



## President's

Policy Statement

University Policy Library

|                        |                         |
|------------------------|-------------------------|
| Operational Area:      | Employment              |
| Responsible Executive: | Chief Operating Officer |
| Responsible Office:    | Human Resources Office  |
| Effective:             | July 1, 2019            |

# Compensation Philosophy

## Employment

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### I. Introduction

- A. **Authority:** C.R.S. § 23-54-102, *et seq.* (2019) authorizes the Trustees of Metropolitan State University of Denver (MSU Denver) to establish rules and regulations to govern and operate the University and its programs. The Trustees retain authority to approve, to administer, and to interpret policies pertaining to University governance. The Trustees authorize the President of MSU Denver to approve, to administer, and to interpret policies pertaining to University operations.
- B. **Purpose:** This policy states MSU Denver's philosophy on compensating administrators and staff.
- C. **Scope:** This policy applies to MSU Denver administrators and staff who are exempt from the State of Colorado personnel system in accordance with C.R.S. § 24-50-135.

### II. Roles and Responsibilities

- A. **Responsible Executive:** Chief Operating Officer
- B. **Responsible Administrators:** Chief Human Resources Officer
- C. **Responsible Office:** Human Resources Office
- D. **Policy Contact:** Chief Human Resources Officer, 303-615-0999



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### III. Policy Statement

#### A. General Compensation Philosophy

1. Metropolitan State University of Denver is a teaching and learning community aspiring to national preeminence in public, urban education. We believe that education is the key to a successful life and career. The University recognizes that to fulfill this mission requires a diverse group of highly-qualified employees. The University expects superior performance and productivity from these employees. The primary role of the compensation system is to establish a clear relationship between professional performance, job duties, and compensation; to ensure that employees are recognized and rewarded appropriately for their contributions; and to ensure that the University's resources are used efficiently and effectively. The University supports a compensation system that:
  - a. Balances the need to be both externally competitive and internally equitable, while working within the availability of institutional and department resources;
  - b. Attracts highly skilled and competent administrators and staff and retains them by providing opportunities for learning, growth, and career development;
  - c. Provides flexibility in applying the principles of the University's compensation system;
  - d. Recognizes the value of current administrators and staff by maintaining internal equity with comparable duties and responsibilities;
  - e. Encourages and rewards excellent performance in meeting the mission, goals, and objectives of the Trustees and the University by basing salary increases on merit and performance;
  - f. Allocates compensation in a fair, yet flexible, manner, in compliance with applicable legal requirements;



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- g. Uses survey data consistent with peer institutions with similar demographics, such as type of institution, size of budget, enrollment, etc.;
- h. Assures communication of system principles, goals, design, procedures and relevant external market information to all departments and employees; and
- i. Remains open to emerging compensation practices to address changes in the workforce and the workplace over time.

### B. Salary Administration

- 1. Increases in the base pay of University administrators and staff are categorized as follows:
  - a. Promotion or other awards
  - b. Merit increases
    - i. Merit increases will not be awarded to any person who receives a composite rating of less than expected or satisfactory performance.
    - ii. All persons who perform as expected or higher are eligible to receive a merit increase, except when no funds are allocated for salary increases.
    - iii. Administrators who are hired after July 1st will be evaluated for their partial year of employment and be eligible for a prorated merit increase based on the start of their employment and funding availability.
    - iv. Employees who have been promoted during the current evaluation period must have performance evaluations in both positions. The combined evaluation rating will be used to determine the amount of the annual merit increase.
  - c. Equity and Parity Increases
    - i. The Trustees, in their sole and exclusive discretion and in response to specific annual budget requests, will determine whether salary increases

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addressing issues of equity and parity will be awarded and, if so, in what amount.

- ii. Equity increases address a declining relationship between salaries of presently employed personnel and newly hired personnel in the same discipline, commonly described as salary compression. "Equity" takes into account performance evaluations and other standards, including but not limited to education, experience, and rank.
- iii. Parity increases address the competitiveness of University salaries with the salaries of administrators and staff at similar institutions, taking into account performance evaluations and other standards, including but not limited to education, experience, rank, and variances among local economic conditions.
- iv. Equity and parity issues will be studied periodically by the University.

### 2. Annual Compensation Review

- a. An annual review of the University's compensation issues for contract administrators and staff of the University will be conducted by the Office of Human Resources.
- b. The Office of Human Resources will meet with the Executive Committee of the Staff Senate annually, at a minimum, to discuss and make recommendations pertaining to compensation philosophy, equity, parity, and performance review matters for the contract administrators and staff of the University.
- c. Salary increases for University administrators and staff should be set in accordance with University standard evaluation policies and procedures.
- d. The Vice President for Administration and Finance will provide the Staff Senate with the overall salary increase recommendations for each fiscal year based on available funding.



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### IV. Policy History

- A. **Effective:** July 1, 2019
- B. **Revised:** This policy supersedes Chapter VIII of MSU Denver's *Handbook for Professional Personnel*, July 1, 2017; revised June 6, 2013.
- C. **Enacted:** February 2, 2005
- D. **Review:** This policy will be reviewed every three years or as deemed necessary by University leadership.

### V. Policy Approval

A handwritten signature in black ink that appears to read "Janine Davidson".

Janine Davidson, Ph.D.  
*President, Metropolitan State University of Denver*

Date

N/A

*Chair, Board of Trustees, Metropolitan State University of Denver*

Date