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Policy 11C: University Staff Salary [1]

1. Introduction

University staff contribute significantly to the success of the university. Colorado law and state personnel rules provide for classified staff compensation. State law further allows the university to manage compensation1 for university staff who are neither faculty nor classified staff and who provide leadership, management, program development and implementation, and support services for the university's administrators, faculty, staff, students, and visitors. Therefore, the university has considerable flexibility in the designation of work, recruitment, and compensation of university staff. The university expects superior performance and productivity from these employees and, thus, needs appropriate ways to compensate initially and then to reward and recognize meritorious performance to assure its ability to compete for and retain the most able professionals. Under state law university staff are "at-will" employees unless an officer or university staff has been awarded a term contract as permitted by state law and authorized by the Board of Regents (board).

As the major component of compensation, salary levels for university staff reflect the university's policy of providing base salaries comparable to those paid by institutions of similar enrollment, organization, and financial support to persons in positions of comparable responsibility. Salary allocations also take into account differences in the scope of responsibilities of university personnel and typical positions of similar title in other institutions. Where relevant, comparisons are made with salaries in government and business.

The university wishes to compensate university staff in a manner that is competitive in the marketplace and that rewards meritorious performance within fiscal limits.

Benefits are covered in Regent Policy 11-F. This section covers direct compensation to university staff by salary.

2. Initial Salaries

a. Non-base-building Salary Payments. Initial salaries must be within a range specified at the beginning of the search process. Exceptions are permitted in extraordinary circumstances with appropriate approvals.
b. Approval of Initial Salary. The hiring authority recommends initial salaries for university staff consistent with market conditions, education and experience of the individual, and

pay of individuals in comparable positions. The president or his/her delegee approves the appointments and recommended initial salaries as stipulated in Regent Policy 2-K, Personnel Authority for Employees Exempt from the State Personnel System.

c. Hiring Incentives. On occasion when documented recruitment issues arise, hiring authorities may request approval by the chancellor or president to offer a hiring incentive.2 Such incentives are typically offered to new employees moving from out of state who need to cover unreimburseable moving expenses such as housing down payments. The amount of the hiring incentive is subject to the approval of the chancellor or president as delegated in regent policy, but should be considered in light of budgets and reasonable and customary practices.
d. Interim Appointment Salary. Initial salaries for employees serving in an interim capacity will be recommended by the hiring authority consistent with market conditions, education and experience, the person's salary history, comparable positions and approved budget and will be subject to the regular approval process.

An increase or stipend3 for serving in an acting or interim role is not required but may be authorized. Upon completion of service in the acting or interim capacity, the employee's salary will return to the former standard appointment salary including any changes resulting from the annual compensation process.

Employees in interim positions may have the salary associated with their standard appointment (i.e., base salary) adjusted during the annual salary setting process. The additional salary associated with the interim position would then be recalculated and/or added to the adjusted salary for the standard appointment.

3. Annual Performance Rating, Planning, and Evaluation

Annual performance evaluations are a critical component of the annual salary setting process. University staff must be evaluated annually. Under the Colorado Open Records Act, "performance ratings" are public documents. Supporting documents used in the evaluation process and as a justification for the rating are not considered public records.

The underlying justification for the performance rating and any related recommended salary adjustment is the evaluation or assessment and is the result of performance planning and evaluation conducted between supervisor and individuals. Such planning should link individual goals to organizational goals and may include provisions for coaching by the supervisor.

If applicable, the performance plan and evaluation of university staff who supervise other staff, including classified staff, must include a criterion or factor for the completion of annual performance evaluations of supervised employees. This criterion or factor serves to evaluate supervisors on their timely completion of annual performance evaluations for staff in compliance with State law and university policies.

Tenured faculty whose principal appointment (and salary) is as an officer or university staff should be evaluated within the context of the administrative peer group.

4. Salary Adjustments

a. The university administers an annual process for salary adjustments4 that ordinarily are implemented on July 1. As part of the annual salary adjustment process, each campus and system administration will develop an annual salary pool to determine the budget for salary

adjustments and a salary plan to allocate that budget. Merit adjustments must be within the annual salary pool.

(1) Annual Salary Pool. The size of the annual salary pool depends on: (a) external decisions, e.g., the general fund appropriation (allocated in the Long Bill), legislatively established caps on tuition rates, and the CCHE allocation formula; (b) university-wide decisions, e.g., general principles for allocation to the campuses developed jointly by the chancellors and the president, subject to board approval; and (c) campus decisions, e.g., campus's goals for salary adjustments based on analysis of the competing demands for resources among campus priorities.

(2) Salary Allocation Plan and Report. Each campus and the system administration shall develop a plan, consistent with this policy, to be followed at every organizational level. The plan must include a merit-driven process to guide individual salary decisions. Annually, each campus and system administration will provide a report to the board on the previous twelve months' implementation of their salary allocation plan.

