

POLICY STATEMENT

Policy Statement Title: Summer Salary Limits for Tenured and Tenure-Track Faculty

Functional Area: Research Administration

Related Policy: 2 CFR 200; Institutional Base Salary Policy Statement

Effective Date: September 1, 2018

Last Reviewed/Updated: April 16, 2021

Approved by: Terri Fiez, Vice Chancellor for Research & Innovation

Responsible Office: Research & Innovation Office

I. PURPOSE

The Office of Management and Budget (OMB), a branch of the Executive Office of the President, issued Circular 2 CFR 200 to establish principles for administrative requirements and costs applicable to federally funded grants, contracts and other agreements. 2 CFR 200 also expects the University to establish and consistently apply compensation policies that apply uniformly to all faculty members, not just those working on federal awards. Sections [2 CFR 200.430\(h\)\(2\) and \(h\)\(5\)](#) of that document address maximum salary rates for faculty members that can be charged to federal awards during and outside the academic year and this sets the basis for the campus 3/9^{ths} rule. These Federal rules and this campus policy apply to tenured and tenure-track (TTT) faculty but do not apply to faculty paid on a fiscal year 12-month appointment.

II. POLICY STATEMENT

Federal regulations state that the allowable rate of pay for summer research effort is based on the Institutional Base Salary (IBS), and the maximum that can be earned from federally funded awards in any one month, whether in summer or during the academic year, should not exceed 1/9th of the IBS. For academic year faculty appointments, [campus guidelines allow](#) for the maximum of an additional 3/9^{ths} of the IBS to be earned for summer work during the summer months,¹ including summer teaching, research pay in any proportion, administrative appointments, etc., with no month exceeding 1/9th of the IBS. For the majority of faculty, their summer salary limit will be calculated from an IBS composed only of their academic year appointment base salary. However, when the faculty member has an administrative and/or endowed appointment, the academic year appointment base salary will be only a portion of their total IBS salary.

Compensation earned in any given summer month that is derived solely from teaching activities may not be subject to the 1/9th limit. This provision **only** applies when 1/9th of the faculty's academic year salary is less than what would be earned by teaching a summer course. If you have unique, limited and exceptional circumstances that may merit a waiver of this 1/9th limit, such as when there is a strong curricular need for the teaching of a specific summer course, a written waiver may be requested from the Provost.

Faculty members often receive multiple grants for a single research area.

- Paid effort should be supported by a proposed salary budget and adequate funding that is consistent with the plan that was agreed to at the time of the award.
- It is essential to ensure salary is not charged to one project for effort expended on a different project, or to pay for salary on a different project solely because funding is available.

¹ It is important to note that not all granting agencies allow the entire 3/9^{ths} to be charged to the grant.

- The amount of effort devoted to summer research work should correspond to the percentage of the IBS salary being paid by the grant. 100% paid support should reflect no less than a standard 40-hour work week.

Paid summer effort, from all sources, will need to be reported by the end of October on the Summer Research tab on FRPA to substantiate the salary earned from all summer activities.

Summer salary charged to a research grant must represent actual expended effort.

- Academic year faculty do not accrue paid vacation leave, therefore planned vacation time that reduces work week effort to less than 40 hours cannot be charged to research grants.
- It is inappropriate to have summer salary pay for effort expended during the academic year, **regardless of the Fund type supporting the summer salary.**

When administrative and/or endowed appointment salaries are part of the 3/9ths summer effort and earnings, only the remaining effort and salary can be earned from teaching and/or research.

The [Summer Salary Request Form](#) is not required for those faculty involved solely with summer teaching. However, it is required for faculty who are engaged in summer teaching plus research, or solely involved in research. **To comply with this policy, beginning with FY20 faculty should request all summer salary by the end of September to be disbursed by the end of October. After October, all requests will require additional justification and approval.**

III. DEFINITIONS

Academic Year Base Salary: TTT faculty academic year appointment base salary is compensation for a faculty member's time spent on a mix of research, instruction, service, administration, or other instructional activities according to their workload formulation. It determines the maximum rate that can be charged to sponsored projects.²

Institutional Base Salary (IBS): The compensation set by the University for TTT faculty academic year salary, whether that faculty member's time is spent on research, instruction, service, administration, or other instructional activities. CU Boulder's IBS includes TTT academic year salary, and any academic year compensation earned from administrative appointments and/or endowed professor or endowed chair appointments. The IBS does not include overload teaching, continuing education appointments, monetary awards, compensation earned for services performed external to the University, administrative salary paid during the summer months, and endowed professor or endowed chair stipends paid during the summer months.

IV. IMPLEMENTATION OF THIS POLICY

The Department of Human Resources (HR), the Office of the Provost, the Office of Contracts and Grants (OCG), the Office of Faculty Affairs (OFA), and the Research and Innovation Office (RIO) all contributed to the creation of this policy. As stipulated by [APS #1012, Sponsored Research Policies](#), each of these units should develop written procedures, as needed, to provide guidance on implementing it.

V. RELATED PROCEDURAL STATEMENTS, FORMS, POLICIES, & TOOLS

[Additional Compensation Guidelines for Faculty](#)

[Institutional Base Salary Policy Statement](#)

[Summer Salary Guidelines for Boulder Campus](#)

²The academic year base salary is used when determining the NIH salary cap limitation.

VI. HISTORY

Changes	Date	Approved By
Adopted	03/01/2017	Terri Fiez
Reviewed – no substantial updates	09/01/2018, 01/01/2019, 01/30/2020	
Minor updates to URLs	4/16/2021	Denitta Ward