

Proposition Number: 10-09/10 Amended

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Proposed Committee:

Actual Committee Assignment: Long Range Planning 1/21/10

ADAC: approved 10/26/09

ADC: approved 12/8/09

Title: Summer Compensation.

Proposal: Current policy treats summer compensation as different from academic-year compensation, and is thus incompatible with section 4.70 of the Policy Manual regarding “Supplemental Compensation/Employment.” The proposed revision to policy allows faculty to be compensated consistent with current federal guidelines (OMB Circular A-21).

ADAC: approved 10/26/09

ADC: approved 12/8/09

Format of Presentation

- 1) Proposed Text (in blue)
- 2) Original Text to be replaced

Proposed Text

5.25.40 Compensation - Summer

Teaching: For faculty at campuses whose faculty members have a normal teaching load of 24 credits during the regular year, summer teaching is paid at the rate 11.1% of annual salary for a 3 credit class or 3.70% of annual salary per credit hour. For faculty at campuses whose faculty members have a normal teaching load of 30 units during the regular year, summer teaching is paid at the rate of 8.31% of annual salary for a 3 credit class or 2.77% of annual salary per credit hour.

Sponsored Research: Sponsored research is paid at the academic-year daily rate, or daily FTE, computed by dividing the academic year salary by the number of paid days.

Combined Teaching-Sponsored Research: The regular summer employment period is computed from the last workday after grades are due at the end of the spring semester until the first workday before Faculty are required to report in the fall semester. Full-time compensation during the summer is computed as the daily FTE times the number of days in the summer period.

For persons who have no regular academic-year salary on which to base summer compensation, salary may be negotiated within the approved ranges for temporary faculty.

Supplemental Compensation: The policies regarding supplemental compensation during the summer period are the same as those that apply to the academic-year period, as described in section 4.70 of the policy manual.

Department Heads: The policies pertaining to compensation for 12-month Faculty during the summer period, including Department Heads, are the same as those that apply to the academic year.

Graduate Assistants: In summer sessions, graduate assistants receive the same pay per week as they do during the regular semester.

Original Text to be replaced

5.25.40 Compensation - Summer

Salary for full load is based on ~~3/4 of 2/9 of applicable annual (9-month) salary (using past year base for Summer Session I and year-to-come base for Summer Session II). However, for persons who have no regular 9-month salary on which to base this formula, salary may be negotiated within the approved per credit hour ranges for college rank faculty.~~

Note: Salaries will be rounded to the nearest dollar.

~~A faculty member who agrees to teach for a fraction less than the normal amount must sign a statement waiving payment under the normal salary plan outlined below.~~

<u>Credit Load or Equivalent per Summer Session</u>	<u>Percent of 1/6 of 9-month Salary</u>
.5 (.11 allotment)	11
1.0	22
1.5	33
2.0	44
2.5	56
3.0	67
3.5	78
4.0	89
4.5	100
5.0	111
5.5-6.0	120

~~Teaching Overloads: In general, faculty members will be employed in one 6-week period only. In exceptional cases, where approved by the executive vice president and provost, a faculty member may serve in two 6-week sessions, and will receive a salary for each session based on the percent of service for that session. Faculty members may be scheduled to teach up to 6 credits in one summer session.~~

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~~The request should be submitted in writing, including justification, to the executive vice president and provost.~~

~~Combined Teaching-Sponsored Research: Normal Teaching is paid under the salary plan described above. Full-time research is paid at the rate of 1/36 of annual (9-month) salary per week. Part-time~~

~~research will be calculated at the appropriate fraction of 1/36 of annual salary per week. (1 day = .2 week; 2 days = .4 week; 3 days = .6 week; 4 days = .8 week; 5 days = 1.0 week)~~

~~Sponsored Research: Sponsored research is paid at the rate of 1/36 of annual salary per week. The maximum employment period is 12 weeks, exceptions to be approved by the executive vice president and provost.~~

~~Additional Allowable Salary on Institute Programs: Proportionate salary will be paid where institutes allow pre and post weeks for preparation and closing. A faculty member serving as an institute director may be paid extra for administration if such payment is permitted under terms of the institute contract.~~

~~Maximum Summer Payment for Teaching and/or Sponsored Research: In part to comply with OMB Circular A21, which states In no event will charges to sponsored agreements, irrespective of the basis of computation, exceed the proportionate share of the base salary for that period, the following maximum summer payment has been established: In the entire summer period between the end of 1 academic year and the beginning of the next, faculty can earn no more than the average of the past year's 9-month base and the coming year's 9-month base, divided by 3. Any exception must have the approval of the executive vice president and provost.~~

