



University of Colorado Denver

Downtown Campus

Campus Administrative Policy Statement

Policy Title: Faculty Compensation – Downtown Campus

Prepared by: Laura Goodwin, Associate Vice Chancellor in conjunction with Faculty Additional Compensation Committee

Approved by: Mark Alan Heckler, Provost and Vice Chancellor for Academic and Student Affairs

Effective: July 1, 2006

References:

Regent Laws and Policies

- 2-K: [Personnel Authority for Employees Exempt From the State Personnel System](#)
- 5-A: [Approval of Sabbatical Assignments](#)
- 5-D: [Additional Remuneration for Extra Work](#)
- 5-E: [Additional Remuneration for Consultative Service](#)
- 5-G: [Application of Teaching Excellence Award to Base Salary](#)
- 10-E: [Salary Review to Determine Inequities](#)
- 11-A: [Letter of Offer](#)
- 11-B: [Faculty Salary](#)
- 11-E: [Deferred Compensation Prohibited](#)

Administrative Policy Statements (APS)

- [Conflict of Interest Policy/ Conflict of Commitment Honoraria](#)
- [Differentiated Annual Workloads for Faculty](#)

UCD Campus fiscal policies

- [Moving and Relocation Expense Reimbursement](#)
- [Distribution of Technology Transfer Income](#)

UCD Campus Forms and Templates

- [DDC Faculty Additional Pay Pre-Approval Form](#)
- [University of Colorado Additional Pay Form](#)

Payroll/Benefit Services Procedures Guide

- [Additional Pay Approval Routing Guidance and Earnings Codes](#)

Federal Policies

- [OMB Circular A-21](#)

Replaces: DDC Additional Remuneration Policy 2002

Applies to: Downtown Campus

A. Introduction

This policy establishes process and authority for various types of faculty compensation as allowed by Regent laws and policies, university administrative and fiscal policies, and federal regulations for grants and contracts.

This policy applies to the University faculty titles as defined in [Regent Policy 5-L](#).

This policy was established using the following principles:

- School/College/Library Deans establish faculty workload standards (e.g., number of courses taught per semester).
- As a public institution, the university is held accountable for evaluating and communicating faculty productivity.
- Faculty academic year salaries are established annually to cover nine-month workload.
- Unless under a differentiated workload agreement ([APS: Differentiated Annual Workloads for Faculty](#)), faculty workload for the academic year is specified in the faculty letter of offer and addendums. Academic year compensation is expected to cover these activities.
- There are limited circumstances in which faculty may receive additional remuneration during the academic year and in general this should occur only for unusual amounts of time and/or higher level responsibilities.
- Faculty members who take on additional temporary work during the academic year may be compensated or agree to course release and/or access to professional development funds. Agreements regarding compensation, course release, and/or professional development funds must be set prior to work beginning. In no case shall the type of compensation change after the work has begun or is completed.
- Additional remuneration should be set at a level consistent with the type and amount of work performed.
- Funds from grants and contracts are expected to offset the school/college/library funding and should not be paid to the faculty member as additional compensation during the academic year. Federal regulation states that faculty effort on sponsored projects is considered an expectation of the faculty member's university appointment and is not to be paid as additional compensation. There may be *unusual* circumstances for which the grant/contract sponsor will approve additional compensation. These requests should be outlined in the proposal to the sponsor.
- Faculty on nine-month contracts are eligible for additional university work and compensation during summer months under separate employment agreements.
- This policy does not apply to consulting services/work outside of the university as allowed under Regents' [Additional Remuneration for Extra Work](#) .
- This policy applies to all additional work paid through the university to the Downtown Campus faculty for work at any campus or system office.

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C. Policy

Faculty compensation is established for each appointment in the letter of offer, and subsequently through the annual salary setting process and/or addendums to the letter of offer. [Regent Policy 2-K](#) specifies the delegation of authority for appointments to the Chancellor. Additional pay, benefits or perquisites beyond the letter of offer or annual salary setting process will be permitted only in limited circumstances, and requires approval as set forth in this policy. In general, full-time faculty (on 9- or 12-month contracts) may be eligible for additional pay, professional development funds, or course release when an unusual amount of time is required outside of the faculty member's regular duties, and when approved in advance by the appropriate Dean. This policy applies to all additional work paid through the university to the Downtown Campus faculty for work at any campus or system office.

Part-time faculty (for purposes of this policy only, defined as less than 100% time) may receive additional pay without pre-approval at the same rate of pay up to 100% of full time equivalent.

All salary must be appropriately documented and approved, and processed through the university's payroll system in order to ensure compliance with the withholding requirements of the Internal Revenue Service. Total additional remuneration that exceeds 10% of salary for an academic year must receive Provost approval.

Deans in units which have ongoing or unique compensation requests should submit their school/college/library compensation policies for Provost approval. All school/college/library compensation policies or practices in place prior to the approval of this policy should be submitted for Provost approval. Copies of approved policies must be forwarded to the Human Resources Office to expedite processing of the payments.

