

**GUIDELINES FOR IMPLEMENTATION OF THE UNCG POLICY ON COMPENSATION BEYOND CONTRACT  
FOR FACULTY AND EPA NONFACULTY EMPLOYEES**

**The University of North Carolina at Greensboro  
Approved by the Provost and Vice Chancellor for Academic Affairs, November 26, 2002;  
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- I. These Guidelines address additional compensation paid with an Exception Pay Action Form (Form PAS-5) to faculty and EPA staff as outlined in UNCG's Policy on Compensation beyond Contract for EPA Faculty and Nonfaculty Employees and the UNC Office of the President's Supplemental Pay Policy for Employees Exempt from the State Personnel Act (Policy 300.2.13).
  
- II. Two categories of supplemental pay are included as follows:
  - A. Pay for temporary increases in responsibility during the employee's normal work hours or contract period. Included in this category are administrative assignments.
  
  - B. Pay for extra duties performed outside the employee's job description and outside of normal work hours or duties that add extra work hours in addition to those spent on normal job duties. Examples include, but are not limited to, special assignments in preparation for administrative or regular duties, summer session assignments, grant activity, teaching overloads, continuing education activity, course development, and EPA staff teaching assignments.
  
- III. Definitions:
  - A. Compensation Maximums:

Compensation maximums are the earnings limits set for each employee and are based on annual salary and contract months. There are two such compensation maximums. One is for the period of contract and the other is for the period of non-contract. When an employee has a twelve-month contract there is only one compensation maximum, which is for the contract period. Charges against each of the earnings limits are generally applied based on when the work was performed or on the type of funds used. One or both earnings limits could be affected by a PAS-5.
  
  - B. Period of Contract:

Period of contract refers to the number of contract months. It is the period of time during which an employee carries out normal position responsibilities and duties. For instance, many faculty have nine-month academic year contracts with the period of time generally considered to be from mid-August through mid-May.
  
  - C. Period of Non-Contract:

Period of non-contract is the number of months outside of an employee's regular work schedule. In the above example for III.B., nine-month faculty members have three non-contract months and the period is mid-May through mid-August. Other contracts may have non-contract periods of one or two months.
  
  - D. Overload Teaching:

Overload teaching is the number of courses equivalent to three credit hours that an instructor may teach outside of routine semester assignments.

IV. Steps to be completed and documented before a PAS-5 Exception Pay Action Form may be processed for payment:

A. All PAS-5s must be administratively approved and it is the responsibility of the office initiating a PAS-5 to obtain all such approvals before work commences. Required approvals include the employee's home administrators when the employee is borrowed. Final approval authority for PAS-5s rests with the Provost and Vice Chancellor for Academic Affairs.

B. Monitoring each employee's compensation maximum/s is the responsibility of the home department and unit. This is extremely important because no payments will be made that exceed an employee's compensation maximum/s.

C. As outlined in UNC 300.2.13 each PAS-5 request must include the following: a justification for additional pay, a description of work involved, the relationship of this activity to the employee's normal job responsibilities, time period during which additional duties are to be performed, and the basis for determining salary for PAS-5 activity.

D. As required by the State Auditor, payment for overload teaching and other additional duties must be made when (or just after) the work is performed.

V. Limits on duration of assignments, for-credit overload teaching, and funding sources:

A. Duration of Assignments: The duration of an assignment covered by supplemental pay must conform to reasonable business expectations regarding the nature of the work proposed.

B. General Policy Restrictions on Teaching Overloads during academic year:

All full-time faculty and staff are limited to one teaching overload per semester, with WinterSession considered a spring semester teaching overload. The teaching overload restriction also applies to any for-credit courses paid under the statewide "Policy on Dual Employment." Only in rare circumstances would a one-course overload be exceeded. In all cases salary paid must be within the appropriate compensation maximum.

C. Professional librarians, EPA nonfaculty, and other faculty with 12-month contracts may seek approval of for-credit overload teaching. However, there are restrictions in that courses will be taught outside of normal working hours. Therefore, the employee's supervisor must certify on the PAS-5 that "work would be performed outside of normal duties and hours." Should it be necessary to alter the employee's work schedule or to authorize vacation leave in order to meet this criteria, these arrangements will be noted on the PAS-5. Each such teaching assignment would be charged against the maximum for the contract period.

D. Specific Academic Year Limitations for Tenured & Tenure-Track Faculty, excluding Professional Librarians, on Teaching Overloads:

a. Two exceptions have been granted for tenured and tenure-track faculty to teach overloads during the academic year. The two exceptions are in the Master of Arts in Liberal Studies (MALS) Program and for WinterSession. The maximum overload per semester would be one three-credit-hour equivalent course.

MALS: Payments for teaching overloads in MALS during the academic year are charged against the academic year maximum. In addition, MALS courses are to transition to inload by Fall 2008.

