

Summer Salary Guidelines for Boulder Campus

Spring 2020

1. Purpose

The purpose of these guidelines is to provide the information necessary to understand and apply the summer salary rules correctly for tenure and tenure-track (TTT) faculty.

2. Overview

For academic year appointed faculty, [campus guidelines allows](#) for the maximum of an additional 3/9^{ths} of that person's Institutional Base Salary (IBS) to be earned for summer work during the summer months¹ including summer teaching, research pay in any proportion, administrative appointments, etc. Federal regulations state that the allowable rate of pay for summer research effort is based on the IBS and the maximum that can be earned from federally funded awards in any one month, including the academic year, should not exceed 1/9th of the IBS. For the majority of faculty, their summer research salary 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, their summer research salary will be only a portion of their total IBS salary.

The IBS for CU Boulder includes tenured and tenure-track (TTT) faculty academic year base salary, and any academic year compensation earned from separate and distinct 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.

Consequently, these summer salary campus guidelines and Federal rules apply to TTT faculty but do not apply to faculty paid on a fiscal year 12-month appointment or to other CU Boulder employment classifications, including but not limited to, full-time University Officers, Research Faculty positions, and non-tenure track teaching positions. Paid summer work from all sources must be reported by the end of October on the Summer Research tab on FRPA to substantiate the salary earned from summer activities.

A. Compensation earned during the summer months from the following activities is subject to the 3/9ths salary limit:

- Compensation for summer teaching including Maymester, Augmester, and Continuing Education
- Summer research compensation
- Administrative compensation such as department chairs, associate chairs, faculty directors, etc. (see Section 1.D. below for a list of job codes affected by this)
- Endowed Professorships and Endowed Chairs
- All compensation not specifically stated above that requires expending effort on the part of the faculty member for university related duties

B. The following summer compensation is exempt from the 3/9ths salary limit:

- LEAP or other training sessions that include a payment for attendance
- Faculty Teaching Excellence Program (FTEP) summer payments
- Compensation earned from entities not associated with the University for consulting services performed during the summer months
- Endowed Fellowships
- Salary earned for AY work

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

C. Summer Teaching and Research Job Codes

Please note that use of the new Summer Teaching and Research job codes is for permanent active academic TTT faculty receiving summer research and/or teaching compensation. More information on these new job codes can be found in the [Summer Job Codes Guidance](#) document located on the Summer Resources section of the Academic Resources web page.

HCM workflow requires final approval from Faculty Affairs on faculty appointments. Summer appointments should be entered as soon as possible to allow sufficient time for payroll transactions to be reviewed by the appropriate Dean's Office personnel before the ePAR approval moves to Faculty Affairs.

- 11000R: Distinguished Professors – Summer Research or other
 - 11010R: Professor – Summer Research or other
 - 11020R: Associate Professor – Summer Research or other
 - 11030R: Assistant Professor – Summer Research or other
 - 11040R: Senior Instructor – Summer Research or other
 - 11050R: Instructor – Summer Research or other
 - 14490R: Artist in Residence – Summer Research or other
 - 14420R: Scholar in Residence – Summer Research or other
-
- 11000T: Distinguished Professor – Summer Teaching
 - 11010T: Professor – Summer Teaching
 - 11020T: Associate Professor – Summer Teaching
 - 11030T: Assistant Professor – Summer Teaching
 - 11040T: Senior Instructor – Summer Teaching
 - 11050T: Instructor – Summer Teaching
 - 14490T: Artist in Residence – Summer Teaching
 - 14420T: Scholar in Residence – Summer Teaching

D. Administrative job codes

- 1428: Assoc Dean-Faculty
- 1429: Asst Dean-Faculty
- 1433: Director-Faculty
- 1434: Assoc Director-Faculty
- 1435: Chair
- 1436: Assoc Chair
- 1446: Director-Institute
- 1450: Endowed or Named Professor
- 1451: Endowed Chair

3. Calculating Summer Pay

The summer salary guidelines and examples outlined in this section describe the technical aspects of applying the 3/9^{ths} rule to ensure compliance with federal and University policies, and that the faculty member earns the maximum allowable summer salary. These guidelines are applicable to all units on campus that have academic year appointed TTT faculty who teach or conduct summer research, and they must be consistently applied throughout the campus. Non-compliance places the University in jeopardy and could result in audit findings.

