

1 **POLICY 11: COMPENSATION**

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3 **11-C UNIVERSITY STAFF SALARY**

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5 **1. Introduction**

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

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19 As the major component of compensation, salary levels for university staff reflect the university's policy of
20 providing base salaries comparable to those paid by institutions of similar enrollment, organization, and
21 financial support to ~~similarly situated employees as defined by applicable law~~~~persons in positions of~~
22 ~~comparable responsibility~~. Salary allocations also take into account differences in the scope of
23 responsibilities of university personnel ~~and salaries of similarly situated employees as defined by~~
24 ~~applicable law in other institutions~~~~and typical positions of similar title in other institutions~~. Where relevant,
25 comparisons are made with salaries in government and business.

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

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

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33 **2. Initial Salaries**

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35 **a. Salary Range.** Initial salaries must be within a range specified at the beginning of the search
36 process. Exceptions are permitted in extraordinary circumstances with appropriate approvals.
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38 **b. Approval of Initial Salary.** The hiring authority ~~in consultation with campus Human Resources~~
39 recommends initial salaries for university staff consistent with market conditions, education,
40 ~~training, or other relevant~~ ~~and~~ experience of the individual ~~to the extent they are reasonably~~
41 ~~related to the position in question, and salaries for similarly situated employees as defined by~~
42 ~~applicable law, and pay of individuals in comparable positions~~. The president or his/her delegee
43 approves the appointments and recommended initial salaries as stipulated in Regent Policy 2-K,
44 Personnel Authority for Employees Exempt from the State Personnel System.
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46 **c. Hiring Incentives.** On occasion when documented recruitment issues arise, hiring authorities
47 may request approval by the chancellor or president to offer a hiring incentive.² Such incentives
48 are typically offered to new employees moving from out of state who need to cover
49 unreimbursable moving expenses such as housing down payments. The amount of the hiring
50 incentive is subject to the approval of the chancellor or president ~~as delegated in regent policy or~~
51 ~~their delegee~~, but should be considered in light of budgets, ~~and~~ reasonable and customary
52 practices, ~~and applicable law~~.
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54 **d. Interim Appointment Salary.** Initial salaries for employees serving in an interim capacity will be
55 recommended by the hiring authority consistent with market conditions, education and

56 experience, ~~the person's salary history,~~ comparable positions and approved budget and will be
57 subject to the regular approval process.
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59 An increase or stipend³ for serving in an acting or interim role is not required but may be
60 authorized. Upon completion of service in the acting or interim capacity, the employee's salary
61 will return to the former standard appointment salary including any changes resulting from the
62 annual compensation process.
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64 Employees in interim positions may have the salary associated with their standard appointment
65 (i.e., base salary) adjusted during the annual salary setting process. The additional salary
66 associated with the interim position would then be recalculated and/or added to the adjusted
67 salary for the standard appointment.
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69 **3. Annual Performance Rating, Planning, and Evaluation**

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71 Annual performance evaluations are a critical component of the annual salary setting process. University
72 staff must be evaluated annually. Under the Colorado Open Records Act, "performance ratings" are
73 public documents. Supporting documents used in the evaluation process and as a justification for the
74 rating are not considered public records.
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76 The underlying justification for the performance rating and any related recommended salary adjustment is
77 the evaluation or assessment and is the result of performance planning and evaluation conducted
78 between supervisor and individuals. Such planning should link individual goals to organizational goals
79 and may include provisions for coaching by the supervisor.
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81 If applicable, the performance plan and evaluation of university staff who supervise other staff, including
82 classified staff, must include a criterion or factor for the completion of annual performance evaluations of
83 supervised employees. This criterion or factor serves to evaluate supervisors on their timely completion of
84 annual performance evaluations for staff in compliance with State law and university policies.
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86 Tenured faculty whose principal appointment (and salary) is as an officer or university staff should be
87 evaluated within the context of the administrative peer group.
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89 **4. Salary Adjustments**

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- 91 a. The university administers an annual process for salary adjustments⁴ ~~that ordinarily are~~
92 ~~implemented on July 1.~~ As part of the annual salary adjustment process, each campus and
93 system administration will develop an annual salary pool to determine the budget for salary
94 adjustments and a salary plan to allocate that budget. Merit adjustments must be within the
95 annual salary pool.
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97 (1) **Annual Salary Pool.** The size of the annual salary pool depends on: (a) external decisions,
98 e.g., the general fund appropriation (allocated in the Long Bill), legislatively established caps on
99 tuition rates, and the CCHE allocation formula; (b) university-wide decisions, e.g., general
100 principles for allocation to the campuses developed jointly by the chancellors and the president,
101 subject to board approval; and (c) campus decisions, e.g., campus's goals for salary adjustments
102 based on analysis of the competing demands for resources among campus priorities.
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104 (2) **Salary Allocation Plan and Report.** Each campus and the system administration shall
105 develop a plan, consistent with this policy, to be followed at every organizational level. The plan
106 must include a merit-driven process to guide individual salary decisions. Annually, each campus
107 and system administration will provide a report to the board on the previous twelve months'
108 implementation of their salary allocation plan.
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110 Details on the implementation of the annual salary process for university staff are provided in the
111 "Compensation Guidelines" distributed to the campuses and system administration each year.

