

## Calculating Summer Salary for Faculty

Monthly Rate of Pay (for Summer Salary): Faculty members often use the summer months to conduct research and work on grant activities. To budget for summer effort, divide the 9-month base salary by 9 to calculate the monthly rate of pay and then multiply that figure by the number of summer months (up to 3) that the faculty member will work on the grant project. The current policy allows 9-month faculty to earn up to 33% of their salary during the summer. When all summer pay – including teaching and grant pay – is combined, the total cannot exceed 33% of the faculty member's academic-year salary. Keep in mind that some funding agencies (including the National Science Foundation) limit summer compensation to 2 months – be sure to check the program guidelines carefully for these restrictions.

- EXAMPLE: Dr. Y is on a 9-month appointment @ a salary of \$45,000. Dr. Y will spend 2.5 months during the summer conducting grant-funded research.

$$\$45,000 / 9 = \$5,000 \text{ monthly salary} \times 2.5 \text{ months} = \$12,500.$$

Daily Rate of Pay: In some cases it may be appropriate to budget for faculty effort by the day. To budget for a daily rate of pay, divide the faculty member's base salary by 168 (the number of duty days in an academic year), then multiply that figure by the number of hours of effort for which the faculty member will be compensated.

- EXAMPLE: Dr. Y is on a 9-month appointment @ a salary of \$45,000. Dr. Y will spend 8 days during the summer on the grant project.  $\$45,000 / 168 = \$268$  daily salary  $\times 8$  days = \$2,144

Hourly Rate of Pay: Sometimes it is appropriate to budget for faculty effort by the hour. To budget for an hourly rate, divide the faculty member's base salary by 1,344 (the number of duty hours in an academic year), then multiply that figure by the number of hours of effort for which the faculty member will be compensated.

- EXAMPLE: Dr. X is on a 9-month appointment @ a salary of \$40,000. Dr. X will spend 320 hours during the summer to work on grant activities.

$$\$40,000/1,344= \$29.76/\text{hour} \times 320 \text{ hours} = \$9,524.$$