Implementation Guidelines:
Individuals with salary supported at least partially from federal sources

**Department Chair, Director of Graduate Studies & other service or leadership functions**

Considerations:
1. Service must be included explicitly within stated total institutional effort.
2. Service during the summer is often reduced compared to that during the academic year.
3. University effort supported by internal funds is to be averaged separately over academic-year and summer months.
4. Monthly compensation should reflect effort, subject to item 3, above.

Example (numbers chosen for illustration only)
- Department Chair: equivalent 21% of effort distributed approximately evenly over 9 months.
- On average, chair service required in a summer month is one-third that in an average academic-year month.
- Academic year month: 79% of total effort is available for other activities.
- Summer month: 93% of total effort is available for other activities (grant-supported research, for instance).
- Monthly compensation should reflect the above percentages in the various months.
- Appointment letter must be consistent with the above.

**Center and Institute Directors, and similar positions**

Considerations:
1. Director service must be included explicitly within total institutional effort.
2. Effort may be averaged over 12 months, unless month-to-month variations exceed 20%.
3. Payment should reflect effort.

Example (numbers chosen for illustration only)
- Center director: spends 20% of effort distributed approximately evenly over 12 months.
- Each of 12 months: 80% of total effort is available for other activities (teaching, grant-supported research, committee service, ...).
- Monthly compensation should reflect the above each month.
- Appointment letter must be consistent with the above.

**Administrative Salary Supplements**
1. Purpose: a distribution mechanism for a limited-term increase in the compensation rate for that portion of the total effort associated with the task in question (such as dept. chair, center director, ...). This is made necessary by university policy: leadership positions are compensated at higher rates than the average faculty compensation rate because of the broad, institutional impact of their work and decisions.
2. Supplements do not compensate individuals for additional effort.
3. Supplements are connected to effort only through the percent effort (P & Q, in what follows) associated with the task in question.
4. Supplements can be paid in 12, equal monthly installments, or using any other reasonable distribution scheme appropriate to the situation.
5. A formula and look-up table are available for using the approved form of salary supplements.

Example, department chair (for illustration only: $P = 0.30$, $Q = 0.10$)
- Professor Robert McGee is appointed a department chair.
- To make room within his 100% institutional effort for department-chair work, his teaching and committee-service loads are reduced, he slows the rate at which he takes on new graduate students and he cuts back on his professional travel.
- The institution begins covering 30% (i.e., $P = 0.30$, in what follows) of his effort during each academic-year month, and 10% (i.e., $Q = 0.10$) of his effort during each summer month, from the cognizant dean’s chair-salary budget.
- The cognizant dean begins paying the supplement required to raise the administrative component of Prof. McGee’s salary by the agreed-upon amount, corresponding to 1.5-ninths of the 9-month academic-year salary, $S$, according to the following prescription (see attached look-up table):
  a) Academic month – 70% of Prof. McGee’s effort at $S/9$ dollars per month (paid from appropriate sources)
  - 30% of Prof. McGee’s effort at the increased rate of $(1.4)S/9$ dollars per month (paid by dean), with $(0.4)S/9$ of those dollars paid as a supplement;
  b) Summer month – 90% of Prof. McGee’s effort of $S/9$ dollars per month (paid from appropriate sources, if available)
  - 10% of Prof. McGee’s effort at the increased rate of $(1.4)S/9$ dollars per month (paid by dean), with $(0.4)S/9$ of those dollars paid as a supplement.
- Prof. McGee’s appointment letter speaks in terms of $P$, $Q$ and $F$, introducing $N$ only as a way of referring the integrated salary increase to a familiar number, i.e., $S$.
- Administrative assistants and others would have access to the formula and a look-up table (see attached).

**An Individual Supported 100% on Federal Funds**

Considerations:
1. Total institutional effort must be devoted to the grants/contracts that pay the person’s salary. Monthly payments must be in proportion to the effort expended on each grant/contract.
2. The current interpretation of federal regulations asserts that federal support cannot be used to pay for the preparation of proposals; institutional resources must provide the compensation for proposal preparation.
3. An appropriate portion of the salary of a postdoctoral fellow or research associate who is expected to participate in the preparation of proposals must be paid by institutional funds.
Pay rate for fraction of effort (P or Q) expended on designated activity is increased by factor of $1 + F$.

Supplement expressed as N-9ths of nine-month salary:

$$(N/9) = FP + (1 + F)(Q/3)$$

<table>
<thead>
<tr>
<th>Avg. Ac. Yr. Chair Effort Per Month (P)</th>
<th>Available Effort Per Ac. Yr. Month for Other Work</th>
<th>Avg. Summer Chair Effort Per Month (Q)</th>
<th>Available Effort Per Summer Month for Other Work</th>
<th>Pay Rate Increase (F)</th>
<th># of 9ths: Total (N)</th>
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