

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION**  
**Policy and Procedures Manual**

**SUBJECT: COMPENSATION**

**ITEM 126-109-R0305**

**Policy 8XX.X - Salary Increases Contract Administrators and Professionals**

***Effective***

---

*Board Policy:*

Salary increase requests are subject to the approval of the Board of Regents and shall adhere to the following parameters. All requested increases shall be reviewed by OCHE staff and a recommendation for approval or disapproval presented to the Board of Regents Staff and Compensation Committee prior to submission to the Board.

Individuals defined as contract administrators and contract professionals on Board of Regents contracts, individuals on Letters of Appointment, and coaches are covered by this policy. Faculty are excluded from this policy.

**I. Across-the Board Salary Adjustment**

- A. Definition:  
An annual percentage or flat dollar amount salary increase may be approved for contract administrators, contract professionals, individuals on letters of appointment and coaches based on available funding and Board decision.
- B. Amount:  
The amount of any across-the-board adjustment shall be established at the Board's discretion.
- C. Eligibility:  
Employees eligible for across-the-board increases shall typically have been employed in their current position at least one full contract term on the effective date of the across-the-board increase.
- D. Effective Date:  
The Board of Regents shall establish the effective date for eligible employees.
- E. Documentation Required:  
With input from OCHE staff, members of the Board of Regents Staff and Compensation Committee shall determine documentation requirements.

**II. Retention Salary Increase**

- A. Definition:  
Retention salary increases allow the Montana University System to retain an employee with unique knowledge, skills or abilities that are a) vital to the achievement of the University's mission or strategic goals and b) whose resignation would have a significant adverse impact on the accomplishment of critical and time-sensitive projects.
- B. Amount:  
Retention salary increases may be permanent or temporary base adjustments or a one-time or periodic lump sum amount that is not added to the employee's base salary. The amount of a retention adjustment shall not exceed eight (8) percent of the employee's current base salary. The amount requested shall be supported by relevant salary comparison data from CUPA and other sources deemed relevant by OCHE staff.
- C. Eligibility:  
Only those individuals employed at least five (5) full contract terms shall be eligible for a retention salary adjustment. An individual employee may receive no more than one (1) retention or internal equity salary adjustment in any five (5) consecutive year period. An employee whose current salary exceeds 105 percent of CUPA salary data, or is otherwise shown to be paid above market, is ineligible for a retention salary adjustment.
- D. Effective Date:

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION**  
**Policy and Procedures Manual**

**SUBJECT: COMPENSATION**

**ITEM 126-109-R0305**

**Policy 8XX.X - Salary Increases Contract Administrators and Professionals**

***Effective***

**Page 2**

A retention salary adjustment shall be effective upon Board approval. Retroactive pay shall not be approved.

E. Documentation Required:

A retention increase request shall be accompanied by:

1. An explanation of the adverse impact if the employee resigns and a summary of the employee's significant contributions;
2. Relevant salary survey data, including the job titles and description of duties for positions used for comparison purposes;
3. Existing salary relationships within the campus, work unit, and Montana University System;
4. Budget availability, funding source and long term impact on tuition;
5. Historical recruitment and turnover for the position and similar positions within the Montana University System; and
6. Evidence that the employee is marketable.

**III. Internal Equity**

A. Definition:

A salary adjustment for an employee performing similar work under similar working conditions requiring a comparable level of knowledge, skill, or ability in order to resolve inequities created when it was necessary to pay another employee a higher salary for recruitment or retention purposes. The fact that a retention or internal equity salary adjustment is granted to one or more employees on the same or another campus may not be used as the sole justification for internal equity salary requests.

B. Amount:

The amount shall not exceed eight (8) percent of the employee's current base salary. The amount requested shall be supported by salary comparison data from within the Montana University System, along with relevant salary comparison data from CUPA and other sources deemed relevant by OCHE staff.

C. Eligibility:

Only those individuals employed at least five (5) full contract terms shall be eligible for an internal equity salary adjustment. An individual employee may receive no more than one (1) internal equity or retention salary adjustment in any five (5) consecutive year period. An employee whose current salary exceeds 105 percent of CUPA salary data, or is otherwise shown to be paid above market, is ineligible for an equity salary adjustment.

D. Effective Date:

An internal equity salary adjustment shall be effective upon Board approval. No retroactive pay shall be approved.

E. Documentation Required:

An internal equity increase request shall be accompanied by:

1. Explanation of reason the inequity exists;
2. Position comparisons within the Montana University System that confirm an internal equity problem; and
3. Budget availability and funding source.

**IV. Promotion**

A. Definition:

A salary increase to recognize newly assigned responsibilities and duties. Promotional salary increases are inappropriate for an increase in workload that does not include a higher level of responsibility, decision-making authority, and/or increased complexity of work performed.

Promotions may be identified as permanent or temporary. Temporary promotions may not exceed nine (9) calendar months and typically result from the temporary reassignment of duties

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION**  
**Policy and Procedures Manual**

**SUBJECT: COMPENSATION**

**ITEM 126-109-R0305**

**Policy 8XX.X - Salary Increases Contract Administrators and Professionals**

**Effective**

**Page 3**

necessitated by another vacant position or a unique, one-time project assignment. Permanent promotions typically require an approved recruitment and selection process.