Details on the implementation of the annual salary process for university staff are provided in the "Compensation Guidelines" distributed to the campuses and system administration each year.

b. Annual Salary Adjustment Categories. There are two general categories of possible annual salary adjustments that are defined, below. Some of these categories are applicable beyond the annual salary adjustment process. Campuses and the university system office have discretion within the salary pool to distribute salary increases within these categories as appropriate. Except as specified below, these adjustments must be within the annual salary pool.

(1) Base Salary Adjustments. The adjustments listed below increase or decrease the base salary.5

a. **Merit Increase or Decrease.** Usually, merit adjustments to base salary ordinarily will be implemented on July 1 and will be allocated from the annual salary pool.
   In allocating adjustments from the annual salary pool, methods must be developed to assess an individual's merit in relation to a relevant internal peer group. The assessment must lead to differentiation in recommended salary adjustments, even among a group of meritorious employees. Performance planning and evaluation must be the basis for determining merit adjustments.
b. **Equity Increase.** Equity adjustments to base salary ordinarily will be implemented on July 1 and will be allocated from the annual salary pool. Equity increases are based on internal or external comparisons but are typically used for internal equity purposes. Appropriate reasons for equity increases include comparison of a long-time employee to a new hire, gradual increase in position responsibilities leading to higher level position comparisons, and gender/race salary equity. Equity increases must be appropriately reviewed, approved, and documented through established campus processes.
c. **Market Increase.** Market increases are permissible only if they are awarded in the context of meritorious performance. Market increases must be justified through an appropriate market analysis, periodically or annually, and properly documented. In providing market increases, particular attention should be given to evidence regarding problems of recruitment and retention. Market increases should not result in inequities among employees.

In general, market increases should be part of the annual salary setting process and not conducted during the year. In rare cases, particularly for retention reasons in highly skilled fields, it may be necessary to conduct market analyses outside the annual process. In such cases, if funds are available, particularly from non-state sources, increases may be made outside the annual pool.

d. **Promotion.** Promotions typically include salary changes. The salary change may include an increase to the base salary for employees whose level of responsibility has significantly and permanently increased. Such changes do not necessarily occur during the annual salary setting process. Regardless of whether the promotion occurs within or outside the annual process, these salary changes are not subject to the salary setting pool.
e. **Decreases Across-the-Board or By Category.** Due to budget constraints or fiscal emergencies it may be necessary to conduct across-the-board base salary decreases. Such decreases may occur across all positions for certain personnel groups or by title. Typically, such decreases may be department, job title/group, or campus based and not prescribed across the university. If the board determine it has become necessary to take such action, chancellors and the president must ensure that the process is clearly communicated and administered within legal and administrative parameters.

(2) Building Salary Payments. In general, employees receive base building salary increases for meritorious performance. However, in some circumstances it is appropriate to provide other non-base building salary payments.6 Non-base building salary payments are to be used only in limited circumstances and must be properly approved and documented. The president will establish a policy for approval of criteria for non-base building salary payments. Officers are only eligible for non-base building salary upon approval by the board upon the recommendation of the president. Implementation of these salary payments must be consistent system-wide with regard to taxation, retirement, and other benefits.

a. Merit Incentive Pay. Non-base building merit pay is typically paid after the annual performance evaluation process; it is not included in the annual salary setting pool.

   Non-base building merit pay, ?incentive pay,? is allowable only as a result of an employee reaching established performance goals and typically is for employees with highly focused and measurable responsibilities. The goals must have measurable and unambiguous outcomes and directly link the individual's performance to the success of the organization.

   Eligibility for incentive pay is often tied to net revenue-generating criteria. Incentive pay is allowed only when the unit budget is sufficient to handle such payments (e.g., significant revenue). Thus, in limited circumstances (e.g., athletic and clinical departments) university staff may be eligible for individual or group programs when such programs are established according to university administrative policy. Results of merit incentive programs must be provided in the campus and system annual salary reports to the board.
b. Recognition Awards. Recognition awards are typically not included in the annual salary setting process and may occur throughout the year according to university fiscal rules and administrative policies. Cash recognition awards are paid as lump sum payments. Such payments are not intended as significant compensation but as recognition for outstanding service in a particular area (e.g., customer service) or performance on a specific project or event.

c. Project Completion Incentives. Similar to non-base building merit pay, special limited-term project completion incentives are subject to administrative policy. Such incentives occur only for special projects that provide unique opportunities and challenges (e.g., large building projects and information technology implementations) and when it is critical to retain key personnel during the project. These incentives are paid upon completion of established criteria as directed in administrative policy. The criteria may allow for periodic payments as significant project steps are completed and/or upon final project completion. These incentives must be included in system and campus annual salary reports to the board.

c. Delay in Implementation of Annual Salary Adjustments. For fiscal reasons, a chancellor or the president, for system administration may decide to delay the implementation of approved salary adjustments to a date certain beyond July 1; and/or subject to board approval, may implement a mid-year salary-setting process for additional salary adjustments effective January 1. Typically such delays are planned during the annual salary setting process and are included in the system and campus salary plans.

d. Salary Adjustments Outside the Annual Process. Salary increases are typically given on July 1. Salary increases at other times during the year are discouraged except for reasons stated, above. If exceptional instances arise, such as substantial increases in responsibility, promotion, or a bona fide and documented external employment offer, increases may be granted. Increases outside the annual process must be given only in the cases of meritorious performance.

