

**SANTA CLARA UNIVERSITY
GUIDELINES FOR BUDGETING AND FINANCIAL MANAGEMENT
FACULTY POSITIONS, SALARIES, AND OTHER PAY**

**COLLEGE OF ARTS & SCIENCES, LEAVEY SCHOOL OF BUSINESS, SCHOOL OF
ENGINEERING, AND SCHOOL OF EDUCATION & COUNSELING PSYCHOLOGY
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Outlined below are guidelines for the budgeting and financial management of faculty positions, salaries, and other pay in the College of Arts and Sciences, Leavey School of Business, School of Engineering, and School of Education and Counseling Psychology based on the applicable policies and procedures in the *Faculty Handbook, Faculty Personnel Policies and Procedures Manual*, the strategic planning model adopted for the size and composition of the faculty, and other applicable guidelines adopted by the Provost. If you have questions about the guidelines or the application of the guidelines, please contact Laurene Skinner (ext 4774) or Charles Erikson (ext 4533) in the Office of the Provost.

INTRODUCTION

A three-part strategy has been identified by the Provost to support the faculty in their responsibilities for teaching, research, and service and to guide the funding of faculty positions, salaries, and other pay: [1] funding a faculty of the appropriate size and composition; [2] providing competitive compensation to attract and retain faculty; and [3] supporting faculty development at different stages of their careers as teaching scholars.

□ Funding a Faculty of the Appropriate Size and Composition

The University strives to provide funding to support the faculty necessary to achieve pedagogical and curricular goals in each school. A few key indicators based on the pedagogical and curricular goals have been identified to provide a basis for allocating faculty resources to each school.

- Size of Degree Programs
 - Number of students in the undergraduate program and the distribution of those students among the three schools
 - Number of students and units generated in the graduate programs
- Course Offerings
 - Class size in each program
 - Class sections required for each program
- Size, Composition, and Use of Faculty
 - Faculty teaching loads for tenured and tenure-track faculty and for senior lecturers and lecturers
 - Courses taught by tenured and tenure-track faculty, senior lecturers and lecturers, and fixed term faculty
 - Use of faculty for school administration and programs
 - Use of faculty for university administration and programs
 - Support for faculty research and professional development, including sabbatical and junior faculty development leaves

The Board of Trustees, upon the recommendation of the President and the Provost, establishes the size of each degree program. The Provost, in consultation with the deans, establishes university standards for course offerings and university expectations for the size, composition, and use of faculty. Using these standards and expectations, assumptions about the key indicators are used to allocate faculty resources

and to develop an annual faculty salary budget for each school within the funding level approved in the university budget, including [a] the number of tenured and tenure-track faculty positions, [b] the number of senior lecturer and lecturer faculty positions, and [c] a pool for fixed term faculty including an allocation for teaching load reductions for faculty with assignments in school administration, an allocation for teaching load reductions for faculty with assignments in university administration and programs, and an allocation for teaching load reductions to support faculty research and professional development.

□ **Providing Competitive Compensation to Attract and Retain Faculty**

The University strives to provide funding to support merit increases that keep pace with our competitors, to recognize promotions in rank, to make market adjustments where necessary, and to address internal inequities. The Provost works with the University Budget Council to develop funding strategies to support four components of a comprehensive approach to providing competitive compensation for faculty.

- Merit increase funds for tenured and tenure-track faculty, senior lecturers, and lecturers that mirror total salary increases at our benchmark institutions
- Promotion increase funds for tenured and tenure-track faculty, senior lecturers, and lecturers to acknowledge accomplishments leading to promotions
- Market adjustment funds to support competitive salaries in the marketplace
- Equity adjustment funds to address internal salary disparities that cannot be reasonably explained by market comparisons, years in rank, or performance over time

An annual faculty salary budget is allocated to each school within the funding level approved in the university budget for merit increases, promotion increases, market adjustments, and equity adjustments consistent with the guidelines adopted for each allocation.

□ **Supporting Faculty Development at Different Stages of Their Careers as Teaching Scholars**

The University strives to provide funding to support faculty in their efforts to do scholarly or creative work, refresh the curriculum, and develop curricular and pedagogical innovations through junior faculty development and sabbatical leaves, teaching load reductions for new tenure-track faculty, and summer research support. Allowances for teaching load reductions anticipated from junior faculty development and sabbatical leaves, new tenure-track faculty, and endowed chairs are incorporated in the determination of the annual fixed term faculty salary budget for each school. Funding is also provided to support summer research by faculty.

