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# Equal Pay Act m

The <u>Colorado Equal Pay for Equal Work Act</u> [2] introduces rules intended to address the gender pay gap and increase transparency.



The University of Colorado is dedicated to achieving pay equity, and it adheres to best practices for setting compensation rates and ranges. The university has implemented the law's requirements, which went into effect on Jan. 1, 2021. It is not expected to result in wide-spread salary changes; reducing or eliminating jobs; or changes to an employee's current working title or job duties. Please refer to this web page for ongoing communication and information on the status of work being done at System Administration.

## About the law

#### The Basics

The act protects employees against pay discrimination based on sex (including gender identity) — alone or in combination with other protected statuses — for substantially similar

work in terms of skill, effort and responsibility, regardless of job title.

The does allow for pay differences accounting for:

- Seniority system
- Merit system
- Education, training and experience
- Geographic location
- Travel
- Quantity/quality of production

#### The law prohibits:

- Seeking or using wage rate history to determine an employee's wage rate
- Discrimination and retaliation
  - Against prospective employees for failing to display their current pay rate
  - Against current employees because they inquired about, disclosed or discussed their wage rate

## Requirements

#### The law requires:

- Posting all jobs with the hiring hourly rate or salary range listed
- Posting all open promotional opportunities (when a vacancy opens in an existing or new position that could be considered a promotion for one or more employees in terms of compensation, benefits, status, duties or access to further advancement)
- · Maintaining job description and salary history records

#### It does NOT require:

- Pay alignment with external market rates
- Pay alignment with other organizations
- Pay alignment across jobs that are not substantially similar based on skill, effort and responsibility

## Changes

The act applies new notice and record-keeping requirements, and it encourages regular examination of compensation practices.

## **Recruiting and Hiring**

#### Learn more about System HR's updated recruitment process [3].

- All jobs, open promotions and temporary jobs must be posted for applicants.
- All job postings must include a pay rate or range along with a description of all benefits and compensation.
- Departments must meet with HR, System Budget Office and the UIS Service Desk prior to posting a position to ensure equitable compensation.
- When extending job offers, an applicant's pay history cannot be requested nor relied upon to establish a salary offer.
- All salary ranges for positions will be posted when recruiting with the following language: "The expected hiring range is X, but the salary range for the position is (HR range)."
- HR will provide a recommended salary before any verbal offer is provided to ensure equity amongst all departments and positions within System Administration.

## **Existing Employees**

- Promotions will be posted to CU Careers for a reasonable amount of time to allow all interested and qualified employees the opportunity for growth.
- Managers must work with HR when considering all job changes (title, duties and/or compensation) to determine the appropriate path forward.
- Supervisors are encouraged to reflect on daily duties for an accurate job description moving forward.
- Compensation for personnel actions must not be based on a current employee's salary.
- HR must be involved when determining salary changes for existing employees to ensure equity amongst all departments and positions within System Administration.

## **Review of Salaries**

- A cross-campus project committee has been working to review salaries for pay equity disparities and developing an approach to remediate any identified inequities.
- The university's work to implement the law is not expected to result in widespread salary changes; reducing or eliminating jobs; or changes to an employee's working title or job duties. However, the law will require some adjustments to ensure full compliance.
- More details will be provided as the committee's work continues.

#### **Review of Policies**

• In addition, existing university and campus policies and procedures are being reviewed to ensure compliance with the law.

- All policy changes will be posted before implemented, and details will be reported to the university community.
  - For CU System, compensation policies will be set and published for common adjustments to pay, such as temporary pay differentials, one-time payments, merit, promotions and salary setting.

## **Other Activities**

- Other efforts will ensure all job descriptions are stored and updated.
- A method to track and document each employee's experience is being developed.

# **Frequently Asked Questions**

## Who does the Equal Pay Act apply to?

Colorado's Equal Pay Act applies to all employers and employees in the state of Colorado, both public and private. Employer is defined as the state or any political subdivision, commission, department, institution, or school district thereof, and every other person employing a person in the state. Employee is defined as a person employed by an employer.

## What does Colorado's Equal Pay Act require?

There are several components to Colorado's Equal Pay Act. Some of the provisions are:

- 1. **Prohibits wage discrimination** by requiring that an employer shall not discriminate between employees on the basis of sex, or on the basis of sex in combination with another protected status, by paying an employee of one sex a wage rate less than the rate paid to an employee of a different sex for substantially similar work (based on a composite of skill; effort, which may include consideration of shift work; and responsibility), regardless of job title. A wage rate differential is permissible if at least one of the following factors accounts for the entire wage rate differential:?
  - i. A seniority system;
  - ii. A merit system;
  - iii.A system that measures earnings by quantity or quality of production;
  - iv. The geographic location where the work is performed;

v. Education, training, or experience to the extent that they are reasonably related to the work in question; or

vi.Travel, if the travel is a regular and necessary condition of the work performed.

2.

The Act requires the employer **to keep records of job descriptions and wage rate history** for each employee for the duration of employment plus two years after the end of employment.

3.

The Act requires providing **notice of job openings and promotional opportunities**, including the hourly or salary rate or range, and a general description of all of the benefits and other compensation offered to the hired applicant.

4.

**Prohibits using pay history** for prospective employees by requiring that an employer shall not seek the wage rate history, or rely on the wage rate history, of a prospective employee to determine a wage rate. Discrimination or retaliation against a prospective employee for failing to disclose wage rate history is prohibited

## How can I learn more?

Please bookmark our Equal Pay Act project web page and check back often for news and updates.

Groups audience: Employee Services Right Sidebar: ES: HR - Contact ES:HR - Campus HR Contact Information

**Source URL:**<u>https://www.cu.edu/employee-services/collaborative-hr-services/cu-</u><u>system/compensation/pay-equity/equal-pay-act</u>

#### Links

[1] https://www.cu.edu/employee-services/collaborative-hr-services/cu-system/compensation/payequity/equal-pay-act [2] https://leg.colorado.gov/bills/sb19-085 [3] https://www.cu.edu/employeeservices/hr-recruitment