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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 who perform similar work, gradual increase in position responsibilities leading to higher level position comparisons, and gender/race salary equity for those in similarly situated positions. 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 determines 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) **Non-base Building Salary Payments.** In general, employees receive base building salary increases for meritorious performance. However, in some circumstances it is appropriate to

168 provide other non-base building salary payments.⁶ Non-base building salary payments are to be
169 used only in limited circumstances and must be properly approved and documented. The
170 president will establish a policy for approval of criteria for non-base building salary payments.
171 Officers of the University are only eligible for non-base building salary upon approval by the board
172 upon the recommendation of the president. Implementation of these salary payments must be
173 consistent system-wide with regard to taxation, retirement, and other benefits.

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

176 Non-base building merit pay, “incentive pay,” is allowable only as a result of an employee
177 reaching established performance goals and typically is for employees with highly focused
178 and measurable responsibilities. The goals must have measurable and unambiguous
179 outcomes and directly link the individual's performance to the success of the organization.
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181 Eligibility for incentive pay is often tied to net revenue-generating criteria. Incentive pay is
182 allowed only when the unit budget is sufficient to handle such payments (e.g., significant
183 revenue). Thus, in limited circumstances (e.g., athletic and clinical departments) university
184 staff may be eligible for individual or group programs when such programs are established
185 according to university administrative policy. Results of merit incentive programs must be
186 provided in the campus and system annual salary reports to the board.
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188 (b) **Recognition Awards.** Recognition awards are typically not included in the annual salary
189 setting process and may occur throughout the year according to university fiscal rules and
190 administrative policies. Cash recognition awards are paid as lump sum payments. Such
191 payments are not intended as significant compensation but as recognition for outstanding
192 service in a particular area (e.g., customer service) or performance on a specific project or
193 event.
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195 (c) **Project Completion Incentives.** Similar to non-base building merit pay, special limited-
196 term project completion incentives are subject to administrative policy. Such incentives occur
197 only for special projects that provide unique opportunities and challenges (e.g., large building
198 projects and information technology implementations) and when it is critical to retain key
199 personnel during the project. These incentives are paid upon completion of established
200 criteria as directed in administrative policy. The criteria may allow for periodic payments as
201 significant project steps are completed and/or upon final project completion. These incentives
202 must be included in system and campus annual salary reports to the board.
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204 **c. Delay in Implementation of Annual Salary Adjustments.** For fiscal reasons, a chancellor or
205 the president, for system administration, may decide to delay the implementation of approved
206 salary adjustments ~~to a date certain beyond July 1~~; and/or subject to board approval, may
207 implement a mid-year salary-setting process for additional salary adjustments ~~effective January 1~~.
208 Typically such delays are planned during the annual salary setting process and are included in
209 the system and campus salary plans.
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211 **d. Salary Adjustments Outside the Annual Process.** Salary increases are typically given
212 ~~annually on July 1~~. Salary increases at other times ~~during the year~~ are discouraged except for
213 reasons stated, above. If exceptional instances arise, such as substantial increases in
214 responsibility, promotion, or a bona fide and documented external employment offer, increases
215 may be granted. Increases outside the annual process must be given only in the cases of
216 meritorious performance.
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218 The authority to approve salary increases for campus employees at times other than the annual
219 process is delegated to a chancellor and to the president, for system employees, subject to the
220 provisions of Regent Policy 2.K. Such increases must be included in the system and campus
221 annual salary report.
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- 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.

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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.

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(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:

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

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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.

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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.

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(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.

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

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- 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.

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

279 Former Regent Policy 11-C Deferred Compensation Prohibited adopted 8/22/91 was rescinded and
280 reissued as new Regent Policy 11-D. Deferred Compensation Prohibited on 05/19/09. New Regent
281 Policy 11-C Exempt Professional Salary was adopted 05/19/09. New Policy C replaces and incorporates
282 the provisions of former Regent Policy 11-F.1 Salary Plan for Officers and Exempt Professionals, revised
283 5/27/03. New Policy C also replaces and incorporates the provisions of former Regent Policy 11-B
284 Performance Rating, Planning, and Evaluation, adopted 11/20/86.
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¹ ~~Compensation refers to wages and other financial benefits earned from employment includes: (a) for an employee paid on an hourly basis, the hourly compensation paid to the employee plus the value per hour of all other compensation and benefits received from the University; and (b) for an employee paid on a salary basis, the total of all compensation and benefits received from the University.~~

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.