing authority requested such medical certification. (02/2017)

- B. Failure to provide the medical certification shall result in denial of leave and possible corrective/disciplinary action. (7/1/13)
- 5-30. When incomplete medical certification is submitted, the employee must be allowed seven days to obtain complete information, absent reasonable extenuating circumstances. (7/1/13)
- A. Following receipt of the information or the seven days from which it was requested, the department's human resources director or FMLA coordinator may, with the employee's written permission, contact the health care provider for purposes only of clarification and authentication of the medical certification. (02/2017)
- 5-31. When medical certification is submitted to demonstrate that the leave is FML-qualifying, the department has the right to request a second opinion on the initial certification. If the first and second opinion conflict, the department may require a binding third opinion by a mutually agreed upon health care provider. Under both circumstances the cost is paid by the department. Second and third opinions are not permitted on additional certification for recertification purposes. (02/2017)
- 5-32. If an absence is more than 30 days for the employee's own condition, the employee must provide a fitness-to-return certificate. The fitness-to-return certificate may be required for absences of 30 days or less based on the nature of the condition in relation to the employee's job. The department may also require a fitness-to-return certificate from employees taking intermittent FML every 30 days if there are reasonable safety concerns regarding the employee's ability to perform his or her job duties. (02/2017)
- A. When requested, employees must present a completed fitness-to-return certificate before they will be allowed to return to work. Failure to provide a fitness-to-return certificate as instructed could result in delay of return, a requirement for new medical certification, or administrative discharge as defined in Rule 5-6. (7/1/13)
 - B. When an incomplete fitness-to-return certification is submitted, the employee must be allowed seven days to obtain complete information, absent reasonable extenuating circumstances. Following receipt of the information or the seven days from which it was requested, the department's human resources director or FMLA coordinator may, with the employee's written permission, contact the health care provider for purposes only of clarification and authentication of the fitness-to-return certification. (02/2017)
- 5-33. Benefits coverage continues during FML and state family medical leave. If the employee is on paid FML or state family medical leave, premiums will be paid through normal payroll deduction. If the FML or state family medical leave is unpaid, the employee must pay the employee share of premiums as prescribed by benefits and payroll procedures. (11/1/2019)
- 5-34. Upon return to work, the employee is restored to the same, or an equivalent, position, including the same pay, benefits, location, work schedule, and other working conditions. If the employee is no longer qualified to perform the job (e.g., unable to renew an expired license), the employee must be given an opportunity to fulfill the requirement. (11/1/2019)
- A. If the employee is no longer able to perform the essential functions of the job due to a continuing or new serious health condition, the employee does not have restoration rights under FML or state family medical leave, and the appointing authority may separate the employee pursuant to Rule 5-6 subject to any applicable ADA provisions. (11/1/2019)
 - B. The employee does not have restoration rights if the employment would not have otherwise continued had the FML or state family medical leave not been taken, e.g.,

discharge due to performance, layoff, or the end of the appointment. (11/1/2019)

- 5-35. FML and state family medical leave do not prohibit adverse action that would have otherwise occurred had the leave not been taken. (11/1/2019)
- 5-36. The use of FML or state family medical leave cannot be considered in evaluating performance. If the performance plan includes an attendance factor, any time the employee was on FML or state family medical leave cannot be considered. (11/1/19)
- 5-37. Records_ Federal law requires that specified records be kept for all employees taking FML. These records must be kept for three years. Any medical information must be maintained in a separate confidential medical file in accordance with ADA requirements and Chapter 1, Organization, Responsibilities, Ethics, Payroll Deduction, And Definition. (02/2017)

