

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	1 of 8

I. Purpose, Reference, and Responsibility

A. Purpose

The purpose of this policy is to establish guidelines for faculty compensation.

B. Reference

1. University of Colorado Administrative Policy Statements
2. University of Colorado Faculty Handbook

C. Responsibility

It is the responsibility of the Dean of each School and the Office of Academic Affairs to ensure compliance with the provisions of this policy.

II. Applicability and Definitions

A. Applicability

This policy applies to UCHSC employees with faculty appointments.

B. Definitions

The University of Colorado Faculty Handbook definitions should be referenced where applicable.

III. Policy

A. General

For members of the faculty additional pay, benefits, or perquisites beyond the approved letter of offer or annual salary setting process will be permitted only in limited circumstances. All compensation must be processed through the University's payroll system in order to assure compliance with the withholdings requirements of the Internal Revenue Service. Faculty members will receive all compensation payments on or as of the last working day of each month.

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	2 of 8

B. Salary

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 a letter of offer or by the annual salary setting process. The annual salary setting process for School of Medicine faculty is governed by the Regent Approved "BSI" policy. Salary is based on consideration of merit, market, equity, and rank. Stipends, honoraria, or other forms of additional pay are prohibited as supplementary compensation for normal and reasonable faculty activities.

The annual salary setting process is governed by the UCHSC Faculty Compensation Plan, which is annually updated and approved by the Chancellor and the Chancellor's Executive Committee in advance of the salary setting process. Due to the unique mission and funding arrangements for the schools, each school develops and documents its process for evaluating and compensating its faculty. Each school or unit is responsible for funding annual salary adjustments. These adjustments cannot exceed the maximum average increase limitation that is established by the Board of Regents. The annual salary recommendations are reviewed and approved by the pertinent dean prior to submission to the Chancellor.

As prescribed in this policy, a full-time faculty member may receive additional pay for extra services only when an unusual amount of time is required outside the faculty member's regular duties. The extra services must be additional work that is approved in advance by the faculty member's supervisor and the Dean of the School or the Office of Academic Affair for faculty members of the Library.

C. Administrative Appointment

A full-time faculty member who also has an administrative appointment may be required to spend an unusual amount of time 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, and is permitted with advance approval by the faculty member's supervisor, the Dean of the School and as required by the President or the Board of Regents. Administrative stipends will not be paid while a faculty member is on sabbatical. Administrative stipends are time specific and may not continue once the additional administrative duties are terminated.

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	3 of 8

D. Extramural Funding

Faculty members may not earn additional compensation for research or scholarly activities. Sponsored program funds received during the course of an academic year (grants, contracts, or gifts) normally may not be used to increase a faculty member's approved academic year salary. In rare circumstances, research and scholarly activity may require work in a remote operation or consultation across departmental lines that is in addition to a faculty member's regular departmental load. In such unusual circumstances, sponsored program funds may be used to increase a faculty member's regular, academic year salary only if: a) the additional work is approved in writing and in advance by the faculty member's supervisor and the Dean of the School or the Office of Academic Affairs for faculty members of the Library; and b) explicit, written, prior authorization is obtained from the granting agency or sponsor.

E. Teaching Overload

Faculty member's salary includes compensation for teaching courses for degree-granting programs of the Health Sciences Center. In those instances when a faculty member teaches courses for a degree-granting program in his or her School, that is in addition to the agreed upon workload, the faculty member may receive an adjustment in workload in a subsequent term. Additional compensation for teaching courses for degree-granting programs is permitted only when a faculty member assumes teaching responsibilities outside of his or her School that is in addition to his or her agreed upon teaching workload for the School. The faculty member's supervisor and the Dean of the School or the Office of Academic Affairs for faculty members of the Library must approve of the additional workload in advance. Faculty members with reduced teaching duties, as a part of a differential workload agreement, shall not normally be eligible for additional pay for teaching courses for degree granting programs.

F. Continuing Education & Extended Studies

Additional pay may be granted for instructing continuing education or extended studies courses. Compensation for these activities is governed by the policies of the continuing education program of each School. Each School of the University of Colorado Health Sciences is required to have a regularly published and updated policy for granting additional pay under its extended studies and continuing education program(s). At a minimum, the policy must stipulate: a) the School's academic official who is responsible for approval of continuing education and

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	4 of 8

extended studies pay; and b) the basis for determination of additional pay for instructing continuing education or extended studies programs.