EDUCATION AND GENERAL FUND

I. General Budget and Financial Management Issues

A. Funding of Faculty Positions, Salaries, and Other Pay

1. Faculty positions and the funding of faculty positions, salaries, and supplemental pay are approved through the University's annual budget process or by the Provost consistent with the applicable policies and procedures in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.
2. The faculty salaries and other pay budget is developed using a position budgeting system that tracks authorized faculty positions (i.e., tenured/tenure-track faculty, senior lecturers, lecturers), salary pools for academic year and quarterly fixed term faculty, and salary pools for faculty supplemental pay as appropriate in a school.
3. Salaries for all faculty, including individuals employed under external grants, are subject to

approval by the Provost consistent with the applicable guidelines and procedures in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.

4. Faculty supplemental pay is subject to the applicable policies and procedures in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.
5. Faculty teaching load reductions are subject to the policies and procedures in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.

B. Education and General Fund Faculty Salary Budget

1. Funding for all tenured and tenure-track faculty positions (including endowed chair holders), senior lecturer and lecturer positions, academic year and quarterly fixed term faculty, supplemental pay for school administration, and supplemental pay for faculty research and professional development allocated to a school is budgeted and transacted in the Education and General Fund.
2. The Provost's Office coordinates the budget set-up for faculty positions, salaries, and other pay in the Education and General Fund with the University Budget Office.
3. The dean is responsible for managing faculty salaries and other pay expended for the school in the Education and General Fund within the established budget.
 - At the end of the fiscal year if actual expenses for faculty salaries and other pay expended in the Education and General Fund exceed the approved budget, the school is responsible for funding such overages from school resources unless the Provost allocates additional funding.
 - At the end of the fiscal year if actual expenses for faculty salaries and other pay expended in the Education and General Fund are less than the approved budget, the unexpended funds revert to the Provost and are closed to a University operating reserve.
 - Unexpended faculty salaries, other pay, and associated benefits can be applied to the school's share of a graduate tuition revenue shortfall.

II. Faculty Positions and Salaries

The annual faculty salary budget allocated to each school includes funding for tenured and tenure-track faculty positions, senior lecturer and lecturer positions, and a pool for fixed term faculty sufficient to support the course offerings needed for each program.

The assumptions used in budget planning associated with the size, composition, and use of faculty are based on the authorized faculty positions in the University budget and expectations for the use of faculty established by the Provost in consultation with the deans. The level of support for tenured and tenure-track faculty positions, senior lecturer and lecturer positions, and fixed term faculty is determined by applying the faculty resource planning assumptions about the relationships among program size and enrollment, course offerings, and faculty size and composition for each school's degree programs. Using these broad assumptions, an annual faculty salary budget is allocated to each school for the number of approved tenured and tenure-track faculty, senior lecturer, and lecturer positions at the annual salary amount for each position and an allocation for fixed term faculty using the per course budget rate for fixed term faculty for the school.

A. Tenured and Tenure-Track Faculty, Senior Lecturers, and Lecturers

Professors, Associate Professors, Assistant Professors, Acting Assistant Professors, Senior Lecturers, and Lecturers as defined in Section 3.1 of the *Faculty Handbook*.

1. The Provost allocates a specific number of tenured and tenure-track faculty, senior lecturer, and lecturer positions to each school from the positions approved in the University's budget to achieve pedagogical and curricular goals and periodically reviews the allocation of positions with the dean.
2. Tenured and tenure-track faculty, senior lecturer, and lecturer positions are budgeted by position using the current annual base salary for the incumbent. Faculty salary budget savings resulting from the difference between the budgeted annual salary for a tenured and tenure-track faculty, senior lecturer, or lecturer faculty position and the actual salary of the incumbent for the current year are available to the dean to fund fixed term faculty salaries and faculty supplemental pay expenditures in the current year.
3. Vacant tenured and tenure-track faculty, senior lecturer, and lecturer positions are budgeted by position using an annual salary amount based on the budget salary hiring range for that academic cluster.
4. When a position is vacated as a result of the non-reappointment, resignation, retirement, or termination of a faculty member, the Provost must reconfirm the authorization of the position and approve filling it. When the position is filled, any difference between the assigned salary for the position and the actual salary for the new faculty member will be added to or deducted from the budget for the position by the Provost's Office.
5. Tenured and tenure-track faculty, senior lecturers, and lecturers are appointed in accordance with the policies in the *Faculty Handbook* and the procedures in the *Faculty Personnel Policies and Procedures Manual*.
6. Faculty with joint appointments in two academic departments are assigned to the departments in accordance with the terms of the appointment and section 3.2.2.3 of the *Faculty Handbook*. The payroll distribution for the position is split between the two academic departments in accordance with the terms of the appointment.
7. Endowed professorships are managed at the university level, and distribution of income from the endowments is used to fund chair holder salary and benefits and other expenses consistent with the terms of the endowment.
8. Faculty with separation agreements are budgeted under the Provost, and payments to such faculty are processed by the Provost's Office.
9. Jesuits who are appointed as a "target of opportunity" to tenured or tenure-track faculty, senior lecturer, or lecturer positions are assigned to authorized positions in the school if available. If there is not a vacant authorized position in the school, the Provost will fund the salary and benefits for the individual until it can be accommodated in the authorized positions of the school but generally for no more than three years.
10. A faculty position whose incumbent has a phased retirement agreement with the University, is on a leave of absence, or has a reduced time appointment is budgeted in the school at the current annual base salary for the incumbent. Faculty salary budget savings resulting from

