

**BOARD OF REGENTS
BRIEFING PAPER**

Handbook Revision, Initial Placement on the Salary Schedule

BACKGROUND & POLICY CONTEXT OF ISSUE:

Existing Board policy sets forth the process for initial placement of new hires for executive positions within certain levels on the salary schedule. In limited cases, with the required approvals, the policy allows initial placement at higher levels based upon evidence of substantial experience and/or credentials relative to the position (*Title 4, Chapter 3, Section 24*).

To provide consistency and direction, staff recommends extending these provisions to all employment positions, including executive, administrative and academic faculty positions.

SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Amend *Title 4, Chapter 3, Section 24* to delete existing language regarding the initial placement of executive positions on the salary schedule. Create a *new Section 25* to insert similar language regarding initial placement on the salary schedule for all employment positions, including executive, administrative and academic faculty positions. (See attached Policy Proposal.)

IMPETUS (WHY NOW?):

This policy amendment is brought forward following a recent review of the policy by staff.

BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The revision would provide consistency and direction for initial placement on the salary schedule, as well as the limited exceptions to allow hiring positions above the salary schedule, for all new hires, not just executive positions.
- The proposed language mirrors the existing, established policy for executive positions.
- The revision provides for the Board's input in regards to such hires by requiring the Chancellor to consult with the Board chair prior to approving any hires above the salary schedule range, and report all such hires to the Board annually.

POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None have been brought forward.

ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Maintain the current policy, which is applicable only to executive positions.

COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title # _____ Chapter # _____ Section # _____
- X Amends Current Board Policy: *Title 4, Chapter 3, Section 24* and *new Section 25*
- Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- Other: _____
- Fiscal Impact: Yes _____ No X _____
- Explain: _____

POLICY PROPOSAL
TITLE 4, CHAPTER 3, *new* SECTION 25
Initial Placement on the Salary Schedule

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

INSERT THE FOLLOWING NEW SECTION 25:

Section 25. Initial Placement on the Salary Schedule

- 1. The provisions of this section are applicable to all employment positions, including executive, administrative and academic faculty positions.*
- 2. Initial placement for positions will be made within the range for that position as reflected in the Board approved salary schedule. Placement should be based on factors such as prior experience, appropriate credentials, length of service, and quality of performance. Initial placement must generally fall between the minimum salary and Q2, except for those initial hires with substantial experience and/or credentials relative to the position.*
- 3. Recommendations for initial placement at a level higher than Q2, but within the range, must be accompanied by written justification and evidence of substantial experience and/or credentials relative to the position, and approved by the President or Chancellor, as the case may be. Initial placement for institutional positions above the salary range may be approved by the Chancellor if the institution President provides written justification which established that the candidate is unlikely to accept employment without an exception to the salary schedule in consideration of relevant criteria such as the candidate's extraordinary qualifications and experience, the competitive nature of the field or discipline, and the candidate's salary history. This exception is intended to be construed narrowly and should be limited to only a few exceptions per institution each year. The Chancellor may only approve such an exception after consultation with the Board Chair. On July 1 of each year, the Chancellor shall provide an annual report to the Board of any exceptions approved during the immediately preceding fiscal year.*

RENUMBER SECTIONS 25 THROUGH 44 AS SECTIONS 26 THROUGH 44.

POLICY PROPOSAL
TITLE 4, CHAPTER 3, SECTION 24
Executive Salary Schedule

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 24. Executive Salary Schedule

1. Development and Review of Salary Schedules. Executive salary models for all executive positions shall be reviewed every four years, in an odd-numbered year. The Chancellor, in consultation with the presidents, is charged with reviewing the schedules and presenting them to the Board for approval. Executive salary schedules are to be reviewed in accordance with the following principles.
 - a. Use of Peer Group Comparisons: Peer institution groups shall be developed and adopted for executive salaries for the Chancellor's Office, DRI, universities, state college, and community colleges, with the peer groups based primarily on similarity of mission and on other characteristics such as size, administrative complexity, and budget where appropriate. Where appropriate, the same group of peer institutions may also be used for faculty and middle management compensation comparisons, ensuring a link between faculty and executive compensation.
 - b. Compilation and Review of Comparative Salary Data: Data concerning salaries paid to executives in the peer institutions shall be collected every four years in odd-numbered years. Using these data, salary ranges shall be reviewed for each executive category. The peer institution group salaries occurring at the seventy-fifth percentile shall be used to establish the mid-point of each proposed NSHE salary range. The ranges shall be compared for internal consistency among institutions and System units and for proportional relationships between faculty and executive salaries, with adjustments proposed as necessary.

~~[2. Initial Placement on Executive Salary Schedules. Initial placement for executive positions will be made within the range for that position as reflected in the Board approved salary schedule. Placement should be based on factors such as prior experience, appropriate credentials, length of service, and quality of performance. Initial placement must generally fall between the minimum salary and Q2, except for those initial hires with substantial experience and/or credentials relative to the position. Recommendations for initial placement at a level higher than Q2, but within the range, must be accompanied by written justification and evidence of substantial experience and/or credentials relative to the position, and approved by the President or Chancellor, as the case may be. Initial placement for institutional executive positions above the salary range may be approved by the Chancellor if the institution President provides written justification which established that the candidate is unlikely to accept employment without an exception to the salary schedule in consideration of relevant criteria such as the candidate's extraordinary qualifications and experience, the competitive nature of the field or discipline, and the candidate's salary history. This exception is intended to be construed narrowly and should be limited to only a few exceptions per institution each year. Before approving any exceptions, the Chancellor must obtain the concurrence of the Board Chair, and the Chancellor must make an annual report to the Board of any exceptions.]~~

[a.] 2. Chancellor: The initial salary for the Chancellor shall be set by the Board of Regents.

[b:] 3. System Executive Staff: The initial salary for the Vice Chancellors and the Director of the University of Nevada Press shall be recommended by the Chancellor and approved by the Board of Regents.

[e:] 4. Board Officer: The initial salary for the Secretary to the Board shall be set by the Board.