G. Service

Service during the academic year to other departments, Schools, campus committees or organizations, or participation in University activities are examples of activities all faculty members should expect to undertake without additional compensation as part of his or her service obligation to the Health Sciences Center. Service that includes significant leadership or supervisory responsibility may be eligible for additional compensation when it is not a regular and on-going component of a faculty member's workload. Advance approval by the Chancellor is required prior to making commitments for such compensation.

H. Recognition Awards

Faculty members may receive monetary awards from the University for outstanding achievement and performance. The awards must be granted as a result of a formal, documented process.

I. Incentive

Faculty members may receive incentive payments per the provisions of special compensation plan or policy that is approved by the Board of Regents and is consistent with federal sponsored program requirements. Each School with a Board of Regent approved incentive plan is required to have a regularly published, updated, and consistently applied policy for granting additional pay under its incentive plan. At a minimum, the policy must stipulate a) the School's official who is responsible for approval of incentive pay; and b) the basis for determination of incentive pay.

J. Summer Pay

Faculty members with an academic year appointment may perform research, teaching, and service work during the summer months. Compensation during the summer months is permissible at rates not to exceed 1/9th of the academic year salary per summer month. Grants and Contracts will guide the Schools in the calculation of summer salary per the requirements of Federal policy.

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	5 of 8

K. Honoraria Paid by the University of Colorado

Honoraria, paid by the University of Colorado, is a payment for service that is intended to express appreciation for a one-time performance or lecture provided outside of a faculty member's School and when such service is in addition to his or her normal workload. Honoraria are permitted only when the activity is not on going and the payment has been approved in advance by the Chancellor or his / her designee. Honoraria payments to a faculty member should be nominal in amount and are intended to be a token of appreciation rather than a payment for the services rendered. It should be noted that many external sponsors have policies that specifically prohibit these payments from sponsored program activities; therefore, care should be taken to ensure compliance with the sponsor's policies for allowing honoraria payments to be made from sponsored program funding.

L. Additional Pay from Outside Sources

Faculty members may receive outside pay under the provisions of the 1/6th rule, as applicable, while on leave without pay, or, for academic year faculty, summer vacation periods. School of Medicine faculty are not eligible for the 1/6th rule. Faculty members must comply with the University of Colorado Administrative Policy Statement on Conflict of Interest. Furthermore, no employee of the Health Sciences Center shall derive private gain from his or her association with the University except as provided by the University of Colorado Administrative Policy Statement for Conflict of Interest and the policies governing technology transfer.

M. Moving Allowances

Faculty members may receive a moving allowance only as a part of their appointment to the University of Colorado Health Sciences Center. Moving allowances must be granted in conformance with University of Colorado Policy for Moving and Relocation Expense Reimbursement.

University of Colorado Health Sciences Center
Administrative Policy for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	6 of 8

N. Housing Allowances

Faculty members are not eligible for housing allowances.

O. Automobile Allowances

Faculty members are not eligible for automobile allowances.

P. Appointment Effective Dates

Faculty members will not begin working under their appointment until the appointment has been approved per University policy. Retroactive approvals are not permitted.

Q. Salary Grievance Process

Faculty members who wish a review of their salary should first inquire with his or her department chair. The faculty member should state the specific nature of the concern, provide relevant background information and if applicable, request a specific remedy. The department chair should respond to the faculty member in 30 days. If the concern cannot be resolved at this first level, the faculty member should prepare a written letter with the same information and include an explanation of why the concern was not satisfactorily resolved. The second request should be addressed to the dean. The dean will conduct a review and respond in writing within 30 days. If the issue cannot be resolved at the first or second level, the matter may be referred to the Chancellor. The Chancellor will conduct a review and respond to the employee in writing with a final determination within 30 days. Either party may request an extension of this response deadline for the first, second and final level of review.

