

COMPENSATION PROGRAM

September 15-16, 1998

Recommendation:

That the Board approve the general principles and guiding philosophy of the new KCTCS compensation program for the Technical College Branch and approve the costs of implementation of the new program. (See attached resolution.)

Rationale:

The implementation of a compensation program which re-enforces employee focus on achieving KCTCS organization strategies and objectives by aligning employee rewards with those achievements is dependent upon certain principles and guiding philosophy. Once the principles and philosophy are approved by the Board of Regents, staff will ensure that the compensation program for the Technical College Branch does reflect those principles and philosophy.

The new compensation program will replace the current 151B and 18A classification and compensation program and will streamline the number of position titles in the Technical College Branch. Additionally, it will more closely relate to the current University of Kentucky Community College System (UKCCS) schedule.

Background:

KCTCS staff are currently working with several different classification and compensation systems related to Kentucky TECH, Department for Technical Education, Workforce Development Cabinet and the Commonwealth of Kentucky. Employee classification and compensation are presently handled through two separate and different personnel systems, utilizing many different titles and salary grades, depending on the type of employee.

The recommended compensation program for the Technical College Branch would establish the guidelines for instituting a process for employing applicants based on a single unified compensation plan without referring to two distinctly different outdated plans. In addition, current employees would be converted to the single unified compensation program.

The proposed compensation program for the Technical College Branch is being developed by the Hay Consulting Group working with administrative and college staff from KCTCS central office, Technical College Branch, and the Community College System. The study provided recommendations on job evaluations, market comparisons, base salary ranges, salary administrative procedures and performance management systems. Hay performed some analysis from a representative sample of

UKCCS jobs, but there is no full integration of Technical College Branch and UKCCS job evaluation/compensation systems at this point.

UKCCS employees will continue to be covered under the "It's About Staff" (IAS) program administered by the University of Kentucky. The IAS study was an extensive two-year project jointly conducted by UK and Watson Wyatt consulting firm. In the future, the UKCCS classification and compensation program will be integrated with the KCTCS program.

A representative from the Hay Consulting Group will attend the September meeting.