SOUTH DAKOTA BOARD OF REGENTS

Policy Manual

SUBJECT: Faculty Compensation

NUMBER: 4.4.5

A. PURPOSE

To establish faculty compensation guidelines for fiscal year salary policy increases and other faculty salary provisions. Salary increases for Board of Regents' faculty may only be distributed to address institutional priorities, program needs, performance or market considerations, as provided herein.

B. DEFINITIONS

1. **Faculty:** Employees of the Institution that are in a faculty related position, whether in the lecturer, librarian, professorial or professor of practice ranks provided in BOR Policy 4.4.6 – Rank and Promotion – who are exempt from the Civil Service Act and perform instruction, research, service and/or other faculty duties. All faculty are subject to BOR policies, institutional policies, procedures, rules and regulations.
2. **Institutional Priorities:** A program or area of focus of the University that is identified as a strategic priority for forwarding the goals and strategic plan of the University.
3. **Instructional Overload:** Credit-bearing instructional assignments that exceed a faculty member's standard base workload assignment pursuant to BOR Policy 4.4.3 for the faculty member's contract period.
4. **Internal Equity Adjustment:** A salary adjustment to reduce or eliminate a documented internal pay rate disparity within an Institution or defined Institutional department, which cannot be accounted for after an analysis and comparison of differences in the work assigned, individual qualifications, experience, years of service, work performance, or institutional priorities.
5. **Non-Credit Bearing Instructional Overload:** Instructional activity assignments that do not result in academic credit for students but are beyond a faculty member's standard base workload assignment pursuant to BOR Policy 4.4.3 for the faculty member's contract period.
6. **Market Equity Adjustment:** A salary adjustment to reduce or eliminate an external pay rate disparity using recognized market data and peer groups.
7. **Non-Instructional Supplemental Compensation:** Non-instructional supplemental compensation is awarded when additional non-instructional duties are assigned by the academic department and approved by institutional leadership that either go beyond the percentage of effort allocated, the scope, or market for the position pursuant to BOR Policy 4.4.3.

8. **Performance Adjustment:** A salary adjustment made in recognition of work performance that meets or exceeds performance standards documented through an established review process.
9. **University:** Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines & Technology, South Dakota State University, University of South Dakota.

C. POLICY

All compensation adjustments distributed in accordance with this policy which do not meet the criteria identified in BOR Policy 1.1.6, Section C.5 requiring Board approval may be approved at the Institutional level.

1. Annual Salary Policy Provisions

1.1. The Board's faculty compensation philosophy is to provide a fair and competitive total compensation package that will attract, retain and reward high-performing faculty at all levels.

1.2. The Board, through its Executive Director, shall annually set the priorities for allocating appropriated salary policy funds to address institutional priorities, program needs, performance, or market considerations.

1.2.1. The President may apply institutional priorities to a specific department or area of concentration so long as it is a portion of the total salary policy pool.

1.3. Priorities for allocation are applicable to all appropriated sums to support salary increases for faculty members who will be offered reappointment for a successive fiscal year, plus such additional monies as the Board in its sole discretion may elect to provide.

1.3.1. The Board has the discretion, but no obligation, to contribute additional funds beyond the salary policy to salary enhancement. All funds directed to salary enhancement will be distributed on a discretionary basis.

1.4. When applying market based salary adjustments, the salaries of faculty members will be compared to the market data for persons of like discipline and rank within the applicable Carnegie classification salary survey data.

1.4.1. In situations where survey data is not available for a particular classification of instructional program (CIP) code and/or rank, the administration shall use the data from the most appropriate related CIP code and/or rank.

1.5. When applying performance-based salary adjustments, the adjustment provided to faculty will be based on their annual performance evaluation provided in accordance with BOR Policy 4.4.4 – Faculty Evaluation. Faculty who fail to meet expectations are not eligible to receive a performance-based salary adjustment.

1.6. Faculty members who hold appointments as endowed professors and chairs will participate in any salary distributions provided pursuant to this section. Additional monies payable solely from endowment earnings, or from contributions made

expressly for the purpose of supporting the chair, may be paid to faculty members as provided in the endowment agreements.

2. Instructional Overload and Non-Instructional Supplemental Compensation General Terms

2.1. Faculty may not be assigned instructional overload or supplemental duties that could interfere with the completion of primary responsibilities.