**B. Amount:**

The following factors shall be considered in determining the amount of a promotional salary adjustment:

1. Salary paid to similar positions on the campus and within the Montana University System;
2. Relevant CUPA salary survey data for similar positions; and
3. Long term impact on tuition and budgets

**C. Eligibility:**

An individual must have been employed at least two (2) full contract terms and may not receive more than one permanent promotional salary increase in any consecutive 24-month period unless an open recruitment and selection process has been completed.

**D. Effective Date:**

A promotional salary increase shall be effective upon Board approval. Requests for a retroactive approval date shall be accompanied by acceptable explanation of the cause for the delayed request and the specific date employee assumed full responsibility for newly assigned duties. The Board may approve a retroactive effective date at their discretion.

**E. Documentation Required:**

The request shall include:

1. Specific comparison between new and previously assigned duties and responsibilities;
2. Explanation of who/what position was previously responsible for the new duties; and
3. A description of the overall increase in the employee's level of knowledge, skills, and abilities required to perform the newly assigned duties.

**V. Lump Sum Bonus**

**A. Definition:**

Non-base building compensation for exemplary service or contribution beyond the scope of the employee's regular job responsibilities and expectations. A lump sum bonus request may be submitted at the President's discretion.

**B. Amount:**

The amount of a lump sum bonus may not exceed 10 percent of the employee's annual base salary or \$5,000, whichever is less.

**C. Eligibility:**

Employees must have completed at least two (2) full individual contract terms and shall not have received a lump sum bonus in at least the most recent 12-month period.

The following job performance criteria shall be used to further determine eligibility:

1. The work significantly exceeds standard expectations in terms of quality, quantity, creativity, initiative, and effort;
2. The employee shall have maintained a consistent level of exemplary job performance during the term of their employment with the Montana University System, as evidenced by regular performance evaluations.
3. The efficiency, effectiveness, revenue generation, and/or cost-savings efforts of the campus and/or University System are measurably enhanced by the employee's documented work; and
4. The employee's accomplishments occurred within the prior 12-month period of time.

**D. Effective Date:**

Approved lump sum bonuses shall be effective December 1 of each year. The Board of Regents, prior to December 1, shall approve lump sum bonus requests. Retroactive requests shall not be considered.

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION  
Policy and Procedures Manual**

**SUBJECT: COMPENSATION**

**ITEM 126-109-R0305**

**Policy 8XX.X - Salary Increases Contract Administrators and Professionals**

*Effective*

**Page 4**

- E. Documentation Required:  
Written documentation addressing the above-described eligibility criteria shall be submitted to OCHE staff, along with the requested dollar amount.

Nothing in this policy shall be construed to mean that an employee is entitled to any type of salary adjustment at any time, nor shall any provision in this policy be construed to mean that any individual is entitled to employment beyond the term of their existing contract, or as provided for in Board of Regents policies. Individuals on Letters of Appointment are subject to the provisions of Board Policy 711.1 wherein it states that the term of employment automatically expires with no requirement for notice of non-renewal.

Comparisons of salaries within the Montana University System shall be based, at least in part, on the established position level categories.

**ADDENDUM A  
POSITION LEVELS**

**Purpose:** The following position levels are intended to begin to establish a reference point for internal (i.e., Montana University System) equity comparisons. Assignment to a particular level does not denote that all positions within that level should be paid the same salary. The levels identify a relative internal value among positions based on overall scope of authority, responsibility, and breadth of knowledge required.

In evaluating internal equity, a Dean may have a higher salary than a Department Director (both in Level VI); however, both positions should typically be paid a higher salary than all positions in lower levels and a lower salary than those in Levels I through V.

Within this established hierarchy of positions, external market and job performance-based factors should also be considered.

Internal equity should be considered throughout the entire Montana University System and not only within an individual campus. The funding source of a position and the financial health of an individual campus should not be a determinant factor in establishing salaries.

<b>LEVEL</b>	<b>TITLES</b>
<b>I</b>	Commissioner of Higher Education President
<b>II</b>	Assoc./Deputy Commissioner Chancellor System Legal Counsel
<b>III</b>	Vice President/Provost Campus Legal Counsel Dean of discrete Colleges of Technology
<b>IV</b>	Assoc./Vice Chancellor Assoc./Asst. Vice President Dean
<b>V</b>	Department Director: Report to Level I, II, or III
<b>VI</b>	Asst./Assoc. Dean Asst./Assoc. Department Director (report to level V) Executive Asst. to President
<b>VII</b>	Program Directors: Report to Level V or VI Asst. to President, Chancellor, or Vice President
<b>VIII</b>	Contract Professional (examples, not all inclusive) Program directors Administrative "managers"

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION  
Policy and Procedures Manual**

**SUBJECT: COMPENSATION**

**ITEM 126-109-R0305**

**Policy 8XX.X - Salary Increases Contract Administrators and Professionals**

*Effective*

*History:*

**Page 5**

---

[Table of Contents](#) or [Section 800 Contents](#)