TO: Regent Laws & Policies Stakeholders

FROM: Felicity O’Herron, Associate Vice President of Employee Services

DATE: April 16, 2019

RE: Recommended Changes to Regent Policy 11.C: University Staff Salary and Creation of APS 5061-Compensation Changes

Background
The regent laws and policies review project is driven by the guiding principle that laws should capture only high level statements on governance and policies should include the necessary elaborations of law but no more. The goal is to focus on the powers and responsibilities of the Board of Regents while assigning operational procedures to APS or campus policy.

The Regent Policy 11.C: University Staff Salary is under the main purview of Employee Services and are being reviewed in a comprehensive manner. A clean draft of the proposed revised policy is posted.

Recommendations for Regent Policy 11.C

- Creating a structure to discuss different aspects of university staff salaries and define which elements have been delegated per Regent Policy 2.K (see attached) and which are still in the Board of Regents purview. These sections include:
  - Salary setting – delegated per Regent Policy 2.K
    - Defining Human Resources role in university staff salary setting and philosophy of how salaries are recommended.
    - Additional salary setting information is also included in this section, such as housing allowances, hiring incentives (both base building and non-base building) and moving incentives.
  - Annual merit allocation – Board of Regent approval
    - Moving all aspects of the annual merit allocation into this section, including the campus plan development and timing. Currently, these sections are found in various places within the policies.
    - Uncoupling equity and market increases with merit. These have specific definitions and can occur at any time throughout the year, not just during merit adjustments.
    - Changing the language from “Performance planning and evaluation must be the basis for determining merit adjustments” (current 11.C.4.b.(1).a) to “Performance planning and evaluation must be included in determining merit adjustments” to allow for other factors to be included for merit adjustments.
  - Base salary adjustments – delegated per Regent Policy 2.K
    - Removing definitions of various salary adjustments and creating an APS that allows for more detail on reasons to adjust an employee’s base pay.
  - Non-base building payments – delegated per Regent Policy 2.K
    - Removing definitions of various non-base building payments and creating an APS that allows for
more detail on reasons to provide non-base building payments to employees.

- Removing the requirement of project completion incentives to be included in the annual salary reports to the board and changing the category in the APS to “Goal Completion Incentives” which would allow departments to create incentive plans as allowed by Regent Policy 2.K.

- This replaces the current policy structure of:
  - Introduction
  - Initial salaries (details in Salary Setting section)
  - Annual Performance Rating, Planning and Evaluation (moved to Regent Policy 6.D – already approved)
  - Salary Adjustments
    - details moved into multiple sections:
      - Annual merit allocation moved to Regent Policy 11.C.2
      - Base salary adjustments moved to new APS5061-Compensation Changes
      - Non-base building payments moved to new APS5061-Compensation Changes
  - Areas removed from Regent Policy and placed into APS
    - Equity
    - Market
    - Promotion
    - Decreases Across-the-Board or by Category
    - Recognition awards
    - Project completion incentives
    - Additional pay definition
    - Administrative stipend
    - Awards, recognition and achievement

- The newly created APS 5061 – Compensation Changes information
  - Re-categorizing all compensation changes, outside of the merit process, into base building salary adjustments and non-base building payments.
  - Included in base building salary adjustments
    - Equity increases
    - Market or retention increases
    - Promotion or demotion
    - Categorical increases or decreases
  - Included in non-base building payments
    - Additional pay
    - Recognition and achievement awards
    - Goal completion incentives
    - Retention incentives
ATTACHMENT

Regent Policy 2.K: Personnel Authority for Employees Exempt from the State Personnel Board

In accordance with its constitutional and statutory authority and duties, the Board of Regents shall make or approve all appointments, terminations, title changes, and salaries, including administrative stipends ("Personnel Matters"), for those employees exempt from the state personnel system. As used in this policy, termination does not include acceptance of resignations and retirements.

As permitted by C.R.S. §23-5-117, the board delegates its authority over Personnel Matters regarding faculty and staff to the president except as provided in Section 2.K.1 and 2.K.2.

2.K.1 The board retains authority for:

(A) Personnel Matters pertaining to officers of the university as defined in Article 3.B;
(B) The award of tenure to faculty and the revocation of tenure; and
(C) the award of term contracts as authorized by C.R.S. §24-19-104(1.5) and extensions to such term contracts.

2.K.2 The associate vice president of internal audit will be the hiring authority regarding Personnel Matters pertaining to university staff reporting directly to the associate vice president of internal audit.

2.K.3 The president may delegate the authority provided herein to a chancellor or vice president. The chancellor or vice president may further delegate this authority to an officer of the administration.

(A) All delegations of the president’s authority must be express and in writing and shall be posted on a central website.

2.K.4 The delegation described in this policy applies only to Personnel Matters as that term is defined in this policy. Authority over any personnel actions that are not included in the definition of Personnel Matters - for example, leave approvals, evaluations and acceptance of resignations and retirements - shall be exercised in accordance with and under the authority provided by applicable policies and procedures.