Injury Leave

- 5-38. Injury Leave. A permanent employee who suffers an injury or illness that is compensable under the Workers' Compensation Act shall be granted injury leave up to 90 occurrences (whole day increments regardless of the actual hours absent during a day) with full pay if the temporary compensation is assigned or endorsed to the employing department. (5/1/10)
 - A. If after 90 occurrences of injury leave an employee still is unable to work, the employee is placed on leave under the "make whole" policy. The employee will receive temporary disability benefits pursuant to the Colorado Workers' Compensation Act. The employing department will make up the difference between the temporary disability benefits and the employee's full pay using sick leave first, then annual leave or compensatory time as available. Once all paid leave is exhausted, employees may be given unpaid leave. Workers' compensation payments after termination of injury leave shall be made to the employee as required by law. (02/2017)
 - B. The appointing authority may invoke Rule 5-6 if the employee is unable to return to work after exhausting all accrued paid leave and applicable job protection. Termination of service under that rule will not affect continuation of payments under the Workers' Compensation Act.
 - C. If the employee's temporary compensation payment is reduced because the injury or occupational disease was caused by willful misconduct or violation of rules or regulations, the employee shall not be entitled to or granted injury leave. Any absence shall be charged using sick leave first, then annual leave or compensatory time on a "make whole basis" or, at the appointing authority's discretion, unpaid leave may be granted and the temporary compensation payments shall be made to the employee. (02/2017)
 - D. The first three regular working days missed as a result of a compensable work injury will be charged to the employee's sick leave, then annual leave or compensatory time, as available. Injury leave will only be granted once an eligible employee misses more than three regular working days. Sick or annual leave for the first three regular working days will be restored if the employee is off work for more than two weeks. (02/2017)
 - E. If a holiday occurs while an employee is on injury leave, the employee receives the holiday and the day is not counted as an injury leave occurrence.

Chapter 10 Personal Services Agreements

Authority for rules promulgated in this chapter is found in § 24-50-501 through 514 (Part 5), C.R.S.

- 10-1. The Colorado Constitution does not specify the services that must be performed by state employees and offers no guidance concerning criteria or mechanisms for delineating, enlarging, or reducing the state personnel system. The Director promulgates these rules to effectuate the labor policy established by the General Assembly in statute, balancing personal services contracting and the state personnel system. Contracts for personal services that create an independent contractor relationship are permissible if they satisfy the provisions of this chapter regarding the business case, the impact on the state personnel system, and contract process and requirements.
- 10-2. Determination of the Business Case. The threshold decision for entering into any personal services contract requires the department head to determine the business case based on accountability, cost, and quality.
- A. Consideration of accountability includes:
1. whether there are adequate safeguards to ensure that government authority is not improperly delegated;
 2. the extent to which the function requires direct daily control over individual workers in order to effectively establish and implement state policy regarding public health, welfare, peace, and safety;
 3. the extent to which the service can be provided through alternative means should the contractor fail to perform; and,
 4. the extent to which the department has sufficient resources and expertise to monitor, measure, and enforce performance of the contract.
- B. Consideration of cost includes an analysis in accordance with appropriate fiscal and procurement requirements, including the following, if applicable:
1. the extent to which the state will not realize the full value of, or recover the investment in, capital improvements or equipment;
 2. a comparison of state costs to the contract price, including any fixed and variable costs solely attributable to the particular function, as well as inspection, supervision, and monitoring;
 3. any price increases over the term of the contract; and,
 4. the difference between the state's and the contractor's contributions to employee health insurance, to ensure that projected state savings are not attributable to lower contractor costs of health insurance.
- C. Consideration of quality includes timeliness, functionality, durability, efficiency, contractor qualifications, flexibility, and any additional investment that yields greater effectiveness over the term of the contract.

