

I. Policy Title: Compensation Structure

Impact: Benefits Eligible Employees

Responsibility: Human Resources

Effective Date: 10/31/18

Last Update:

Relates to Procedure: 3.02.16

Legal Citation(s):

II. Policy Narrative

North Idaho College (NIC) recognizes that an established compensation structure system is one of the most effective ways to attract, retain, motivate, and reward employees, who are critical to the success of the college's mission. When the organization consists of skilled and motivated employees, the college thrives. Furthermore, step-based compensation structures provide a framework for fair and consistent pay policies and help monitor and control the implemented pay practices. Finally, they serve to demonstrate possible pay opportunities to prospective and current employees. Effective and transparent compensation structures are critical for the college to maintain a shared sense of internal equity and fairness. Therefore, the support of the college's annual step-based compensation structure will be a high priority for annual budgetary planning.

III. Compensation Structure

To ensure that all employee compensation structures are fair and competitive, NIC will review salaries internally and externally at least every five (5) years. These reviews will be used to ensure the base structures are comparable with other institutions and to identify potential market driven anomalies in the structure.

IV. Compensation Structure Placement and Advancement

- A. Initial placement on the compensation structure is determined by the Human Resources Office according to the employee's documented and position-related education and experience.
- B. After initial placement, employees will advance one step for each year of benefitted employment as described in procedure 3.02.16. Staff will receive step advancement according to the staff compensation structure procedure. Faculty will receive step advancement as well as education and professional development advancement according to the faculty compensation structure procedure.
- C. NIC's administration prepares an annual budget for board of trustees approval through a collaborative budgeting process. The administration may withhold step

advancements only in the event of significant or unexpected financial needs that result in funding not being available. The administration will make public, the data used in making this decision and will invite broad input from the campus community prior to presenting the budget to the board of trustees. The board of trustees will have final approval of the budget proposed by NIC's administration. Should the board of trustees decide to override the administration's decision for honoring or withholding step advancements, it will make public, its rationale for making this decision.

- D. Placement and advancement for positions not funded by the college may adhere to a separate compensation structure and procedure.