The authority to approve salary increases for campus employees at times other than the annual process is delegated to a chancellor and to the president, for system employees, subject to the provisions of Regent Policy 2.K [2]. Such increases must be included in the system and campus annual salary report.

e. Additional Pay It is recognized that in certain instances additional pay7 is necessary to the mission of the university due to the breadth of the university's instructional and service programs. In limited circumstances employees may be asked to perform additional work integrated with their regular assignment or at a substantially higher level than their current assignment. In some cases the employee cannot be reasonably expected to maintain their current workload within their normal work hours. Additional pay is most appropriate in those cases in which the employee is working on an assignment outside normal duties and schedule. Additional work hours do not count as extra service credit toward retirement; however, such earnings are subject to retirement contributions and deductions as applicable under the appropriate retirement plan.

Additional pay to employees providing services, on an overload basis or outside their normal duties, must be determined by the department head and other appropriate administrative officials and approved according to campus policies and processes. Departments are encouraged to provide release time, when feasible, in lieu of additional pay when an overload assignment is necessary. All recommendations for additional pay must be accompanied by documentation of the nature of the incremental assignment and summary of the employees? current responsibilities.

(1) Extra Work Outside of Regular Duties. Additional pay for extra work outside a full-time university staff?s regular duties may be authorized in writing by the employee?s supervisor for the following:

- Overload teaching
- Continuing education teaching
- Summer school teaching
- Intersession teaching
- Summer sponsored research, and
- Institutional agreements as per a contract or grant.

University staff that are asked or elect to teach generally shall do so outside their normal work hours. A faculty appointment is needed to document this additional assignment.

Additional salary from appointments involving two or more departments/units requires approval from all departments/units involved. All recommendations must be submitted in advance to permit time for review and approval. In no case should an employee be paid additional salary that was not pre-approved.

(2) Administrative Stipend.8 An officer or university staff who has an administrative appointment, significant workload increase, leadership, supervisory or compensatory duties outside the primary position?s scope of responsibilities may qualify for an administrative stipend with written approval by the supervisor and as may be required by the chancellor or president in accordance with Policy 2-K.

(3) Awards. Recognition and achievement awards constitute other forms of additional pay.

f. Supplemental Pay. Housing allowances, automobile allowances, and use of courtesy cars authorized by the president or Board of Regents constitute forms of supplemental pay.

Footnotes:

1 Compensation refers to wages and other financial benefits earned from employment.

2 Hiring incentives are lump sum amounts that are paid at the beginning of an appointment.

3 A stipend is a form of additional pay added to annual compensation for duties or services the employee provides outside the primary position?s scope of responsibilities. An administrative stipend for an interim or acting appointment is generally computed as not more than 10% of the employee?s standard appointment salary.

4 Salary adjustment may be an increase or decrease in salary.

5 Base salary is not subject to annual renewal nor is it contingent upon funding or performance.

6 Non-base building salary payments do not continue from year to year; they are only given within the fiscal year.

7 Additional pay is a non-base building increase to salary authorized when an incremental assignment is necessary to carry out the responsibilities of the university and the employee?s normal workload cannot be adjusted to permit the proposed work to be done as part of their

regular duties. Administrative stipend, and recognition and achievement awards constitute forms of additional pay.

8 An administrative stipend is a form of additional pay authorized to be added to annual salary, either monthly or as a single amount, for additional duties or services the employee provides outside the primary position?s scope of responsibilities. Administrative stipends are time-specific and shall not continue beyond the termination of the additional administrative duties.

History:

The term ?officer and exempt professional? was replaced with the term ?university staff? effective April 17, 2015.

Former Regent Policy 11-C Deferred Compensation Prohibited adopted 8/22/91 was rescinded and reissued as new Regent Policy 11-D. Deferred Compensation Prohibited on 05/19/09. New Regent Policy 11-C Exempt Professional Salary was adopted 05/19/09. New Policy C replaces and incorporates the provisions of former Regent Policy 11-F.1 Salary Plan for Officers and Exempt Professionals, revised 5/27/03. New Policy C also replaces and incorporates the provisions of former Regent Policy 11-B Performance Rating, Planning, and Evaluation, adopted 11/20/86.

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