

Research-Funded Conversion to a 12-Month Faculty Contract

1. PURPOSE

Faculty on academic year (AY) appointments often desire to work during the summer months to continue their research, instruct graduate students in thesis and dissertation research, and supervise research staff. During the summer, between AY appointments, many faculty consistently earn summer compensation from sponsored research grants or contracts, but the income derived from these sources is not considered part of the annual employment contract. Under the current retirement program policy, the Commonwealth only recognizes annual contract pay when administering the employee retirement program. In recognition of their year-round commitments and contributions, AY faculty with a consistent history of sponsored project income from research grants and contracts should be given the opportunity to convert to a 12-month contractual period provided sponsored funds are available for summer salary payments and approval is given by the department chair and the college/school dean.

2. POLICY

A faculty member on an AY appointment who consistently generates support in the summer through sponsored projects may request conversion to a 12-month appointment reflecting all AY income and summer research payments. Conversion to a 12-month appointment allows retirement contributions to be made on summer income since the summer research payments would become part of the faculty member's annual salary. The conversion from an AY appointment to a 12-month appointment shall be made under the following guidelines:

- A. The faculty member presents written assurance that the required funds are available for the summer pay period and will cover the additional summer salary and fringe benefits costs. The source of such funds must come from sponsored project agreements. No conversion will take place without the appropriate confirmation of these salary funds.
- B. The faculty member initiates a request for a 12-month appointment, which is reviewed for approval by the department chair and college/school dean. Approved requests must be forwarded to Academic Affairs no later than the second week of April. The new 12-month appointment will begin on May 25 and end on May 24 of the following year.
- C. The 12-month conversion request must be submitted on an annual basis. If a request for the continuance of a 12-month appointment is not provided, subsequent faculty appointment letters will be issued as AY appointments.
- D. If a 12-month appointment letter is issued and the funding guaranteed in support of the conversion is not received, the funds already expended to extend the length of the appointment contract will be reimbursed from the faculty member's department and/or college's F&A cost accounts.
- E. The 12-month salary will be calculated by adding to the AY salary a minimum of 1/9 of the AY salary up to a maximum of 3/9 of the AY salary.
- F. Faculty members on 12-month appointments may receive extra compensation for summer school teaching or other academic support activities on an overload basis. The

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Commented [A2]: This policy and practice has proven problematic for faculty due to the conversion back to 10-month after the grant period leading to gaps in benefits and salary. This probably needs significant overhaul at a minimum. **I have confirmed with (mention removed) that deleting this entirely would be the desired course of action given how much trouble it has caused just in the past academic year.**

Commented [A3R2]: [Mention was removed] IMO recommends discontinuing/deleting this policy.

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combined summer pay from all university and grant/contract resources cannot exceed 3/9 of the AY annual salary. Only funds received from research activities will be used to convert AY appointments to 12-month assignments.

G. Faculty on 12-month conversion appointments are not eligible for annual leave benefits as cited in this *Handbook* under the section on [Annual Leave for Administrative and Professional Faculty and Eligible Teaching and Research Faculty on 12-Month Contracts](#) and [Military leave](#). All other benefits remain the same.

H. Requests for retroactive conversions will not be considered.

The [Virginia Retirement System \(VRS\)](#) takes into [consideration](#) retirement benefits, the length of service, employee age, and the highest consecutive 36 [months'](#) salary. In terms of salary, the 36 consecutive months [translate](#) into the three highest consecutive annual salaries for a three-year period. The annual employment periods must be consecutive, with no breaks between them. Since VRS is using the annual contract amount for each [of the](#) three years, any amount added to the [AY](#) salary rate will add to the retirement benefit of the faculty member. Retirement benefits in other retirement programs (i.e., TIAA-CREF) are based on contributions. Thus, any extra contributions based on additional summer salary payments will benefit the faculty member's retirement account. The minimum amount needed to participate in the research-supported conversion to a 12-month faculty appointment is 1/9 of the AV salary.

Approved by the provost and vice president for academic affairs
September 5, 2003
Revised July 17, 2006

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Page 296: [1] Commented [A4R2] Author

Deleting has ramifications on faculty retirement accrual which is the removal of a benefit. I argue that just because we do not do it well, it not necessarily a reason to eliminate the benefit. Do we have research about what other R1s do and the possible impact of removing this benefit for our most research active faculty.

Page 296: [2] Commented [A5R2] Author

I think it is important to keep this policy. It provides an important benefit for faculty with research funding. There was a problem this past year with a faculty member going off of a conversion contract and being told that he would not have health insurance during the 2 month gap. That was resolved once Dan Zimmerman was consulted.

Page 296: [3] Commented [A6R2] Author

[Mention was removed] would like to know what the resolution was. Not necessarily a topic for tomorrow's meeting, but important to know going forward, especially if we might want to modify the wording of this policy to prevent difficulty in the future. .

Page 296: [4] Commented [A7R2] Author

We will keep this but recommend that administration of it be improved

Page 296: [5] Commented [A8] Author

Agree re: opportunities for process improvements where the RF can help with this as well.

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