

STATE OF COLORADO

Department of Military & Veterans Affairs

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Governor

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TITLE:	Temporary Pay Differential Policy
EFFECTIVE DATE:	November 1, 2022
APPLICABILITY:	All DMVA State Personnel and Supervisors of DMVA State Personnel
PROPONENT:	Human Resources Office
POLICY MEMO NUMBER:	DMVA PM 22-010
REFERENCE:	4 CCR 801-1, para 3-49(D)
SUPERCEDES:	Temporary Pay Differential Policy, Dated: July 1, 2018

1. Background: To provide a method outside of performance pay by which an employee can be financially compensated for taking on additional and/or higher level assignments for extended periods of time (exceeding 30 days). This policy is not intended to provide for monetary compensation to employees who fill-in or provide coverage “in absence of” for short durations such as vacations, absences due to cold or flu, etc.

2. Purpose: A Temporary Pay Differential is a non-base building award that may be granted to a current permanent employee for the following reasons:

- A. 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 six months. The differential shall not exceed *nine* months for any given acting assignment; or
- B. 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 agency as defined by the purpose of the project, its time frame, and the critical nature and expected results; or

- C. Used to retain a unique, specialized set of skills or knowledge that is critical to the mission and productivity of the agency and the loss would result in documented severe adverse effect on the agency's mission and productivity; or
- D. During the declaration of a state of emergency by the Governor, as defined in the Colorado Disaster Emergency Act, when it is necessary to assign employees work to maintain continuity of operations and appropriate staffing level critical to the mission and operations of the organization.

3. Policy: Temporary pay differentials will apply only to current permanent and qualified employees, is non-base building, is included as salary for PERA and overtime calculations, and paid through regular monthly payroll. The Appointing Authority will approve the following Temporary Pay Differential "pay out" decisions:

- A. Amount to be paid, which cannot exceed the statutory lid in any month;
- B. Length of award, with acting appointments limited to nine months;
- C. Eligibility for payment which shall be based upon:
 - i. criteria for written documentation of unique and critical skill set or recruitment difficulty (as provided annually by the Human Resources Director);
 - ii. verification that the full set of duties and authorities are attached to the acting assignment (to ensure that the pay differential is not used for short absences of 30 days or less, or for situations where full authority is not attached); and
 - iii. written justification of project assignment and critical skills that include an annual assessment process submitted by the Supervisor.

4. Procedures:

- A. Supervisor will determine if the temporary position meets the definition of Acting Assignment, Project Assignment, or Unique skill for a Temporary Pay Differential.
- B. Supervisor will prepare a memorandum for Division Lead outlining:
 - i. the criteria used above (3.C. i-iii) for the Temporary Pay Differential,
 - ii. potential impacts on current departmental employees, and
 - iii. explanation of where and how this differential will be funded.
- C. Supervisor will complete the Temporary Pay Individual Agreement (Appendix A.) [**Note:** *Supervisors will refrain from communicating intent with employee, or indicating that monetary compensation of any kind is being requested, and will refrain from acquiring the employee's signature until all approval signatures have been received.*]
- D. Supervisor will attach the memorandum to the Temporary Pay Individual Agreement and submit all documentation to the Human Resource Director for eligibility determination and presentation to the Appointing Authority.

- i. Except in the case of The Executive Director, the Supervisor and the Appointing Authority will not be the same individual. In such cases, the next level Appointing Authority will be the approval authority and will sign the Temporary Pay Individual Agreement prior to the employee.
- E. Upon approval and signatures from the Appointing Authority, the supervisor will arrange a meeting with the employee to discuss and obtain the employee's signature on the Temporary Pay Individual Agreement.
- F. Supervisor will return all documents to Human Resources for processing.
- G. Human Resources will file the original agreement in employee's personnel file.

Official:



Brigadier General Laura Clellan
The Adjutant General
Executive Director

Distribution: DMVA Employees and Supervisors
DMVA Website



Appendix A.

TEMPORARY PAY INDIVIDUAL AGREEMENT

The Department of Military & Veterans Affairs agrees to compensate the employee listed below for accepting a short-term assignment. The employee understands that he/she will remain in their current position, but will perform all of the duties and authorities assigned to the short-term assignment. In no case will a Temporary Acting Assignment differential continue beyond nine months even if the assignment itself does.

This temporary pay differential shall be paid monthly through regular payroll and is not part of the employee's base pay. It is further understood that the differential, in combination with base pay, cannot exceed the statutory lid. Regular personnel rules and procedures apply. The employee understands that a Temporary Pay Differential is included in salary calculations for retirement (PERA) and overtime purposes, if non-exempt, and no aspect of this award is grievable or appealable, except for discrimination.

Employee Name: _____

Employee Position Title: _____ Position Number: _____

Department: _____

Temporary Pay Differential is due to (check one):

- (1) Acting Assignment: _____
- (2) Project Assignment: _____
- (3) Unique Skill: _____
- (4) State of Emergency: _____

The Temporary Pay Differential will be paid out of account: _____

The Temporary Pay Differential will consist of \$ _____ per month, and will take effect on: _____, with the first pay differential being paid on _____ and is anticipated to continue through _____. If the assignment exceeds the number of months listed here, a new Temporary Pay Differential Agreement shall be completed by supervisor and approved through appropriate signatories.

The terms and conditions have been discussed with the employee. The employee understands and agrees to these terms and conditions.

_____ Supervisor Signature	_____ Date	_____ Controller's Signature	_____ Date
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_____ Division Lead Signature	_____ Date	_____ Appointing Authority Signature	_____ Date
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_____ Human Resource Director Signature	_____ Date	_____ Employee Signature	_____ Date
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(Do not discuss with employee until all approval signatures have been obtained)

_____ Budget Director Signature	_____ Date
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