

## **Policy on Faculty Summer Salary**

This policy establishes the maximum salary allowable for academic-year faculty that choose to work during the summer months. Faculty with academic-year appointments may not earn more than 1/3 of their Institutional Base Salary (IBS – defined below) for the aggregated work they perform during the summer months.

This 1/3 salary maximum includes work related to:

- Internal and external grants,
- Teaching income, and
- Stipends as part of supplemental appointments.

The maximum does not include approved payments for (a) hardship resulting from required work off campus and (b) activities that would merit additional compensation during the academic year.

This maximum salary represents a 100% of a faculty member's time and effort over the summer months and, for those faculty members supported by external grants, this time needs to be documented via the Time and Effort Report. Activities meriting additional compensation and *de minimus* activities as defined in section 2.5.6 of the Faculty Handbook are not included in the Time and Effort Report.

**Valparaiso University's three categories of compensation are Institutional Base Salary, Additional Compensation, and Salary Supplements.**

### **Institutional Base Salary**

The **Institutional Base Salary (IBS)** is the salary stated in the faculty member's University annual appointment letter. It is established by the University in an appointment letter, or other similar documentation, regardless of the source of funds. The IBS compensates faculty for faculty duties as outlined in Chapter 2 of the Faculty Handbook.

Adjustments to compensation by any of the following do not increase the IBS.

- Salary paid directly by another organization
- Salary increases as a result of replacing University salary funds with external grant funds
- Additional compensation
  - One-time payments or other incentive payments
  - Bonuses
- Salary supplements given in supplemental appointment letters

### **Additional Compensation**

Additional compensation is incremental to the faculty member's academic year IBS and is not part of the faculty member's IBS. It represents compensation for any services above and beyond an employee's University annual appointment and supplemental appointment letters. Additional compensation is provided without regard for the source of funds. Examples of additional compensation include presenting or participating in special lectures, seminars, workshops, or training as well as curriculum development projects.

### **Salary Supplements**

Salary supplements are awarded for a variety of reasons including temporary additional responsibilities and/or administrative duties. Supplementary duties are generally outlined in supplementary appointment letters and are not part of an individual's IBS.