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Department of Personnel & Administration

FY 2027-28 Annual Compensation Report Presentation

November 13, 2026

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Agenda:

- Statutory Requirements and Survey Process
  - Statutory Requirements and Philosophy
  - Classification Structure
  - Compensation Survey Process
- Annual Compensation Report FY 2027-28
  - Executive Summary
  - Base Salary
  - Salary Structure
  - Recommendations

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Statutory Requirements, Classification Structure, and Survey Process

Statutory Requirements

Per CRS 24-50-104, for all jobs in the state personnel system the State Personnel Director shall:

- Assess total compensation practices, levels, and costs against the market;
- Determine classes of positions and the uniform alignment of classes and occupational groups;
- Establish a step pay plan;
- Prepare an annual compensation report that includes recommendations and estimated costs for the upcoming fiscal year; and
- Prepare a quadrennial total compensation report.

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Total Compensation Philosophy

CRS 24-50-104 defines the State's philosophy to "provide innovative total compensation that meets or exceeds total compensation provided by public or private sector employers… to ensure the recruitment, motivation, and retention of a qualified and competent workforce."

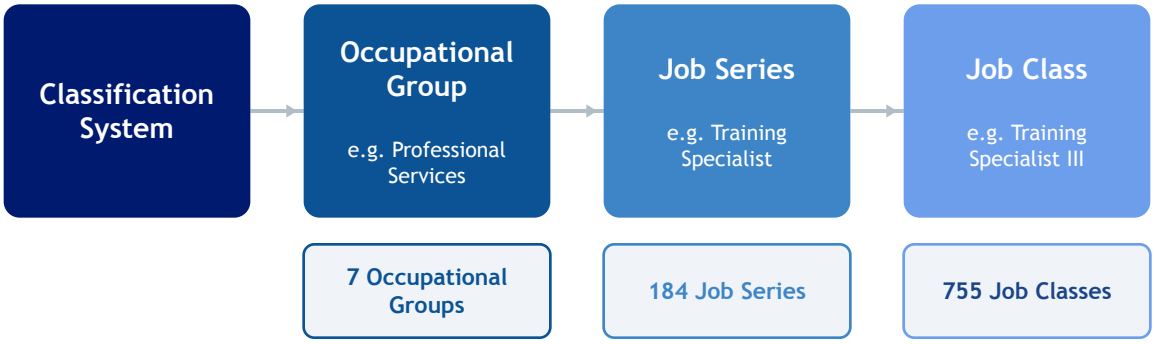
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Partnership for Quality Jobs and Services Act

- C.R.S. 24-50-1112 Partnerships for Quality Jobs and Services Act requires the State to bargain wages and economic issues with the certified employee union, COWINS.
- C.R.S. 24-50-104 Codified step pay. The Step Pay Program was implemented July 1, 2024.
- May 5, 2026 Memorandum of Understanding increased minimums for the classified pay plan and non-classified employees in the executive branch to $19.29 per hour, and provided for certain compression increases. The provisions of this MOU were implemented Nov. 1, 2026.
- Aug. 18, 2026 Step Pay 2.0 Memorandum of Understanding proposed modifications to the Step Pay Program, including calculating step pay based on time-in-occupational group and a new total state service award.
- The current Partnership Agreement was signed Sept. 23, 2024 and is effective through July 31, 2027. We will start the negotiation process for the next Partnership Agreement in January 2027.

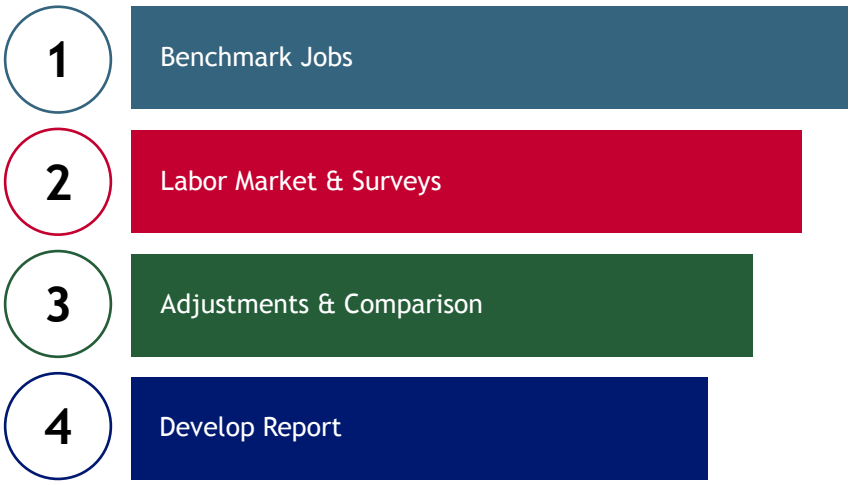
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Classification Structure



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Compensation Report Process



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Benchmark Jobs

- Benchmark jobs represent anchor points used for making State salary comparisons with the market.
- For FY 2027-28, the State identified 200 benchmark jobs using the following selection guidelines:
  - Jobs which are a good representation of job series and levels across all occupational groups;
  - Highly populated jobs;
  - Jobs found in most other organizations; and/or
  - Jobs with recruitment and retention issues
- Benchmark jobs are assessed and updated annually. We review a set of 'core' benchmark jobs year over year, and we rotate other jobs to ensure all jobs are regularly reviewed.
- For FY 2027-28 we identified 200 benchmark jobs.