University of Colorado Health Sciences Center
Administrative Procedures for
Faculty Compensation

Chapter:	5	Latest Revision:	August 4, 2000
Policy:	1	Page:	7 of 8

Faculty Promoting and Hiring Process (See Exhibit A)

Performed by:	Action:
UCHSC units	1. Units conduct search process per school and campus policies and procedures.
UCHSC units	2. Campus unit prepares Letter of Offer for faculty member. 3. School of Medicine units obtain necessary internal signatures and approvals.
Dean's Office or Office of Academic Affairs for Library Faculty	4. The Dean's Office or Office of Academic Affairs for Library Faculty reviews and approves Letter of Offer.
UCHSC units	5. Units obtain necessary signatures on Letter of Offer including faculty member's signature. 6. Unit submits Letter(s) of Offer along with "Chancellor Approval of Faculty Letter of Offer" form (Exhibit C) to the Chancellor's Office by deadline established by the Chancellor's Office.
Chancellor's Office	7. Chancellor's Office reviews Letter of Offer for legal, academic and delegation issues.
Chancellor	8. Chancellor approves or rejects Letter of Offer using "Chancellor Approval of Faculty Letter of Offer" form.
Chancellor's Office	9. Chancellor's Office determines if President or Regent approval is required as described in the Regent's Resolution for Delegation of Personnel Authority approved January 20, 2000 (Exhibit D).
Board of Regents, and/or President	10. If the President and/or Board of Regents approval is needed, the Letter of Offer is forwarded for approval.
Chancellor	11. If only Chancellor's approval is needed, the Chancellor approves the Letter of Offer.
Chancellor's Office	12. Chancellor's Office notifies Dean's Office and Budget Office of approval or denial of Letter of Offer.
UCHSC units	13. UCHSC units process payroll information for new faculty member in the University payroll system.
Budget Office	14. Budget Office enters annual salary in the University payroll system.
Budget Office	15. Budget Office reconciles payroll information for faculty against annual salary in the University payroll system.

University of Colorado Health Sciences Center
Administrative Procedures for
Faculty Compensation

Chapter:	5	Latest Revision:	November 18, 2004
Policy:	1	Page:	8 of 8

Annual Faculty Salary Process (See Exhibit B)

Performed by:	Action:
President's Office	<ol style="list-style-type: none"> 1. Distribute Guidelines for Annual Merit Adjustments for Faculty. 2. Distribute Performance Ratings Guidelines for Faculty, Officers, and Exempt Professionals. 3. Distribute annual Compensation Guidelines for Faculty.
UCHSC units	<ol style="list-style-type: none"> 4. Each unit shall ensure that faculty receive a performance evaluation on an annual basis. The School of Medicine, per the Regent approved BSI plan, establishes the base salary for Assistant Professors, Associate Professors and Professors.
Board of Regents	<ol style="list-style-type: none"> 5. Approve annual Budget Allocation Model and maximum average salary increase for campus.
Budget Office	<ol style="list-style-type: none"> 6. Distribution of Salary Setting Materials to UCHSC units which includes: <ol style="list-style-type: none"> a. Campus-wide maximum average salary increase. b. The basis for which increases are to be provided, i.e. merit (teaching, research and service, including patient care accomplishments), structure, equity, market, etc. c. The basis for providing administrative stipends. d. The format for submitting salary recommendations and supporting documentation. e. Timeliness for submission of salary data.
UCHSC units	<ol style="list-style-type: none"> 7. Prepare and submit Salary Rosters and supporting tables for Faculty as specified in the Salary Setting Materials provided by the Budget Office.
Budget Office	<ol style="list-style-type: none"> 8. Review Salary Rosters and supporting tables for completeness and accuracy and submit to the campus Executive Committee.
Executive Committee	<ol style="list-style-type: none"> 9. Review results of salary setting process
Budget Office	<ol style="list-style-type: none"> 10. Submit final Salary Rosters and supporting tables to the appropriate approving authority as described in the Regent's Resolution for Delegation of Personnel Authority approved January 20, 2000 (Exhibit D).
Board of Regents, President, and/or Chancellor	<ol style="list-style-type: none"> 11. Final approval of Salary Rosters and supporting tables.
Budget Office	<ol style="list-style-type: none"> 12. Notify units of final approval of Salary Rosters and supporting tables.
UCHSC Units/Budget Office	<ol style="list-style-type: none"> 13. Input or upload salary information into University payroll system.
Budget Office	<ol style="list-style-type: none"> 14. Verify salary information in University payroll system against approved Salary Rosters.