2.15 KCTCS Classification and Compensation Administration

The goal of the KCTCS classification and compensation program is to attract potential employees, meet the needs of current employees and encourage well-performing employees to continue with the organization. With this in mind, the compensation program is built to balance both employee and KCTCS needs.

KCTCS has a market-based classification and compensation plan for regular full-time KCTCS employees.

As part of the classification and compensation plan, each KCTCS position has a title. In addition, each KCTCS staff position title has a designated document that provides a representative summary of the types of duties, responsibilities, and credentials required of the position. A salary schedule is established consisting of pay bands for staff employees and pay bands for faculty employees. Within each pay band there are salary ranges, including a minimum salary level, a market salary level, and a maximum salary level. Each position title is assigned to a pay band based on the level of responsibilities and required credentials as specified in the job specification and/or job analysis questionnaire.

A compensation committee will be designated to include four System Office Human Resources employees and two (rotating) college Directors of Human Resources for recommendations regarding classification and compensation issues. The salary schedule is reviewed periodically to assess for potential updates needed.

KCTCS applies the same principles of fairness to all employees, regardless of race, color, citizenship status, national origin, gender, sexual orientation, age, religion, creed, political affiliation, ethnic origin, physical or mental disability, veteran status, political affiliation, smoking status, or any other factor protected by law.

2.15.1 Wage and Salary Administration

2.15.1.1 Pay Cycle

Payday is normally on the 15th and 30th day of the month for services performed during the previous pay cycle. The twice monthly pay schedule is made up of twenty-four (24) pay periods per year. Changes to the payroll cycle shall be made and announced in advance whenever KCTCS holidays or closings interfere with the normal pay schedule.

2.15.1.2 Mandatory Deductions from Paycheck

KCTCS is required by law to make certain deductions from employee paychecks. Among these are federal, state and local income taxes and employee contributions to Social Security as required by law. These deductions shall be itemized on employee pay statements. The amount of the deductions depend on employee earnings and on the information employees furnish on the W-4 and K-4 tax withholding forms regarding the
number of withholding allowances claimed. Employees may modify this number by completing a new W-4 tax withholding form located on the KCTCS website and submitting it to their local payroll office. No one other than the employee may modify the employee’s W-4 and/or K-4 tax withholding forms. Oral or written instructions are not sufficient to modify withholding allowances. Employees are advised to check their pay statements to ensure that these statements reflect the proper amount of withholding allowances.

KCTCS shall send employees a W-2 tax form annually that reflects employee taxable earnings and taxable amounts withheld for the year.

2.15.1.3 Employee Organization Dues Deduction

Employees may have dues for any employee membership organization, which has registered with KCTCS and has been approved by the KCTCS President, deducted from regular pay checks. "Employee organizations" are those whose primary mission is to serve KCTCS employees. The amount of the deduction is set by the organization. Dues deduction authorization forms are available at the employees’ local payroll/business office. Dues deductions shall begin with the first check after a thirty (30) day processing period.

Employees may cancel their authorization to have dues deducted from their pay check by filing a written notice of cancellation with the same office at least 30 days before the end of the calendar quarter.

KCTCS shall furnish a list including the employee’s name and home or mailing address to the organizations for which an employee authorizes dues deductions.

2.15.1.4 Direct Payroll Deposit

Direct payroll deposit is the automatic deposit of employees’ payroll funds into the financial institution accounts of their choice. KCTCS employees shall participate in direct deposit of their payroll funds in accordance with the KCTCS Business Procedures. In addition, employees may authorize KCTCS to make additional deductions from their paychecks. Employees shall complete the necessary authorization forms located on the KCTCS website and submit them to their payroll office.

2.15.1.5 Error in Pay

Every effort is made to avoid errors in employee paychecks. If an error has been made, employees immediately, and no later than the end of the fiscal year, shall notify the local payroll officer, who shall take the necessary steps to research the problem and to assure that any necessary correction is made promptly.
2.15.1.6 Wage Garnishments

KCTCS expects that employees will manage their financial affairs so that KCTCS shall not be obligated to execute any court-ordered wage garnishments. However, employees shall be notified when court-ordered deductions are to be taken from their paycheck by KCTCS. KCTCS acts in accordance with the federal Consumer Credit Protection Act, which places restrictions on the total amount that may be garnished from employee paychecks.

If KCTCS is required to make additional mandatory deductions from an employee’s paychecks, KCTCS shall inform the employee about the mandatory deductions upon receipt of other lawful order.