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FY 2027-28 Annual Compensation Report

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Executive Summary

State Average Base Salary Compared to Market Median

12.4% Below

State Pay Range Midpoint to Market Pay Range Midpoint

13.4% Below

Nov. 1 Total Compensation Request

- **Steps 2.0**
- **1.25% COLA**
- **2% structure adjustment**
- **System maintenance studies**

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Base Salary Market Comparison

Occupational Group	% Difference from Market Median			
	All Benchmark Jobs FY 2026-27	All Benchmark Jobs FY 2027-28	Core Jobs FY 2026-27	Core Jobs FY 2027-28
Enforcement and Protective Services	0.7% below	1.3% above	2.4% above	6.5% below
Healthcare Services	4.2% above	7.5% below	10.7% above	4.6% below
Labor, Trades, and Crafts	6.2% below	11.6% below	1.6% above	9.4% below
Administrative Support and Related	11.9% below	13.4% below	6.2% below	9.0% below
Professional Services	14.5% below	17.8% below	11.2% below	18.5% below
Physical Science and Engineering	11.7% below	14.7% below	11.2% below	14.7% below
Information Technology	9.1% below	11.9% below	2.5% below	6.9% below
State of Colorado	9.5% below	12.4% below	4.9% below	12.8% below

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Employee Salary Distribution

Occupational Group	Employee Count	Average Range Progression	November 2026 Quartile Distribution			
			Quartile 1	Quartile 2	Quartile 3	Quartile 4
Enforcement & Protective Services	5,815	25.1%	53.9%	22.1%	23.0%	1.0%
Healthcare Services	2,824	29.7%	46.2%	26.2%	25.7%	1.9%
Labor, Trades & Crafts	2,364	30.7%	45.0%	26.8%	26.4%	1.6%
Administrative Support & Related	1,084	29.8%	48.9%	25.0%	24.1%	2.0%
Professional Services	12,220	33.6%	42.1%	29.5%	25.9%	2.5%
Physical Sciences & Engineering	2,427	34.6%	35.8%	41.4%	20.8%	2.0%
Information Technology	323	52.9%	14.6%	18.0%	61.9%	5.3%

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Salary Range Midpoint Comparison

Occupational Group	% Difference from Market Midpoint			
	All Benchmark Jobs FY 2026-27	All Benchmark Jobs FY 2027-28	Core Jobs FY 2026-27	Core Jobs FY 2027-28
Enforcement and Protective Services	2.4% below	6.0% above	4.0% below	6.7% above
Healthcare Services	16.1% above	5.1% below	18.8% above	3.0% above
Labor, Trades, and Crafts	5.8% below	14.1% below	1.3% above	10.7% below
Administrative Support and Related	5.7% below	13.6% below	3.4% above	12.5% below
Professional Services	10.8% below	19.0% below	8.4% below	15.8% below
Physical Science and Engineering	13.2% below	15.6% below	10.0% below	14.2% below
Information Technology	10.3% below	15.0% below	6.5% below	11.0% below
State of Colorado	8.2% below	13.4% below	2.8% below	10.1% below

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Past Compensation and Recommendations

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Variance Between State & Market Base Salary	7.9% below	9.1% below	9.5% below	12.4% below
Variance Between State and Market Midpoint	0.3% above	9.8% below	8.2% below	13.4% below
Changes to Compensation Approved by the General Assembly	Implemented Step Pay 3.0% ATB 3.0% structure adjustment	Step Pay 2.5% Cost of Living Adjustment (COLA) 2.0% structure adjustment	Step Pay 0% Cost of Living Adjustment (COLA) 1.0% structure adjustment	**RECOMMENDED** Step Pay 2.0 1.25% Cost of Living Adjustment 2.0% structure adjustment System Maintenance Studies

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System Maintenance Studies

Study Topic	Summary	# Positions Included in Study	Overall Cost (Annual)
Forensic Psychologist	Creating a new job series to better align with the market and to capture the unique qualifications of a forensic psychologist.	26	$158,668
Product Manager	Creating a new job series for only the two highest level classifications in the series. The full series was proposed in FY 2026-27, but not implemented	23	$99,744
Port of Entry	Expanding the current job series to provide clearly defined career progression.	89	$1,156,915

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Thank You