

**Board of Regents
Kentucky Community and Technical College System**

**Resolution Adopting Compensation Philosophy and Principles
and
Approving the Implementation Costs
of the
Technical College Branch Compensation Program**

WHEREAS, the Board of Regents desires that a compensation program shall reinforce employee focus on achieving KCTCS' organization strategies and objectives by aligning employee rewards with those achievements; and

WHEREAS, the Board of Regents believes that certain general principles and guiding philosophy will further the goal of aligning organization strategies and objectives with employee rewards; and

WHEREAS, the Board of Regents is satisfied that the implementation costs as presented are reasonable and appropriate;

NOW, THEREFORE, the Board of Regents hereby approves the implementation costs of the compensation program for the Technical College Branch and adopts the following general principles and guiding philosophies for the compensation program of the Technical College Branch:

The Compensation Program Will:

- ◆ Provide a meaningful distinction in compensation between jobs with noticeable different opportunity to add value to KCTCS and its customers.
- ◆ Directly link to the required knowledge, skills, efforts and accountabilities required of a job.
- ◆ Pay for the value of jobs in the relevant markets and industries in which we compete for employees.
- ◆ Be competitive with relevant external markets, balancing the ability to attract and reward employees with the financial resources of the organization.
- ◆ Be competitive both within and outside KCTCS.
- ◆ Over the long term, address consistency with KCTCS branches' classification, salary and benefits programs, as appropriate.
- ◆ Be practical and reflect best business practices.

- ◆ Evolve as the KCTCS business needs and strategy change over time and involve ongoing monitoring and program evaluation.
- ◆ Provide a reasonable transition from the current program.
- ◆ Be compliant with state and federal regulations as well as the provisions of The Postsecondary Improvement Act of 1997 (Kentucky House Bill 1).
- ◆ Ultimately include a greater linkage to individual performance in how employees are compensated.

ADOPTED, this sixteenth day of September, 1998.

Martha C. Johnson, Chair