2.2. Instructional duties performed by faculty holding administrative appointments with decision-making authority over course scheduling, instructional resource allocation, or workload assignments are considered part of their regular administrative responsibilities and not eligible for instructional overload compensation unless explicitly authorized by the President upon a showing of institutional need, the lack of any other viable options, and the absence of any conflict of interests.

2.3. Instructional overload compensation is earned in the academic term in which the faculty member exceeds total workload for the faculty member's contract period.

2.4. Total instructional overload and supplemental compensation for a faculty member may not exceed 25% of the faculty member's contracted base salary during the faculty member's contract term.

2.4.1. The 25% cap does not apply to compensation earned during off-contract periods.

2.4.2. The 25% cap applies to non-instructional supplemental compensation and compensation for instructional overload.

2.5. The rate of instructional overload and supplemental compensation will be determined in accordance with BOR Policy and compensation guidelines regardless of the sources of funds.

2.6. If a faculty member is assigned instructional overload in two consecutive contract terms, it will trigger an administrative review of the departmental workload, staffing, credit hour generation, course scheduling, and section-size management.

2.6.1. If a faculty member is assigned instructional overload for more than two consecutive contracts, approval from the University president, or their designee, is required.

3. Instructional Overload and Off-Contract Compensation

3.1. Instructional Overload or off-contract instructional assignments include only courses assigned in addition to a faculty member's base course load.

3.2. Faculty who accept such instructional overload or off-contract assignments will be compensated at the rate of eight percent (8%) of their base salary for each three credit hour course taught; provided that the rate may be increased by up to two percent (2%) to address exceptional circumstances.

3.3. Instructional overload should not be granted in circumstances that result in a financial loss to the University. Exceptions may be approved by the University president, or designee, in cases of necessity.

3.3.1. If a course exceeds or falls short of three credit hours, the compensation will be adjusted pro rata.

3.3.2. When a course fails to meet the specified minimum enrollment, as determined by the administration, the contract may be voided, or the faculty member may elect to teach the course at reduced compensation.

3.3.3. Faculty members will be advised of the minimum enrollments specified by the university administration at the time that the contract is offered.

3.3.4. Where a course has not achieved minimum enrollment by one week prior to the first scheduled class meeting, the administration will contact the faculty to discuss whether the faculty would be willing to teach the course at reduced compensation.

3.4. Non-credit bearing instructional overload may be paid at an alternative rate that is mutually agreed upon by the University and faculty member, but should not exceed the instructional overload rate.

4. Non-Instructional Supplemental Compensation

4.1. Non-instructional supplemental compensation will be documented and approved in advance of completion of the assigned duties and the duties should be substantially outside of the employee's assigned workload expectations.

4.2. Compensation for non-instructional supplemental compensation will be paid in accordance with Board of Regents system guidelines and will be commensurate with the scope, complexity and duration of the work.

5. Salary Adjustment after Receipt of Terminal Degree

5.1. Faculty members holding professorial rank who, while employed by an institution on a tenure track or tenure contract, earn a terminal degree appropriate for their assigned teaching or research responsibilities will be awarded a salary adjustment.

5.2. The adjusted salary will not exceed the average salary in the discipline and at the rank among persons who hold appropriate degrees and rank.

5.3. The adjustment will take effect during the academic year following that in which the degree is awarded.

5.4. When determining the total salary increase for the year in which the market-based salary adjustment will be given effect, the adjustment will be made prior to determination of any other form of salary adjustment for the fiscal year.

6. Promotion or Change in Rank Incremental Adjustments

A faculty member who is promoted or granted a change in rank will receive an increment based on the faculty member's current academic year base salary. If the faculty member's next academic year contract is for a different percentage of time or number of months than was in effect in the current academic year, the current academic year base salary will be adjusted to reflect such changes prior to the application of the following schedule of increments:

PROFESSORIAL RANKS:

Assistant Professor to Associate Professor: 8%

Associate Professor to Professor: 10%

LECTURER RANKS:

Instructor to Lecturer: 4%

Lecturer to Senior Lecturer: 6%

LIBRARIAN RANKS:

Assistant Librarian to Associate Librarian: 8%

Associate Librarian to Librarian: 10%

PROFESSOR OF PRACTICE RANKS:

Assistant Professor of Practice to Associate Professor of Practice: 4%

Associate Professor of Practice to Professor Practice: 6%

7. Other Base Salary Adjustments

7.1. Universities may provide faculty other discretionary base salary adjustments outside of the annual salary adjustment.

FORMS / APPENDICES:

None

SOURCE:

BOR October 2020; October 2023 (Clerical); BOR July 2026.