D. Compensation Approval

The Chancellor, upon recommendation of the Provost, determines the annual campus salary setting process for academic and fiscal year salaries. Faculty salary rosters are submitted to the Provost by the Schools, Colleges, and Library according to the annually published campus process. In addition, the Provost reviews and approves all other faculty compensation issues such as salary equity studies/plans and additional compensation issues.

The Provost may appoint, on an ad hoc or ongoing basis, committee(s) to review and recommend new or existing compensation practices and policies.

Requests for faculty additional compensation beyond academic year salary, as allowed by this policy, must follow the established campus process including pre-approval by the appropriate Dean(s). Exceptions to this policy must be approved by the Provost.

Administrative appointments must be processed as an additional appointment following the campus hiring process.

E. Annual Salaries

Faculty salaries are considered compensation for the labors and efforts of faculty members in the areas of teaching, research, creative work, and service. Salary is established by the letter of offer at the time of initial hire and subsequently by the annual salary setting process. Salary is based on consideration of merit, market, equity and rank. One-time compensation at the initial hire (e.g., moving expenses; start-up funds) for tenure-track faculty may be negotiated by the Dean and approved by the Provost, and must be included in the letter of offer.

Nine-month faculty appointments formally commence on September 1 and end on May 31 each academic year. When the academic calendar starts before September 1, it will end nine months later. Each year, individual faculty members may elect to be paid only during the 9-month appointment period or to have 9-month salaries paid over 12 months. New faculty members may also be paid at the end of August when the academic year begins early and have the remaining balance of their salaries equally distributed over 9 or 12 months. When it is necessary to prorate academic year salaries, it will be based on 36 weeks of paid time (18 weeks per semester). Accordingly, fall, winter and spring breaks and University holidays are considered unpaid time off.

The annual salary setting process is governed by the school/college/library compensation plan. The annual salary adjustments are recommended by the Dean with approval by the Chancellor upon concurrence of the Provost. The annual salary adjustments for the school/college/library cannot exceed the maximum average increase limitation that is established by the Board of Regents. As set forth in university policy, each school/college has established a process for evaluating merit.

Faculty members on full-time academic year appointments may not earn additional compensation for research, service, or scholarly activities during the academic year except as noted in Section G below. With permission from their Dean, faculty may reduce their academic year salary from the university in order to accept an equivalent amount of compensation from research grants and contracts *equal to the effort provided*. In some cases, faculty may request from their Dean course or service 'buyout' to be replaced by the work performed for the grant or contract. Such agreements should be documented in writing.

F. Salary Grievance Procedures

The [salary grievances procedures](#) for tenured and tenure-track faculty are intended to provide information and assistance to all tenured and tenure-track faculty members with complaints regarding salary. Complainants seeking salary adjustment must follow the steps detailed in the salary grievances procedures starting with an appeal at the level of the school or college and proceeding, if necessary, to the highest level of the campus review process - the Chancellor.

G. Types of Allowable Additional Compensation

Below are listed allowable types of additional compensation. Most of these types are allowable only when the work exceeds the normal workload expectations of the faculty member, or is considered higher level responsibilities. All additional compensation requires pre-approval of both the type of work and the amount of compensation.

If the additional work will be paid by a sponsored project, the proposal should contain the request for additional pay with explanation of the unusual circumstances requiring the pay. In addition, the sponsor must approve the pay. If the additional pay is not outlined in the award, Downtown Campus Sponsored Programs Accounting must obtain approval from the sponsor *before* the work begins.

1. Administrative Appointments

A faculty member who also has an administrative appointment (e.g., Chair, Coordinator, Director) may be required to spend an unusual amount of time and/or perform higher level duties outside his or her regular faculty duties and may qualify for additional pay. At the university this is generally referred to as an administrative stipend. Administrative appointments for both full- and part-time faculty must follow the campus hiring process and require a letter of offer which references the faculty member's other appointment(s).

Administrative stipends may not be paid while a faculty member is on sabbatical.

Administrative appointments are at-will and the stipends shall not continue once the administrative duties are terminated. Administrative stipends are not part of the faculty member's base salary, and thus, are *not* counted in the calculation of summer pay.

2. Teaching Overload

Teaching activities outside of the academic year normal teaching load, as defined by the school/college, is considered 'overload' teaching and may be compensated. In general, faculty overload teaching activities are limited to two courses (or equivalent to work required for six credit hours) per academic year. Overload teaching must be approved in advance by the Dean of the school to which the faculty member belongs. Overload teaching outside of the faculty member's school, college, or campus must be pre-approved by both Deans. Teaching overload activities that are beyond the limits of this policy require Provost approval.

Faculty members on sabbatical or with reduced teaching duties are not *normally* eligible for additional pay for teaching. Under extraordinary circumstances, exceptions may be granted by the Provost.