- 10-3. Evaluation of Potential Impact on Certified Employees. In addition to the business case, the department head must also evaluate the potential impact on the state personnel system. The following provisions apply depending on the nature of the contract and the statutory basis for approval.
- A. For purposes of determining whether a “service agreement” exists, in which the services are incidental to the purchase or lease of real or personal property, the department head shall consider whether the predominant purpose of the contract is the acquisition of labor, skills, creativity, or judgment, as opposed to acquisition of property.
 - B. If a contract involves equipment, materials, facilities, or maintenance and operational support services, the department head will consider the following:
 - 1. whether the demand for services in a particular geographic area is insufficient to justify investment in hiring permanent employees and purchasing [eapitelcapital](#) equipment; and,
 - 2. whether it is impractical or cost effective for departments in a particular geographic area to share the costs and use permanent state employees to meet the total demand upon the state in that geographic area.
 - C. Services for persons in the physical or legal custody of the state are not “purchased services”.
 - D. A contract for personal services does not implicate the state personnel system if the department head determines that it is necessary to retain outside contractors to meet a labor demand that is for: (7/1/07)
 - 1. a temporary need for a specific task or result for a finite period of time. Such a contract must state an ending date;
 - 2. an occasional need that is seasonal, irregular, or fluctuating in nature; or,
 - 3. an urgent need for immediate action to protect the health, welfare, or safety of people or property, or to meet an externally imposed deadline beyond the department’s control.
 - E. A department shall not use a succession of alternating temporary employment and personal services contracts in order to avoid either the timely creation or filling of permanent positions. A person may work as a state temporary employee nine months and subsequently be retained as a contract worker by a different department. (3/30/13)
 - F. The department head must approve each purchase order or contract for services acquired against an authorized price agreement unless the Director has approved the agreement in advance. A proposed acquisition must comply with any conditions established by the Director regarding the use of a price agreement.

10-4. Contract Process and Requirements. All personal services contracts will conform to the following requirements regarding forms, reporting, and content.

- A. As used in this chapter, contracts include any amendments but do not include acquisitions where a commitment voucher (e.g., state contract, purchase order) is not required by state fiscal rule, as such minor acquisitions of services do not implicate the state personnel system as a whole. Commitments to acquire services shall not be artificially divided to avoid review. Departments must establish methods for retrieval of payment vouchers for personal services obtained within the scope of this exemption.
- B. All personal services contracts shall be accompanied by supporting documents in the form prescribed by the Director.
- C. ~~Reports on any aspect of the personal services review program shall be provided to the Director in the format and timeframe prescribed.~~ ~~Repealed (04/01/2020)~~
- D. Consideration shall be given to contractors providing a preference for hiring veterans of military service in the following manner.
 - 1. In all solicitations for personal services, whether by competitive sealed bidding or competitive sealed proposals, as defined by law, any tie between offerors shall first be broken by awarding the contract to the offeror utilizing the greatest quantitative or numerical preference for veterans in hiring offeror's employees.
 - 2. Solicitations for personal services done by competitive sealed proposal may include as a scored criterion the extent and quality of any preference for veterans of military service given by offeror in the hiring of offeror's employees. The relative weight assigned such criterion for ~~veterans~~ ~~veteran's~~ preferences in personal services contract solicitations, consistent with the preference given by the state personnel system to veterans in the hiring of state employees, shall not exceed ~~5-five~~ percent (5%).
- E. In addition to contract provisions required by statute, personal services contracts shall contain:
 - 1. provisions addressing the consequences and potential mitigation of improper or failed performance by the contractor;
 - 2. clearly defined measurements of performance outcomes;
 - 3. sanctions for untimely or poor performance;
 - 4. the independent contractor clause as required within contract special provisions of state fiscal rules; and
 - 5. provisions concerning the orderly transition of functions between the department and the contractor during implementation or following termination of the contract, if applicable.
- F. A personal services contract shall not create an employment relationship.

Chapter 11 – State Benefit Plans

Authority for rules promulgated in this chapter is found in State of Colorado Revised Statutes (C.R.S.) §§24-50-104, 24-50-109.5, and Part 6, the State of Colorado Constitution Article XII, Section 13, The Patient Protection and Affordable Care Act (PPACA), commonly called the Affordable Care Act (ACA), and 26 U.S.C. 63, The Family Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), Family Care Act (FCA), Uniformed Services Employment and Reemployment Rights Act (USERRA), State of Colorado Revised Statutes (C.R.S.) §§ 1-6-115, 1-6-122, 1-7-102, 8-40-101, 14-2-101, 14-15-103, 24-11-101, 24-11-112, 24-18-102, 24-33.5-825, 24-50-104, 24-50-109.5, 24-50-401, 28-1-104, 28-3-601, 28-6-602, 28-3-607, 28-3-609, and 28-3-610. (02/2017)