Planning

Summer semester months (May – August) span two different fiscal years. However the 3/9th total is calculated from salary earned within one fiscal year which bridges two calendar years. As such faculty should carefully plan how they intend to earn their summer compensation. Please use the 3-9ths Summer Calculator and Request Form (2020 edition) found at <https://www.colorado.edu/academicaffairs/academic-resources> to help plan and calculate the appropriate summer salary.

Please note that for faculty involved solely with summer teaching, the [Summer Salary Request Form](#) is not required. Faculty who are engaged in summer teaching plus research or research only are required to use the [Summer Salary Request Form](#) to furnish detailed information regarding his/her intended summer salary. ALL appointments from ALL campuses must be included to allow the department chair/faculty director to determine that the 3/9ths limits are not exceeded.

Example A: IBS for Faculty with AY Administrative Position

Professor X’s academic year salary is \$72,000. She teaches one overload class in the fall for \$5,000 and is the Associate Chair of her department, which pays 2.5% of her academic year salary or \$1,800 (\$72,000 x 2.5%) for a 9 month AY appointment. Her total IBS for the academic year is \$73,800; compensation earned for the overload appointment is not included in the IBS. The maximum she can earn during the summer months is \$24,600 ($\$72,000 + 1,800 / 9 = 8,200 \times 3$) but only \$24,000 of that amount can be earned from research activities. (see Section III.B. of [The Institutional Base Salary Policy](#) for details). NOTE: While the Associate Chair salary is not paid in the summer, other activities could potentially generate earnings to the full 3/9ths of the IBS.

	Prof Salary (Academic Year Base Salary)	Overload Class	Associate Chair (9 mos AY)	IBS
AY	\$72,000	\$5,000	\$1,800	\$73,800
Max summer earnings	\$0	\$0	\$0	\$24,600 (= \$73,800/9*3)
Max summer research earnings	\$24,000 (= \$72,000/9*3)	\$0	\$0	n/a

Example B: Faculty with AY Administrative Position doing Summer Teaching and Research

Professor X (see Example A) earns \$4,000 for teaching a Term B summer session class and an additional \$4,000 for teaching a Maymester class, or a total of \$8,000 for summer teaching. Since her 3/9^{ths} limit is \$24,600, she can be paid an additional \$16,600 ($\$24,600 - \$4,000 - \$4,000 = \$16,600$) from her grant to earn the full IBS because she has not exceeded the maximum \$24,000 limit that can be charged for her research work.

	Prof Salary (Academic Year Base Salary)	Overload Class	Associate Chair (9 mos AY)	Summer Teaching	IBS
AY	\$72,000	\$5,000	\$1,800	\$0	\$73,800
Max summer earnings	\$16,600	\$0	\$0	\$8,000	\$24,600 (= \$73,800/9*3)
Max summer research earnings	\$24,000 (= \$72,000/9*3)	n/a	n/a	n/a	n/a

Faculty members serving as chair or faculty director earn 1/12th of the approved administrative salary each month he/she serves in these capacities. The entire administrative salary cannot be paid out

during the 9-month academic year period as doing so violates a State Fiscal rule which prohibits salary from being paid before it is earned. Therefore, summer salary for those faculty with 12-month administrative appointments will be charged to the administrative pay source and the remainder, up to the maximum 1/9 or 3/9 amount, can be charged to research and/or teaching pay sources.

Example C: Faculty with 12 Month Administrative Position

Professor Y's academic year salary is \$108,000. He is the Chair of his department, a 12 month administrative position, which pays 21% of his academic year salary or \$22,680 (\$108,000 x 21%). His total IBS for the academic year is \$125,010 (\$108,000 + (\$22,680 x 75%). The maximum he can earn during the summer months is \$41,670 (\$108,000 / 9 + \$17,010 / 9 = \$13,890 x 3). The monthly compensation earned for the chair stipend during the summer (\$1,890) is part of the 3/9ths summer salary limit so the maximum monthly available for charging to sponsored projects is \$12,000 (\$13,890 - \$1,890) per month.

	Prof Salary (Academic Year Base Salary) (A)	Department Chair (12 mos CY appt) (B)	IBS (A+B)	Allowable Summer Earnings (A+B)
AY	\$108,000	\$17,010 (=\$108,000*.21)/12*9	\$125,010	n/a
Max summer earnings	\$36,000 (=\$108,000/9*3)	\$5,670 (=\$17,010/9*3)		\$41,670 (=\$125,010/9*3)
Max summer research earnings	\$36,000 (=\$108,000/9*3)	\$0		\$36,000 (=\$108,000/9*3)

Begin and end dates for calculating the 3/9^{ths} total

The 3/9^{ths} limit is based on compensation earned during two different calendar years but one fiscal year: July 1 – mid-August of one calendar year and the Monday after the academic year commencement through June 30 of the following year. Summer compensation earned in one calendar year must be added to compensation from the following calendar year to stay within the 3/9^{ths} limit. (see the diagram below). It is important to remember the final 1/9th academic year payment received in the May pay period does not count towards the 3/9^{ths} limit as the effort related to this payment was expended prior to the start of the summer session.



