



2405

## Employee Compensation

*Policy 2405*

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Revision Dates:

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### **I. PURPOSE AND POLICY**

The Board of Directors is charged by the legislature with general charge of the business of the district. The Superintendent is charged by the legislature and district policy with the general administration of the district. The Board of Directors has adopted a Compensation Philosophy, which sets out the general principles and policy for compensation decisions. The compensation of employees shall be equitable, fiscally responsible and market-aware.

Compensation shall be designed to attract, retain and reward a highly qualified and diverse workforce, and shall be able to reward exceptional performance and outcomes within the district's fiscal capacity. The purpose of this policy is to establish how compensation of employees is determined.

### **II. BOARD APPROVAL OF COLLECTIVE BARGAINING AGREEMENTS AND EXECUTIVE COMPENSATION PLAN**

A. Negotiated agreements for terms and conditions of employment of persons represented by a collective bargaining unit shall be recommended to the Board of Directors by the Superintendent. Such agreements shall include schedules of salary ranges or hourly compensation and other matters related to compensation. It is the purview of the Board of Directors to approve or disapprove of these agreements and enter into contracts with the collective bargaining unit.

B. For employees not represented by a collective bargaining unit, the Superintendent shall propose a compensation plan for approval by the Board of Directors. The plan shall:

1. Not exceed two (2) years in length;
2. Include salary ranges for each position description;
3. Include other terms and conditions of employment.

C. Once a compensation plan allowed under ¶II.B. is approved by the Board of Directors, any material change in its terms must be approved by the Board.

### **III. SUPERINTENDENT IMPLEMENTATION OF BARGAINING AGREEMENTS AND EXECUTIVE COMPENSATION PLAN**

A. All compensation and compensation plans must comply with Minnesota Statutes regarding pay-equity and federal fair labor standards.



- B. The Superintendent, or superintendent's designee, shall determine the entry level for each employee in any collective bargaining unit or non-represented employee within the terms of the appropriate collective bargaining agreement or within approved salary ranges.
- C. Salary progress for all employees represented by a collective bargaining unit shall be under the terms of the negotiated contract.
- D. During the annual budgeting process the Superintendent shall consult with the Board Finance Committee to plan for anticipated changes in employee compensation for both represented and non-represented employees.
- E. The Superintendent may in her or his discretion create a plan to distribute funds to individual employees under the approved non-represented employee compensation plan as she or he determines. The plan shall be consistent with the Compensation Philosophy and may be guided by any of the following purposes:
  - 1. To enhance equity;
  - 2. To recruit or retain employees;
  - 3. To reward performance;
  - 4. To provide a universal salary adjustment for all employees in this group
  - 5. Other good cause.
- F. The Superintendent shall report annually to the Board of Directors a Leadership Compensation Report that identifies all positions in the non-represented employee compensation plan, including the compensation of each employee.

**Legal References:**

29 U.S.C. §206 (d) (Equal Pay Act)

Minn. Stat. §123B.02 (General Powers of Independent School Districts)

Minn. Stat. §123B.143 (Superintendent)

Minn. Stat. §471.991, *et seq.* (Pay-Equity Act)

**Cross References:**

MPS Policy 2100 (Superintendent: Roles and Functions)

MPS Policy 2200 (Organizational Structure and Lines of Authority)

MPS Policy 2400 (Position Description)

MPS Policy 4000 (Equal Employment Opportunity)

MPS Policy 4001 (Disability Non-Discrimination)

MPS Policy 8110 (Purposes and Roles of the Board)