

COMPENSATION STRUCTURE

Salaries

In July 2000, Northwest Missouri State University moved the last employee group, Support Staff, to a universal strategy of market-based compensation. In order to determine pay levels on a variety of factors, including competitive pay of similar positions, Northwest identified appropriate salary survey data and uses the survey data to match each University position to an appropriate target salary.

In considering annual salary increases for all employee groups to be given July 1 of each year, Northwest applies the following rationale to determine appropriate recommendations for salaries.

Cost of Living Adjustment (COLA)

Percentage increase applied universally to all employees

Market Adjustments

Administrative and Professional Staff

- Using CUPA Salary Survey data or other specific industry sources
- Qualification equivalencies used in matching comparative positions
- Performance determined by supervisor to be par or above par

Faculty

- Using CUPA Masters I Salary Survey data
- Rank/Discipline equivalencies used in matching comparative positions

Support Staff

- Using Watson/Wyatt Survey data or other specific industry sources
- Qualification equivalencies used in matching comparative positions
- Performance determined by supervisor to be par or above par

As approved by the Board of Regents 9/98, the compensation structure sets a floor of 85% of the market medians established by relevant survey data; a 90% target for staff, an average faculty salary at the national average; and a 115% ceiling for all employee groups. Additionally, years of service are recognized in the administrative, professional and support staff groups by 2% additional increments for every 5 years of service : 0-5 years – 85-90%, 6-10 years – 92%, 11-15 years – 94%, 16-20 years – 96%, 21-25 years, 98%, and 26 years and beyond, 100% of the market median. By setting the Northwest

average faculty salaries at national average and by recognizing ranks and promotions, years of service are only addressed in this employee group when an academic department's average falls below the median.

The **salary determination process** then, is as follows:

Cost of Living Adjustment (is added to current salary)

Market Medians – Current Salary = Market Gap Adjustment (dollars needed to bring salary to predetermined percent of median target between 85% and 115% of median; may in fact be \$0)

Final = Present Salary + COLA + Market Gap Adjustment = New Salary

(Should a challenged budget year prevent the above process to occur in its entirety, the items in the process will be considered as separate affordability items in the following order, and salary increases may be determined by the COLA only or a combination of COLA and one or both of the others.)

1. Cost of Living Adjustment (a percentage added to current salary)
2. Years of service additional increments (as previously defined)
3. Market Gap adjustments (if justified)

Benefits Package

In addition to salaries, Northwest Missouri State University offers a comprehensive benefits package as part of its compensation.

University-Paid Benefits:

- Health Insurance paid for every full-time employee
- Life Insurance for every full-time employee (Benefit equal to one times an employee's annual salary)
- Disability Insurance
- Retirement contributions to Missouri State Employees' Retirement System (MOSERS) or College & University Retirement Plan (CURP)
- Social Security – University matches employees' contributions
- Tuition Fee Reductions (including 50% for dependents)
- Holiday, Sick Leave, Personal Leave and Vacations

Employee-Paid Benefits:

- Social Security – Employee contribution matched by University
- Supplemental Life Insurance (employee may purchase one to three times their annual salary as an option)
- Dental Insurance (optional)
- Vision Insurance (optional)
- 403b tax-sheltered annuity plans (optional)
- State of Missouri Cafeteria Plan offering before-tax salary reduction for health insurance premium, medical expenses, and child care (optional)