This guidance document refers to the 3/9ths period as July, August, May, and June and uses a typical fiscal year identified as 20xx – 20xy. The exact begin and end dates of the August summer session and the dates of the May summer sessions vary slightly based on the actual begin and end dates of any given academic year which are found in the Registrar's [Academic Calendar](#).

Rate of Pay

Increases to academic year salaries are typically reviewed in the spring. Per Regent policy², implementation of adjustments are usually effective the first day of each fiscal year. Therefore, the 3/9ths limit is calculated beginning July 1st based on the new academic year salary. Every July, compensation rates for research appointments funded from grants must be recalculated on the basis of the new approved rate of pay.

Example D: Summer Salary Crosses Two Calendar Years

Summer appointments with an effective date from the beginning of the summer session (mid-May) through June 30th are calculated based on the academic year salary the faculty member received during the previous fall and spring semesters. Appointments with effective dates of July 1st through the end of the summer session (mid-August) are calculated based on the academic year salary the faculty member will earn in the upcoming fall and spring semester. If a faculty member plans to be paid from a research grant the entire calendar summer (May – August), the compensation rate must be adjusted on July 1 to reflect his/her new salary.

Salary Rates for Summer Teaching

The salary rates for summer teaching are set by the school/college based on faculty rank. In some situations, 1/9th of a junior faculty member's salary may be less than the summer rate. To limit the salary to 1/9th for these faculty members would prohibit the opportunity to teach in the summer session. In this situation, the 1/9th rule would not apply, as long as the faculty member is not doing any research during the month he/she is teaching the course. However, the 3/9ths limit still applies.

² Board of Regent Policy, Policy 11B: Faculty Salary 2.c.(3)d.

Example E: Waiver for Faculty Who Only Teach in Summer

Professor Z's academic year salary is \$60,000. His 3/9^{ths} limit is \$20,000 and his 1/9th limit is \$6,667. During the month of July 20xx, he wants to teach a summer course where the posted salary is \$7,000; Term B in summer 20xx runs from 7/2/xx to 7/31/xx. Even though the salary exceeds his 1/9th, he can earn the entire \$7,000 as long as he is not paid for research during the month of July. However, he will need to reduce the amounts he can earn in August 20xx and June 20xy to stay in compliance with the 3/9^{ths} rule.

Example F: Not Eligible for Waiver

Professor Y's academic year salary is \$97,000. Her 3/9^{ths} limit is \$32,333 and her 1/9th limit is \$10,778. She would like to teach two summer courses in July 20xx (Term B) which pay \$9,700 per course; she has no plans to conduct research during the summer. Earning \$19,400 in a month exceeds her 1/9th limit so she would be in violation of the rules if she is allowed to teach the two courses even though the compensation is derived solely from teaching. She does not qualify for the exception because her compensation for teaching one summer course is less than her 1/9th limit. In other words, she cannot exceed the 1/9th limit because 1/9th of her academic year salary (\$10,778) is not less than what she can earn teaching in the summer session course (\$9,700).

4. Frequently Asked Questions

Q 1: My faculty member is teaching a class in Term B that pays \$4,000. She plans to supplement her salary with research grant funds. The class begins in mid-July and ends in mid- August. How can I determine how much salary is earned in each month to determine how much she can earn from her grant and also ensure she is in compliance with the 1/9th rule?

A 1: Please refer to the 3-9ths Summer Calculator and Request Form (<https://www.colorado.edu/academicaffairs/academic-resources>.)

Q 2: My faculty member wants to pay himself an entire 1/9th from his research grant in August. Since summer session ends and the fall semester begins during that month, can I pay him for the entire month?

A 2: No, you'll need to prorate his 1/9th salary based on the August summer dates. Please refer to the 3/9ths Summer Calculator and Request Form <https://www.colorado.edu/academicaffairs/academic-resources> to determine the appropriate limit.

Q 3: What if I have questions or run into issues with the IBS tool in HCM?

A 3: Please contact the HR Service Center to help with transactional assistance at HRSC@colorado.edu; you may be referred to others regarding policy questions.