2.15.1.7 Computing Pay

Pay is computed based on a regular full-time work week, which for KCTCS is 37.5 hours per week for regular full-time employees. Nonexempt employees are paid on a semi-monthly basis, for an average of 81.25 hours semimonthly. Employees are “made whole” once they have worked an entire fiscal year.

2.15.1.8 Compensation for Overtime Hours Worked

KCTCS expects that position workloads shall be accomplished within the regularly scheduled hours of the work week. Each supervisor is responsible for organizing, scheduling, and staffing departmental workloads in a manner that will avoid the development of overtime situations when at all possible. In addition, employees are expected to organize and manage their workload in order to complete it during regularly scheduled hours of the work week, if possible.

Therefore, this policy is intended for situations such as peak workload periods, unforeseen circumstances, or emergency situations, that prevent the completion of work during regularly scheduled working hours. Employees and supervisors shall understand that overtime compensation is intended for short-term arrangements, not as an ongoing operational and compensation strategy. Overtime work shall be reviewed every six months by the supervisor, appropriate supervisory personnel within the chain of command, and/or a financial officer to plan for other options, such as flexible scheduling, training other available staff, or hiring a temporary or additional regular employee(s).

A position classified as an exempt position is one in which the employee is exempt from being eligible to receive overtime compensation. A position classified as a nonexempt position is one in which the employee is eligible to receive overtime compensation, when applicable. A position may be classified as exempt from receiving overtime compensation based on job duties, responsibilities, salary, and, in some cases, minimum education required. Determination regarding the classification for each position
regarding exemption or nonexemption from overtime is made under the provisions of the Fair Labor Standards Act (FLSA) and is administered by the KCTCS System Human Resources Office.

Advance planning for flexible scheduling is a proper strategy for reducing overtime hours. Prior to engaging in any work in excess of the 37.5 hours per week for a regular full-time employee, the excess work hours shall be requested, and if necessary to be worked shall be approved in advance by an employee’s immediate supervisor (except for exempt employees who are not subject to overtime). Any hours worked between 37.5 and 40 hours in the week are not considered overtime work for purposes of determining the rate of pay, and shall be paid at the employees’ regular pay rate. In addition, supervisors are encouraged to use advance planning and flexible scheduling for their employees as methods to minimize any work over 37.5 hours during a work week. Whenever possible, if an employee works additional days or additional hours on a given work day beyond his/her regularly scheduled hours, if at all possible the supervisor shall adjust the employee’s work schedule accordingly for the other days in that work week in order that the employee’s total work hours do not exceed 37.5 hours.

For purposes of this policy, “overtime work” is defined as “the hours worked in excess of 40 hours in a given work week”. Nonexempt employees shall be compensated at an overtime rate on hours worked in excess of forty (40) hours per work week. If applicable, supervisors shall request and obtain approval in advance from the appropriate management level in order to permit their employees to perform overtime work.

Only actual hours worked are counted in computing eligibility for overtime compensation. Leaves and other absences will not be counted or added to the number of "hours worked" in a work week, and will therefore not be calculated for purposes of eligibility for overtime compensation. Therefore, unless otherwise stated, paid leave shall be paid at the regular rate of pay.

Eligible employees are entitled to overtime compensation for applicable hours worked as follows:

**KCTCS Personnel System and UK Personnel System**
If it was not possible to adjust employee work schedules for a given week (as stated above) to maintain the regular number of total hours to be worked, non-exempt employees shall receive overtime pay of 1.5 times the hourly rate for every hour worked over 40 hours per week.

Exempt employees are not eligible to earn or receive overtime pay.

**18A/151B Personnel System**
If it was not possible to adjust employee work schedules for a given week (as stated above) to maintain the regular number of total hours worked, exempt and non-exempt employees who work overtime (time worked in excess of 40 hours per week) shall
receive compensation for overtime in accordance with the administrative regulations for KRS Chapters 18A and KRS Chapter 151B (see Appendix 1 of Section 2 of the KCTCS Administrative Policies and Procedures.

**Related Information**
For supplemental assignments, including internal faculty overloads/working a second job, additional assignments, and/or outside employment, please refer to the KCTCS policies on [faculty/staff workload](#), [faculty consulting](#), and [outside employment](#).

Additional provisions regarding compensation and overtime pay related to working during a holiday, institutional closing, and emergency closing are addressed in the applicable policies.