

COMPENSATION ADMINISTRATION (REGULATION)

This regulation is intended to provide a framework to establish desired internal controls, specifically segregation of duties over the administration of compensation payments. Administration of compensation payments includes the following items:

1. Authorization of permanent FTE positions
2. Authorization for temporary FTE positions
3. Authorization of substitutes/guest staff workers
4. Authorization of salary schedules
5. Authorization of hourly pay rates
6. Authorization of employment contracts
7. Non Recurring Compensation
8. Stipend payment approvals
9. Mileage allowance approvals
10. Extra duty pay authorization
11. Overtime pay authorization
12. Incentive Payments
13. Over/Under Payments
14. Change in Pay Calendar
15. Change in Employee Contract term (days)
16. Furlough Deductions
17. All other payments **not** covered above

Authorization of Permanent Positions

The authorization of permanent positions rests solely with the Colorado Springs School District 11 Board of Education (the Board). Permanent positions are based on Full-time Equivalents (FTE for Executive/ Professional, Education Support Professionals (ESP) staff, and teachers, pursuant to applicable Master Agreement and employee handbooks. The Board approves positions by fund, program and job classification as part of the budget process. Requests to the Board for approval of additional staff shall be submitted on an FTE request form. These forms are then routed through the Budget Department before calendaring before the Board.

Authorization for Temporary FTE Positions

Temporary FTEs are occasionally used in Colorado Springs School District 11 (the District) for special projects or assignments. The authorization for temporary FTE positions rests with the Superintendent and is subject to budget limitations. Temporary FTE positions may not exceed 11 months in duration.

Authorization of Guest Staff Workers (Substitutes)

Authorization of substitutes (District *Guest Staff Workers*) is the responsibility of the program manager, and subject to the Board approved budget. All guest staff workers are subject to background check requirements as determined by the Department of Human Resources. Contracted guest staff workers may only be hired from firms approved under master contracts with temporary agencies administered by the Department of Procurement and Contracting.

Authorization of Salary Schedules

The authorization of salary schedules rests solely with the Board. All permanent positions, with the exception of Board contract employees, shall have salary levels established in one of the three Board approved employee agreements: (1) Colorado Springs Education Association (CSEA) Master Agreement; (2) Education Support Professionals (ESP) Meet and Confer Handbook; and (3) Executive/Professional Meet and Confer Handbook. The responsibility for maintaining the salary schedules shall be performed by the Department of Human Resources.

Authorization of Daily/Hourly Pay Rates

The responsibility for establishment of daily/hourly pay rates **not** covered by one of the three employee agreements rests with the Department of Human Resources. The approval for these pay rates shall be prepared by the Department of Human Resources and provided to the Payroll Department with authorization provided by an original signature of the Executive Director of Human Resources.

Authorization of Employment Contracts

The Board, at its own discretion, may establish employment contracts with certain individual employees. The Superintendent contract shall be approved by a representative of the Board. Contracted employees who report to the Superintendent shall be approved by the Superintendent subsequent to briefing the Board. Employment contracts shall be dutifully executed by June 30th preceding the commencement of the fiscal year to be contracted. An original document shall be maintained by the Department of Human Resources with copies provided to the Superintendent and Deputy Superintendent/Chief Financial Officer.

Non-recurring compensation

Given the District's declining enrollment status, non-recurring compensation is an important tool for compensation in order to fully utilize resources available and provide employees necessary compensation when recurring resources are limited. It is the intent of the District that such non-recurring compensation be treated the same as regular compensation and associated with employees' regular responsibilities and funding sources. Non-recurring compensation, in lieu of recurring compensation, may be authorized by the Board of Education during the Negotiations/Meet & Confer process and subsequently included in the budget for appropriation. Non-recurring compensation shall be granted equitably to all employees. This section shall be applicable starting in the FY22 year and going forward.

Stipend/Other Payment Approvals

Teacher stipends are authorized by the CSEA Master Agreement. Executive/Professional stipends are approved by the Executive/Professional Meet and Confer Handbook. Currently, the Executive/Professional Handbook requires Superintendent approval, and stipends are limited to \$4,000 per activity and \$60,000 total per year. In addition, the Superintendent is authorized to award stipends based on restructuring which are limited to \$5,000 per year and \$50,000 total per year. There is generally no provision for ESP stipends because of complications with Fair Labor Standards for non-exempt employees. Currently, there are two categories of Board approved stipends for ESP employees: Asbestos Certification and CPS Certification. Any stipend payments not approved by one of the three employee agreements shall require the written authorization of the Superintendent and subsequent approval by the Board.