the difference between the budgeted annual salary for a tenured and tenure-track faculty, senior lecturer, or lecturer position and the actual salary of the incumbent for the current year are available to the dean to fund fixed term faculty salaries and faculty supplemental pay expenditures in the current year. Any disability recovery reimbursements are credited to the school.

11. A faculty position whose incumbent receives one or more course releases in association with an assignment in school administration or programs is budgeted in the school at the current annual base salary for the incumbent. Teaching load reductions in association with ongoing school administration and program assignments are incorporated in the determination of the number of authorized positions and the fixed term faculty salary budget for the school based on the allowance approved by the Provost.

Replacement costs for teaching load reductions in association with other assignments in school programs are funded from the school's Education and General Fund faculty salary budget or from school center or institute designated funds as appropriate. Charges to school center or institute designated funds for teaching load reductions are handled by expense transfer from the school's Education and General Fund to the appropriate funding source at the per course budget rate for fixed term faculty for the school by the Provost's Office. The terms of the assignment are confirmed in a letter from the dean, and the dean's office is responsible for processing the payment for the supplemental pay associated with such assignments.

12. A faculty position whose incumbent receives one or more course releases in association with an assignment in university administration or programs is budgeted in the school at the current annual base salary for the incumbent. Teaching load reductions in association with university administration and program assignments in the Education and General Fund are incorporated in the determination of the fixed term faculty salary budget for the school.

Replacement costs for teaching load reductions in association with assignments in University centers of distinction and schools not in the Education and General Fund are handled by expense transfer from the school's Education and General Fund to the appropriate funding source at the per course budget rate for fixed term faculty for the school by the Provost's Office. The terms of the assignment are confirmed in a letter from the dean.

13. Tenured and tenure-track faculty teaching more than six courses (plus one course equivalent for scholarly or creative work) during the academic year and senior lecturers and lecturers teaching more than seven courses during the academic year are paid for the teaching overload assignment in an amount determined by the dean. [Incumbents in selected senior lecturer positions in Arts & Sciences have appointments with a course load expectation of nine courses with an appropriate adjustment in annual salary. Overload assignments for these incumbents apply after fulfillment of the contracted course load.] Funding of costs associated with teaching overload assignments is the responsibility of the school from its Education and General Fund faculty salary budget. The terms of the assignment and related compensation are confirmed in a letter from the dean.
14. Reimbursements from grants for faculty released time are credited to the school's Education and General Fund faculty expenses consistent with the terms of the grant.
15. Tenured and tenure-track faculty, senior lecturers, and lecturers teaching summer session courses are paid for the summer session teaching assignment in an amount determined by the

dean. Funding of costs associated with summer session teaching assignments is the responsibility of the school from its Education and General Fund faculty salary budget. The terms of the assignment and related compensation are confirmed in a letter from the dean.

B. Fixed Term Faculty

Adjunct Faculty, Research Faculty, and Faculty with Appointments-in-Residence as defined in Section 3.1 of the *Faculty Handbook*.