General Principles

- 11-1. The state reserves the sole right to add, modify, or discontinue any state group benefits as deemed necessary. (7/1/10)
- 11-2. The Director complies with applicable federal and state law and regulations that govern state group benefit plans, as well as the terms and conditions of the state group benefit plans contracts and plan documents. Governing laws and regulations, and these rules shall prevail in the event of a conflict with contracts or plan documents. (7/1/10)
- 11-3. The rules in Chapter 11, State Benefit Plans, apply to all departments administering and all employees eligible for state benefit plans. (02/2017)

Director Responsibilities

- 11-4. The Director will provide all group benefits information, written directives and training to departments necessary for department benefit administrators to fulfill their responsibilities as delegated agents to the plans. (7/1/10)
- 11-5. The Director has sole authority to determine eligibility, negotiate contracts, determine plan designs, set rates and coverage tiers, define the plan year, and establish open enrollment periods, in accordance with law, regulations, and approved funding. (7/1/10)
- 11-6. The Director's online benefits administration system is the official system of record for all eligibility and enrollment transactions. (7/1/10)

Department Responsibilities

- 11-7. All departments shall exercise due diligence when administering group benefits in the best interests of the plans and all members. As delegated agents of the Director in their respective departments, each department benefits administrator's responsibilities include, but are not limited to, the following. (7/1/10)
 - A. Know and comply with plan documents and basic plan features, law and regulations, rules, benefits administration system, deadlines, the Director's website, and written directives.
 - B. Communicate, disseminate, explain, and answer questions on all benefits-related information including, but not limited to, options and changes, process, requirements and eligibility.
 - C. Provide prompt notice of enrollment opportunities and information so employees can elect benefits during open enrollment or enroll within 31 days of hire or an employee's notice of a qualified event. The first day (day 1 of the 31 days) is the day after hire or a qualified event. (1/1/14)

- D. Monitor deadlines and assist employees with meeting those deadlines.
- E. Provide access to and training in the use of the benefits administration system, and assist employees with transactions.
- F. Refrain from advising an employee of which individual elections to make and assisting an employee in the commission of fraud or attempted fraud of a state benefit plan.
- G. Process timely and accurate transactions and payments. This includes regular review of pending actions, supporting documentation, and system reports in order to promptly approve elections, terminate coverage, investigate suspicious or questionable actions or data, correct errors, and verify continuing dependent eligibility.
- H. Repealed (02/2017)

11-8 These responsibilities apply to all departments, including those that offer their own separate group benefit plans to other employees not covered by the "State Employees Group Benefits Act". (7/1/10)

Employee Responsibilities

- 11-9. Employees are responsible for knowing, understanding, and adhering to these rules, plan documents for the terms and conditions of coverage, and eligibility and enrollment requirements in order to make timely and informed choices, including, but not limited to, the following. (1/1/14)
- A. Employees shall enter all required information in the benefits administration system in a timely and accurate manner in order to comply with eligibility and enrollment requirements for themselves and eligible dependents.
 - B. Enrollment of employees and eligible dependents is restricted to initial hire, annual open enrollment, and limited qualified events defined by law and plan documents. Elections are irrevocable for the plan year, except in limited circumstances specified by law or regulations. Failure to enroll or change elections within deadlines is not a qualifying event.
 1. Any permitted enrollment, modification, or termination of enrollment shall be entered into the official benefit administration system within 31 days of a qualifying event. Any supporting documentation required for the enrollment, modification, or termination of enrollment must be submitted within 45 days of the qualifying event. The first day of the 31-day period is the day after the qualifying event. For open enrollment, transactions shall be entered into the official benefits administration system with accompanying documentation within the allotted time period established. (02/2017)
 2. Failure to enroll or modify enrollment on or before the 31st day of the qualifying event requires the employee to wait until the next open enrollment or at the time of another qualifying event. (02/2017)
 3. Enroll and verify elections annually.
 4. Employees who transfer from one department to another must notify both department benefit administrators to avoid a potential lapse in coverage.
 - C. Employees shall remove any dependent by the end of the month in which the dependent

Formatted: Right: 0"

ceases to meet eligibility requirements. Failure to do so results in the employee's continuing financial liability for total premium (employee and employer contributions) and cost of paid claims for the ineligible dependent, as specified in law and regulations, plan documents, and these rules.