~~Department Heads: A department head that administers the department during the summer and also has funded research is paid 1/12 from funded research, provided annual leave is taken during the summer. If annual leave is not taken during the summer, the department head may be paid 2/12 from funded research. Some department heads may wish to be on annual leave in the summer, or may wish to work only 1 month, etc. These arrangements may be worked out with the dean and the executive vice president and provost with proper adjustments in accrued days of annual leave and other related policies. No summer session faculty allocation is used for 12-month department heads who teach in the summer.~~

~~Graduate Assistants: In summer sessions, graduate assistants will receive the same pay per month as they do in the regular semester. The allotment of one graduate assistant will equal 6 weeks employment at 20 hours per week. Two graduate assistant allotments may be converted to 1.0 faculty allotment with the approval of the executive vice president and provost.~~

Rationale:

It should be stressed that the proposed legislation will not in any way affect regular faculty who do not perform sponsored research or teach during the summer period. The primary positive impact of this proposal will be on faculty members who are paid to perform research under external grants or contracts during the summer period. The positive impact on Faculty members who do not engage in sponsored research but who are paid to teach during the summer period will be minimal and will depend on the formula ultimately adopted for summer teaching pay.

A number of positive benefits would come from the proposed change to the Policy Manual, including an increase in potential IDC revenue from external grants. Increasing the amount of salary that faculty performing research over the summer can be paid will cause more IDC revenue to be paid to the University, thereby benefiting Central Administration, Colleges, and Departmental budgets.

The main objective of this legislation is to eliminate the “three-ninths rule,” which has become an HR practice that restricts the maximum amount of money a regular faculty member can earn from any source during the summer period to 3/9 of academic salary. This rule has been “clarified” by HR to mean a maximum of twelve weeks at the equivalent of a 1.0 weekly FTE. The current practice is in contrast to policies applied to salaries during the academic year under section 4.70 of the Policy Manual, which allow faculty members to earn up to 50 percent above regular salary (1.5 FTE) without a request to the Provost (see Addendum).

Regular Faculty are hired to work for two 17.5 week semesters. Breaks during the 17.5 week periods (e.g., for Thanksgiving and Spring Break) are not paid time (faculty do not receive paid vacation time). The proposed formula is consistent with OMB Circular A-21 which states that: “...charges for work performed by faculty members on sponsored agreements during the summer months or other period not included in the base salary period will be determined for each faculty member at a rate not in excess of the base salary divided by the period to which the base salary relates...” Although not contained in the current proposal, the weekly FTE should be based on the number of paid work-weeks, which is no more than 33 (Note: Faculty obviously work more than 33 weeks per year—they are just not paid for it). Using the new ratio (1/33) rather than the current ratio (1/36) would result in a 9% increase in rate of Faculty pay. By paying faculty members at this higher rate for 14 weeks rather than 12 weeks, they would be able to earn up to 27% more as regular salary during the summer period. Note that the number of weeks currently used by HR to compute Faculty salary simply don’t add up: $36 + 12 = 48$, not 52. This is an implicit acknowledgement that the number of weeks a faculty member can be paid, regardless of the number of weeks she or he actually works, is only 48.

Addendum

NMSU Policy Manual

4.70 Supplemental Employment/Compensation

Supplemental compensation may be paid to faculty and staff acting in the capacity of a professional/faculty employee for an additional assignment performed during normal university working hours, providing that assignment is (1) clearly outside the scope of that person's regular teaching, research and service responsibilities; and (2) does not interfere with those responsibilities.

Such time will be counted against a faculty member's allowed consulting time and must be approved in advance by all cognizant administrators, including the executive vice president and provost.

Additional compensation is submitted for approval by the completion of an E-Hire Form. This compensation may be authorized in addition to regular salary for those employees exempt from overtime provisions of the Fair Labor Standards Act and is used to authorize payment for consulting, workshops, etc. Supplemental compensation will not be paid solely on the basis that the salary has been budgeted into the agreement.

Supplemental Employment Guidelines:

1. Applicable only to faculty, or those staff acting in the capacity of a professional/faculty employee.
2. Applicable only to employees currently employed during the period when the supplemental compensation was earned.
3. The rate of pay should not exceed the employee's current rate of pay in the employee's primary job assignment. Under those special circumstances where a request exceeds the employee's rate of pay, a special memo of justification approved by the Office of the Executive Vice President and Provost must be attached to the form. Hours worked (a) should not exceed a reasonable percentage of full-time hours (Any percentage greater than 50 percent must be justified in an attached memo.); (b) must be properly documented per grant/contract requirements.
4. Only in unusual cases may an exempt staff and faculty member be paid to work on a grant or contract, as consultants or otherwise, if that effort results in payment in excess of 100 percent FTE unless specifically provided for, as supplemental compensation, in the agreement or approved in writing by the sponsoring agency. For federal grants and contracts, approval will normally be granted only if two conditions exist:
 - The work is across departmental lines or involves a separate or remote location; and
 - The work performed by the employee is in addition to the regular departmental workload