

## Faculty Special Compensation Guidelines

### **Purpose**

The University of Miami Board of Trustees, through its Audit and Compliance Committee, mandated a review of faculty non-base pay compensation arrangements (“special compensation”) that increase a faculty member’s overall compensation. This review had to include a determination of the types of special compensation that exists, eligibility for special compensation, and how amounts are computed. The review was to conclude with guidance for the granting of faculty special compensation arrangements and a process by which these arrangements are reviewed and approved. The aim of this policy is to provide the administration with oversight; create, to the extent possible, consistency across schools and departments; and to ensure equal access to “special compensation” for Coral Gables and RSMAS faculty.

### **Definitions**

Base Salary 9-Month Faculty - Base salary for 9-month faculty is the salary paid to 9-month faculty (regardless of the number of salary payments) for services rendered or effort between August 15<sup>th</sup> – May 15<sup>th</sup> every academic year. Base salary does not include benefits, administrative supplements, overloads, bonuses, or other additional compensation.

Base Salary 12-Month Faculty - Base salary for 12-month faculty is the salary paid to 12-month faculty for services rendered or effort from June 1<sup>st</sup> – May 31<sup>st</sup> each academic year. Base salary does not include benefits, administrative supplements, overloads, bonuses, or other additional compensation.

Annual Teaching Responsibility- Teaching assignment (courses, laboratories, studios, lectures, etc.) that a faculty member is assigned for an academic or fiscal year under the terms of their appointment. The annual teaching responsibility may vary at the discretion of the Dean and/or department Chair.

Teaching Overloads – Special supplemental compensation often for teaching over and above annual teaching responsibility.

Administrative Supplements –Special compensation that is a provisional amount of pay for an administrative role such as a Chair, Associate Chair, Assistant Dean, Associate Dean, Vice Dean, or Program Director/Coordinators. Additionally, administrative supplements shall include supplemental pay provided to faculty who perform various administrative functions, including but not limited to supervision of special programs, study abroad, and student clubs and organizations.

Summer Pay - Faculty holding 9-month appointments may receive compensation for effort (e.g., teaching) expended during the university’s summer term as defined in the academic calendar published by the University Registrar.

Semester – One of the two principal academic terms in an academic year where courses for academic credit are offered.

Summer – One of the three Summer Sessions during the months of May, June, July, and August where courses for academic credit are offered.

Intersession – The special short-term sessions typically offered in January, during Spring Break, and/or in May/June, or that are not part of regularly-scheduled courses during a Semester or Summer Session.

Sabbatical – Sabbatical leaves may be granted to eligible faculty for one semester at full salary, or for one academic year or two consecutive semesters at two-thirds salary. (A one-year period of leave must be in the same pattern as that of previous employment; that is, nine-month or twelve-month.) Other potential time arrangements for Sabbatical leaves may be granted when established through a School's bylaws and approved by the Executive Vice President and Provost. For the terms governing sabbatical leaves, refer to section C16 of the *Faculty Manual*.

## **Policy**

- Eligibility for Special Compensation of any type  
Full-time University Faculty are eligible for special compensation arrangements following appropriate approvals. Eligible faculty whose sabbatical has been approved are not eligible for special compensation for teaching for the duration of their sabbatical leave. Exemptions, in unusual circumstances, may be made by a Dean after receiving approval from the Provost.
- Approval and Board of Trustees Notification for Special Compensation of any type  
All special compensation must be approved by the Dean of a school or college and documentation must be provided to the Office of Faculty Affairs by the school or college prior to the start of each academic semester. If a special compensation arrangement is within the approval thresholds listed below, the Office of Faculty Affairs will forward the arrangement to the Executive VP for Academic Affairs and Provost or his/her designee for review and approval. All special compensation arrangements are subject to formal financial review conducted as part of the financial planning process each year.

Special compensation arrangements (single and multiple) that increase a University Faculty member's total annual compensation by more than 33% of base salary, will require the approval of the Dean of the school or college and approval of the Executive VP for Academic Affairs and Provost or his/her designee. Calculations of the 33% of base salary do not include: summer compensation received by nine-month faculty (this entails teaching, research compensation from the institution and/or intramural and/or extramural research funding/grants); and Intersession teaching, unless intersession teaching is part of the faculty member's annual teaching responsibility.

If approval is given for a special compensation arrangement that increases the annual compensation of a faculty member by 33% or more of their base salary, said approval does not apply to subsequent arrangements for additional special compensation. Additional arrangements for special compensation must be reviewed and approved by the Executive VP for Academic Affairs and Provost or his/her designee. Similarly, any additional alteration of special compensation within the academic year must also be reviewed and approved.

Any special compensation arrangements that increase a University Faculty member's total annual compensation by more than 75% of their base salary will also require notification to the Talent and Compensation Committee of the Board of Trustees. Calculations of the 75% of base salary do not include: summer compensation received by nine-month faculty (this entails teaching, research compensation from the institution and/or intramural and/or extramural research funding/grants); and Intersession teaching, unless intersession teaching is part of a faculty member's annual teaching responsibility.

- Equity of Special Compensation for Teaching in Excess of Annual Teaching Responsibility  
Special compensation arrangements for teaching in excess of annual teaching responsibilities shall be offered and open to all University Faculty who have the expertise to teach such courses. To ensure that early-career faculty seeking tenure have time to devote to scholarly activities other than teaching, it is advisable that tenure-track faculty not assume additional teaching responsibilities during their probationary period. The distribution of special compensation for reaching across a department and/or school will be part of the review by the Executive Vice President for Academic Affairs and Provost. However, in comparing the compensation across schools, discipline-specific compensation characteristics will be taken into consideration.
- Timing of special compensation payment for Teaching in Excess of Annual Teaching Responsibility  
Special compensation for a University Faculty member teaching in excess of their annual teaching responsibility must be determined by each Dean for the entire academic year for budgeting purposes. Faculty will receive payment for their additional teaching at the time at which they deliver such services. However, if a faculty member is paid for an overload during the fall/spring term and subsequently has an assigned spring/fall term course(s) cancelled, they must teach an additional class in the subsequent summer/fall/spring terms OR pay back to the University the amount of money received for the additional class in the prior semester.
- Administrative Stipends/Reduced Teaching and Course Overloads  
It is generally understood that University Faculty who receive reduced teaching loads for research and/or administrative duties do not teach overloads. Although occasionally their technical expertise may be necessary to teach an additional course, Deans will be expected to provide a rationale for and obtain approval for the faculty member's involvement in such teaching and include this in the report to the Vice

President for Academic Affairs and Provost.

- Computation of Special Compensation for Teaching in Excess of Annual Teaching Responsibility

It is up to the Dean of a school or college to decide the amount of special compensation either as a percentage of base salary, not to exceed 1/9<sup>th</sup> of base for a three-credit course up to a cap of \$250,000 base salary, or as a flat rate. The range of special compensation may differ depending on discipline and faculty rank typically from a floor base of \$3500 per course taught to an upper ceiling of \$9000 per credit taught.

Special Circumstances

Any exceptions to the requirements of this policy are limited to unexpected or special circumstances that arise in a school or college and require the approval of the Executive Vice President for Academic Affairs and Provost. A request for an exception must be provided by the Dean of a school or college in writing to the Vice Provost for Faculty Affairs and the Executive Vice President for Academic Affairs and Provost.

This policy will be reviewed by the Executive Vice President for Academic Affairs and Provost in consultation with the Deans and the Faculty Senate Chair every two years after implementation.