Mileage Allowance Approval

Mileage allowance is a privilege to employees who drive frequently and it is deemed to not be time efficient to keep mileage logs for reimbursement. In order to comply with IRS taxation requirements, mileage allowances are intended to be solely a reimbursement for a reasonable amount of miles driven in a personally owned vehicle and not compensation. The responsibility for establishing mileage allowances rests with the Deputy Superintendent of Business Services/Chief Financial Officer and approval of the Superintendent. The Deputy Superintendent/Chief Financial Officer is entitled to audit, review and adjust mileage allowances at his/her discretion.

Extra Duty Pay Authorization

Extra duty payments are usually covered by one of the three employee agreements. Payments to employees for extra duties performed as an extension of their contract days, shall require the approval of the program manager and the Superintendent prior to the work being performed. Employees are prohibited from receiving Extra Duty Pay for days covered under his/her contract year.

Overtime Pay Authorization

Authorization for overtime pay is the responsibility of the supervisor prior to the work being performed and subject to budgetary approval. Overtime pay is subject to Fair Labor Standards (FLSA) for applicable employees. Executive/Professional employees and employees under the Master Agreement are generally excluded from receiving overtime pay.

Incentive Payments

Incentive pay programs are generally applicable to certain groups of employees in unique situations. All incentive pay programs are subject to approval by the Board. The following are the currently approved incentive pay programs:

1. Food Service Profitability Program
2. Production Printing Profitability Program
3. Transportation Incentive Program

Over/Under Payments

While the District strives to pay all employees in an accurate and timely manner, occasionally mistakes of overpayment or underpayment are made. In the event an employee is underpaid, the Administration will strive to correct the error on the next regular paycheck. The District will be responsible for underpayments going back two years from the date of discovering the underpayment. In emergency situations the administration may choose to issue a manual check to the employee.

In the event of an underpayment, Colorado PERA requires that the record of compensation reflect the correct wages that were due to the employee. If the amended compensation record results in an assessed interest penalty, the District will be responsible for payment of the excess amount.

In the event an employee is overpaid, the District will seek to recover the overpayment in as few checks as possible. In no instance will the District allow a repayment schedule greater than 12 months without consent of the Superintendent/Designee. In the event of employee fraud or intentional misrepresentation, the employee may face possible criminal charges. If an employee incurs late charges as a direct result of

the District pulling back the Employee's direct deposit, the District shall reimburse the employee for such charges.

In the event of an overpayment, Colorado PERA requires that the record of compensation reflect the correct wages that were due to the employee. Colorado PERA requires that an adjustment be made to the employee's highest average salary.

If the amended compensation record results in a refund of overpaid contributions, the employee's portion will be refunded to the employee after funds have been received and the District has recovered the entire overpayment balance.

The responsibility for negotiating repayment terms rests with the Department of Fiscal Services.

Change in Pay Calendar

226/260-day employees changing to a less than 226-day contract lose a month of pay due to the change in contract term. Employees that fall into this category have the choice of skipping a paycheck or receiving a July paycheck but having the cost of the lost pay spread over 12 months. Employees that change from a less than 226-day contract to a 226/260-day contract will receive a double paycheck on 8/1 (last paycheck of the old contract and first paycheck of the new contract).

Change in Contract Term

226/260-day employees shall be employed on a July 1 through June 30 contract. All employees with less than 226-day contracts shall be paid on an August 1 through July 31 contract. These contract periods are designed to match days paid with days worked as near as possible. In the event that a position's contract term needs to be changed, such request shall be submitted in writing to the Deputy Superintendent of Personnel Support Services for approval of the Superintendent. Increases in contract term must have a funding source identified for the cost of additional day's salary and benefits.

All other Payments Not Covered Above

It is the intention of this regulation to create an official approval process for employee positions and payments. Exceptions not covered under this regulation shall require approval of the Deputy Superintendent of Personnel Support Services, the Deputy Superintendent/Chief Financial Officer, the Superintendent, and potentially the Board.

Adopted November 5, 2013
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CROSS REFS.: DB, Annual Budget
 DBJ, Budget Transfers
 DFG and DFG-R, Revenues Generated from School or District Activities and Fundraisers
 DKA, Payroll Procedures
 DKC, Expense Authorization/Reimbursement
 GCG/GCGA, Substitute, Temporary and Part Time Teachers and Executive/ Professional Employees

GDG, Substitute, Temporary, and Part Time Education Support
Professionals
KF and KF-R, Community Use of District Property (for Non-District Use)

LEGAL REFS.: Fair Labor Standards Act, 29 U.S.C. § 201

CONTRACT REFS.: Colorado Springs Education Association Master Agreement
Education Support Professionals Meet and Confer Handbook
Executive/Professional Meet and Confer Handbook