- D. Any enrollment or qualified change to enrollment constitutes authorization to begin or end payroll deductions.
 - 1. Employees must verify the accuracy of their payroll deductions and notify their department benefits administrator of any error. The notice must be in writing and within 15 days from the pay date in which the first payroll deduction occurred.
 - 2. If an employee fails to notify the department of the payroll error within the 15-day period, the employee will continue to be liable for the election for the remainder of the plan year unless the election is not consistent with plan documents, rules, laws, regulations, and written directives.

11-10. It is unlawful for any employee, or dependent to intentionally provide false, incomplete, or misleading facts, information, or document in written or electronic form, including the benefits administration system for the purpose of defrauding or attempting to defraud the State of Colorado. The Director shall investigate when there is reason to believe an employee or dependent is committing or attempting to commit fraud against any state group benefit plan. If the Director finds evidence of fraud or attempted fraud, the employee, dependent, or both may be subject to any or all of the following sanctions. (7/1/10)

- A. Immediate termination of coverage.
- B. Denial of future enrollment.
- C. Requirement to reimburse the state contributions and claims costs during the time of ineligible coverage.
- D. Filing of criminal charges.
- E. Notice to the employee's department, which may take employment action, such as corrective or disciplinary action.

Eligibility

11-11. Employees and their dependents must meet the eligibility requirements as defined in state law, plan documents, and rules to qualify for enrollment in the state group benefit plans. (7/1/10)

- A. Dependents may not enroll in the State Benefit Plans unless the employee is enrolled. If the employee and spouse/partner are both employees of the state, each may be enrolled as an employee or covered as a dependent of the other person but not both. If both the employee and spouse/partner make a separate election under the State Benefit Plans, only one parent may enroll children as dependents. (02/2017)

11-12. Additional criteria and documentation requirements are contained in the State of Colorado Salary Reduction Plan, law and regulations, rule, and other written directives, which are available in the Employee Benefits Unit. Dependents may be federal tax dependents (qualified) or non-tax dependents (non-qualified). Non-qualified dependents' coverage is subject to taxable income regulations. Eligible dependents are specified in statutes, primarily § 24-50-603(5) and (6.5), C.R.S., as modified or further defined by other state statutes (e.g., Title 10) or federal regulations (e.g., Affordable Care Act [ACA], IRC on taxable income). (02/2017)

11-13. Legal documentation is required to add any dependent to State benefits. (1/1/14)

Coverage of Benefits

- 11-14. Initial coverage in group benefit plans is effective on the first day of the month following the date of hire or initial eligibility unless otherwise specified by the contracts, law, or regulations. (1/1/14)
- 11-15. All coverage for a qualifying event is prospective from the beginning of the next month or the date of entry into the official benefit administration system, whichever is later, except for initial coverage for new employees and newborn children. (1/1/14)
- 11-16. Elections made during open enrollment are effective the first day of the new plan year, with the exception of optional benefits. (02/2017)
- 11-17. Termination of coverage is subject to law and regulation, plan documents, and contracts, as well as the following rules. (7/1/10)
- A. If at any time during the plan year any dependent ceases to meet the eligibility criteria, coverage ends on the last day of the month in which that dependent becomes ineligible.
 - B. Coverage in state group benefit plans is terminated on the last day of the month that employment ends.