WINTERSESSION: A teaching overload may be taught during WinterSession in lieu of the spring semester overload. Payments for teaching a WinterSession overload would be charged against the summer or non-contract maximum unless the course is for the MALS Program. An exception has been given so that all MALS teaching overloads during the academic year are charged against the academic year maximum.

b. Only in rare, truly emergency, cases should tenured or tenure-track faculty be considered for other for-credit teaching assignments during the academic year. Any such emergency situation would be reviewed by the Provost on an ad hoc basis. If request is approved, he would also make a determination as to which maximum would be charged.

E. Summer Sessions: During Summer Session, payment is limited to two for-credit courses per session, for a summer total of four courses. Only in rare circumstances would a two-course summer session load be exceeded. In all cases salary paid must be within the appropriate compensation maximum. Unless Summer Session is conducted during the period of non-contract, certification must be provided that these duties would be performed outside of the employee's normal duties and hours.

VI. Limits on the amount of supplemental pay:

A. With approvals in place as required in Section IV.C., supplemental pay for either temporary or extra assignments is limited to 25% during a period of contract (Example: \$27,000 annual salary x .25 = \$6,750 earnings limit for the period of contract). For the period of non-contract an employee is eligible for a total of one month's salary for each non-contract month. The compensation maximum or earnings limit of a nine-month faculty member would therefore equate to three months of salary (Example: \$27,000 annual nine-month salary ÷ 9 months = \$3,000 earnings limit per non-contract month x 3 non-contract months = \$9,000 total maximum for non-contract period). In all cases salary paid for temporary or extra duties must be within the appropriate earnings limit.

B. Period of Non-Contract for Ten-Month Departmental Heads/Chairs: Since July 2005, the University has adopted a new approach with respect to Summer Session teaching by ten-month departmental heads/chairs. Previously, the non-contract months of June and July allowed for teaching in only the second summer session due to contract overlap with Summer Session I. The current approach provides for a calculation method that allows for head/chair summer session flexibility. This approach charges the 10<sup>th</sup> month of salary against the maximum for three non-contract months. The examples below, using a department head salary of \$54,000, demonstrate that the non-contract maximum would remain consistent while greater summer session flexibility would be realized with the expansion of non-contract months.

Previous Method: Non-Contract Months: June and July  
\$54,000 x .25 = \$13,500 Contract Period maximum  
\$54,000 ÷ 10 x 2 = \$10,800 Non-contract Period Maximum

Current Method: Non-Contract Months: mid-May thru mid August  
\$54,000 x .25 = \$13,500 Contract Period maximum  
\$54,000 - \$5,400 (1/10 of annual) or \$48,600 ÷ 9 x 3 = \$16,200 - \$5,400 (1/10 of annual) = \$10,800

C. Under this policy faculty and staff with appointments at less than full-time service are eligible for additional compensation up to full-time (based on part-time rate), plus compensation maximums or earnings limits as outlined in VI.A.

D. Grant funded supplemental pay has special restrictions during the period of non-contract: For grant activities a nine-month faculty member may work and earn only one-half of 1/9 of the annual salary for May and for August, plus 1/9 of annual salary for each of the two remaining non-contract months (June and July). Salary calculations for this example are demonstrated below:

Example: A nine-month faculty member with an annual salary of \$45,000 has a summer maximum of one-third of contract-period salary, or \$15,000.

If that faculty member worked on a grant from May 16 through May 31, then \$2,500 (1/2 of 1/9) would be the maximum the faculty member could earn for that period of May, even if only \$1,200 was paid for grant work.

In the example above, if \$1,200 is approved for grant work from May 16 through May 31, additional supplemental work from any funding sources during this period can be approved up to a value of only \$1,300 ( $\$1,200 + \$1,300 = \$2,500$ ). This salary restriction applies only when grant funds are involved.

E. A special project justifying overload payment may include minor work related to a contract or grant when, in the opinion of the department head/chair, dean/University Librarian, and Provost, the required time and effort are insufficient to justify a buy-out of salary. Special projects such as course development and mentoring may also qualify for supplemental payments. These payments may be made during the period of contract.

F. Prohibition against Pre-Payment: In accordance with State regulations, pre-payment is forbidden. Payment requests must be consistent with this prohibition. Example: If a nine-month faculty member has a \$3,000 Exception Pay Action Form for work completed from May 15 to June 30, then \$1,000 would be paid in May and \$2,000 paid in June. A request for two equal installments would be denied because by the end of May only one-third of the assignment would have been completed. In this case, two equal installments would represent pre-payment unless accompanied by very specific time and effort data.

G. Continuing Education Activities (iSchool, Emeritus, On-line Course Development, and others): The compensation maximum or earnings limit charged is based on the time period over which the temporary or extra duties are conducted. If the time period includes the contract and the non-contract periods, both earnings limits would be affected.