Types of allowable overload teaching activities are listed below.

a. Additional courses

Requests for overload teaching should justify why the course must be provided and why no other qualified faculty are available.

b. Curricula development

Curricula development including on-line course and tutorial development may be subject to additional compensation or course release due to the unusual amount of time required. On-line course development commitments are outlined in an agreement between the faculty member and the relevant department/college with approval required from the Dean of the faculty member's school/college/library. In general, faculty are paid in installments based on work products completed as outlined in the agreement.

c. On-Line course coordinator

Coordinator roles are considered administrative appointments and are covered under Section G.1.

d. Continuing Education/Extended Studies/CU-Succeed

Additional pay may be contracted for teaching continuing education or extended studies courses. Compensation for these activities is governed by the policies of the relevant department/school/library.

e. Other teaching related activities

Other teaching related activities beyond the normal teaching load such as additional advising, site coordination, and taking on extra students may also qualify as 'overload,' at the Dean's discretion.

3. Award and Incentive Programs

Faculty may receive monetary awards from the University for outstanding achievement and performance. The awards must be granted as part of a formal, documented program. Recognition award programs may be developed and recommended by the Deans but must receive approval from the Provost's office or Human Resources Office (see PSC Procedural Guide [Recognition and Training](#)).

Most awards are non-base building and paid in a lump sum at the end of the academic year. Some awards, particularly those granted by outside contributors, may be paid in several

installments during the academic year. Awards are not considered part of the faculty member's base salary, and thus, are not counted in the calculation of summer pay.

Colleges/Schools/Library may develop incentive programs for outstanding teaching, research, service or creative work by basing additional compensation on teaching evaluations or other documented criteria. Such programs must be pre-approved as described above.

4. Service

Additional pay for university service activities will be approved only in limited circumstances. Service during the academic year to other departments, schools, or colleges, service to university committees or organizations, or participation in university activities are examples of activities that all faculty members should expect to undertake without additional compensation as part of their service obligation to the university.

Service that includes significant leadership, program development (e.g., accreditation), or supervisory responsibility may be eligible for additional compensation when it is not a regular and ongoing component of a faculty member's workload formula. Advance approval by the Dean is required. In instances in which the work is performed for another campus or system office, information regarding the expectations and compensation must be provided to the Dean as part of the approval process.

Faculty may also be compensated for performances or lectures offered in service to other university offices or organizations. Units or individuals wishing to offer additional pay, often referred to as honoraria, should consult the University APS [Honoraria](#) and their Dean's office prior to making offers to faculty to determine if the activity qualifies for additional compensation.

H. Summer Compensation

Faculty members with academic year appointments may perform research, teaching and service work during the summer months. Summer work is considered an additional appointment and requires a letter of offer outlining expectations, dates of work, and compensation. Total university salary during summer months may not exceed 1/9th of the academic year salary per summer month but may be lower per school/college compensation plan. Administrative stipends and awards are not included as salary for the purposes of calculating the 1/9th limit on summer university salary. However, administrative stipends paid in the summer will be included in the calculation to determine the remaining amount of summer pay that can be earned (e.g., 1/9th or total of 3/9ths depending on source of pay).

One exception to the annual summer appointment process includes nine-month faculty who also receive 12-month research grants. These faculty typically receive approval at the beginning of the academic or calendar year and therefore do not need to go through the summer compensation approval process.

1. Summer Teaching

Each school/college may establish summer teaching expectations and compensation levels. Academic year faculty have no guarantee of summer teaching assignments unless specified in their academic appointment letter of offer. Summer teaching is considered a separate appointment which requires an annual summer letter of offer and established salary.

2. Summer Research Grants

- a. School/College summer grant programs

Schools/Colleges/Library may establish summer grant programs including how faculty are selected and compensated. Such programs must be submitted for approval to the Provost as outlined in Section C above.

- b. Externally sponsored grants and contracts
Faculty on nine-month appointments that receive external funding for summer research projects may receive up to 1/9 of their academic year salary per summer month according to sponsor guidelines and Federal policies. **Summer compensation must be for effort in the summer months only and not for effort during the academic year.** Such payments from grants or contracts require pre-approval from Human Resources for calculation of summer salary per applicable federal policies and from Downtown Campus Sponsored Programs Accounting to determine if the cost is allowable per sponsor policies.

I. Payment Process

Pre-Approved additional pay requires documentation as outlined within this policy. The appropriate form must be completed ([DDC Faculty Additional Pay Pre-Approval Form](#)) including type and dates of work performed, reason for additional pay, and evidence of prior approval. Typically additional pay is processed with the monthly pay cycle following the completion of the work. Payment must be requested shortly after the work is completed, and in no case should payment be requested or received before or substantially after the work is completed.

J. Additional Pay from Sources not Administered by the university

Faculty members may receive compensation during the academic year from entities not associated with the university under the provisions of the Regent Policy 5-E, [Additional Remuneration for Consultative Service](#), if applicable. Faculty are required under this rule to submit an annual declaration of such activities. Faculty members must comply with the University [Conflict of Interest Policy](#), and other applicable policies such as those governing technology transfer when performing work outside the university.