Payment of Contributions

- 11-18. Departments shall make prompt monthly payments based on enrollment in the official benefit administration system. (7/1/10)
- A. The employee's current department as of the last day of the month is responsible for payment.
 - B. A department is liable for both state and employee contributions when failing to promptly enter an employee termination.
- 11-19. Employees must make an irrevocable election for the plan year to have contributions deducted on a pre-tax or after-tax basis as defined by the State of Colorado Salary Reduction Plan, law and regulations, rule, and written directives. The employee's contribution is deducted from the employee's pay or, under certain circumstances, paid by personal payment for the selected state group benefit plans, in arrears as of the end of the month in which an employee is covered. (02/2017)
- 11-20. An enrolled employee who works or is on paid leave one or more regularly scheduled, full workdays in a month is eligible for the full state benefit contribution. (7/1/10)
- 11-21. When an employee is on leave, departments shall continue to pay the state contribution for non-contributory, fully paid benefits (e.g., basic life and short-term disability) as long as the employee remains on the payroll, regardless of status. (1/1/14)
- A. During paid leave or mandatory furlough, the employee contribution continues to be paid through payroll deduction and the department continues to pay the state contribution.
 - B. During unpaid leave, the employee shall pay the total premium (employee and employer contributions) to the department within the month of coverage, except as follows.

1. During unpaid leave pursuant to the Family Medical Leave Act of 1993, the department shall continue to pay the state contribution as long as the employee continues to pay the employee contribution by the due date specified in the family/medical leave notice. If the employee fails to pay the employee contribution when due, coverage will be terminated but shall be reinstated upon return to work. In the event any contributions are owed upon the employee's return to work, such contributions shall be collected from the employee. If the employee fails to return after the leave, any contributions due will be recovered as specified by federal regulations. (02/2017)
2. While an employee is on voluntary furlough or short-term disability leave, the department shall continue to pay the state contribution as long as the employee continues to pay the employee contribution in a timely manner. If the employee fails to pay the employee contribution by the due date, coverage shall be terminated and the employee must wait for the next annual open enrollment.

11-22. Refunds for employee and state contributions are subject to plan limitations and as defined in law and regulations, rule, and written directives. (7/1/10)

11-23. When there is a difference between the contribution paid by the employee and the actual contribution due, the difference is paid by the employee (e.g., change in coverage tier). (7/1/10)

Appeal Procedures

11-24. Appeals regarding denial of eligibility for state group benefit plans must be submitted in writing to the Director, at the address below, within 31 days of receipt of the ineligibility decision. Use of the standard "**Colorado State Employees Group Benefits Eligibility Determination Appeal Form**" found on the Director's website is required. (1/1/14)

Appeals should be submitted to the Department of Personnel and Administration, Division of Human Resources via mail, email, or by fax.

Department of Personnel and Administration
Division of Human Resources
1525 Sherman Street
Denver, CO 80203 benefits@state.co.us
Fax: 303-866-3879

The Director will issue a final written decision within 45 days of receipt of the appeal. The ineligibility decision is overturned only if found to be arbitrary, capricious or contrary to rule or law.

11-25. Appeals of denied claims under any of the state group benefit plans shall follow the specific appeal process defined in the specific contract, plan document, summary plan description, or regulated entity. The provider will issue a final written decision in accordance with its process. (7/1/10)

- A. Appeals of denied claims under fully insured plans are regulated by the State of Colorado Division of Insurance, and follow the plan's appeal process as defined in the contract and plan document.
- B. Appeals of denied claims under self-funded plans are not regulated by the State of Colorado Division of Insurance, and follow the third-party administrator's appeal process as defined in the contract and plan document.

Colorado State Employee Assistance Program

- 11-26. Services provided include but are not limited to counseling services, crisis intervention, consultations with supervisors and managers, facilitated groups, trainings, and workshops. (7/1/10)
- 11-27. Any state employee and any department may participate in the program. (7/1/10)
- A. The program may request the participation of other persons if necessary to provide effective assistance to the employee.
 - B. The limit per employee is one six-session course of counseling in a 12-month period. At the discretion of the counselor, additional sessions may be authorized.

Supplement State Contribution Program

- 11-28. Eligible state employee means state employees who are eligible to enroll in medical and dental benefits, and have at least one dependent child who will be covered under state benefits. A child cannot be covered under Child Health Plan Plus (CHP+). (04/01/2020)
- 11-29. Approval of application is subject to the established Supplement State Contribution Program's policy. (04/01/2020)
- 11-30. Determination of the Supplement State Contribution Program is final and cannot be appealed, as it does not relate to eligibility. (04/01/2020)