1. The dean determines the appropriate number of academic year and quarterly fixed term faculty positions to achieve the staffing requirements of the school subject to the approval of the Provost.
2. The Education and General Fund salary budget for fixed term faculty includes an allocation for the class sections to be taught by academic year and quarterly fixed term faculty during the academic year and during summer session based on the applicable course offering assumptions and per course budget rate for fixed term faculty for the school.
3. Salaries for academic year and quarterly fixed term faculty are funded by the school from its Education and General Fund faculty salary budget.
4. Academic year and quarterly fixed term faculty are appointed in accordance with the policies in the *Faculty Handbook* and the procedures in the *Faculty Personnel Policies and Procedures Manual*.
5. Replacement costs for teaching load reductions for academic year fixed term faculty who are on a leave of absence are funded by the school from its Education and General Fund faculty salary budget. Any disability recovery reimbursements are credited to the school.
6. Replacement costs for teaching load reductions for fixed term faculty in association with assignments in school administration and programs are funded from the school's Education and General Fund faculty salary budget or from school center or institute designated funds as appropriate. Charges to school center or institute designated funds for teaching load reductions are handled by expense transfer from the school's Education and General Fund to the appropriate funding source at the per course budget rate for fixed term faculty for the school by the Provost's Office. The terms of the assignment are confirmed in a letter from the dean, and the dean's office is responsible for processing the payment for the supplemental pay associated with such assignments.
7. Replacement costs for teaching load reductions for fixed term faculty in association with assignments in the University centers of distinction and schools not in the Education and General Fund are handled by expense transfer from the school's Education and General Fund to the appropriate funding source at the per course budget rate for fixed term faculty for the school by the Provost's Office. The terms of the assignment are confirmed in a letter from the dean.
8. Academic year fixed term faculty teaching more than nine courses during the academic year are paid for the teaching overload assignment in an amount determined by the dean. Funding of costs associated with teaching overload assignments is the responsibility of the school from its Education and General Fund faculty salary budget. The terms of the assignment and related compensation are confirmed in a letter from the dean.

9. Academic year fixed term faculty teaching summer session courses are hired under a separate appointment for the summer session. Funding of costs associated with summer session teaching assignments is the responsibility of the school from its Education and General Fund faculty salary budget.

III. Faculty Other Pay

The annual faculty salary and other pay budget allocated to each school includes funding for faculty supplemental pay associated with school administration and support for faculty research and professional development.

A. School Administration

1. The faculty other pay budget allocation for supplemental pay associated with assignments in school administration is based on the allowance established by the Provost for associate deans, department chairs, and other ongoing administrative roles.
2. The dean is responsible for establishing associate dean, department chair, program director, and other administrative roles held by faculty in the school to meet its administrative requirements and the supplemental pay associated with those assignments. The terms of such assignments are confirmed in a letter from the dean.
3. The dean's office is responsible for processing the payment for supplemental pay associated with such assignments.

B. Faculty Research and Professional Development

1. The faculty other pay budget allocation for supplemental pay associated with support for faculty research and professional development is based on school resources (i.e., endowments and expendable gift funds) and allocations made by the Provost.
2. The dean is responsible for determining summer research supplemental pay for faculty in the school.
3. The dean's office is responsible for processing the payment for supplemental pay associated with such awards.

SCHOOL CENTERS AND INSTITUTES

I. Budget and Financial Management Issues

A. Funding of Faculty Teaching Load Reductions and Supplemental Pay

1. Faculty teaching load reductions and supplemental pay in self-supporting school centers and institutes are funded from school resources consistent with the applicable guidelines.
2. The Provost's Office coordinates the budget set-up for faculty teaching load reductions and supplemental pay in self-supporting school centers and institutes with the University Budget Office.
3. The dean is responsible for managing the expenditures for faculty teaching load reductions and supplemental pay in self-supporting school centers and institutes within available school resources.

B. Faculty Teaching Load Reductions

1. Teaching load reductions associated with administrative assignments in school centers and institutes are subject to the policies in the *Faculty Handbook* and other applicable guidelines adopted by the Provost. The terms of the assignment are confirmed in a letter from the dean.
2. Charges to school center or institute designated funds for teaching load reductions are handled by expense transfer from the school's Education and General Fund to the appropriate funding source at the per course budget rate for fixed term faculty for the school by the Provost's Office.

C. Faculty Supplemental Pay

1. Faculty supplemental pay associated with administrative assignments in school centers and institutes is subject to the policies in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.
2. Faculty supplemental pay for continuing education courses, workshops, conferences, and other programmatic assignments are subject to the policies in the *Faculty Handbook* and other applicable guidelines adopted by the Provost.
3. The terms of assignments in school centers and institutes are confirmed in a letter from the dean. The dean's office is responsible for processing the payment for supplemental pay associated with such assignments, continuing education courses, workshops, conferences, and other programmatic assignments.