



**COLLEGE OF ENGINEERING
POLICY ON DISCRETIONARY
ALLOCATIONS AND SALARY SUPPLEMENTS
DISTINGUISHED PROFESSORS, NAMED UNIVERSITY PROFESSORS, NAMED
PROFESSORS AND UNIVERSITY FACULTY SCHOLARS**

Distinguished Professors

The process for identifying and appointing distinguished faculty will be consistent with University guidelines. An annual, minimum discretionary allocation of \$50,000 including the PRF Distinguished Professor salary allocation (currently \$6,000) from endowment or gift funds will be established for all appointments after February 2, 2004. The allocation will be continued each year subject to satisfactory performance reviews (see section on Faculty Review)

Named Professors

An engineering-wide committee will be formed and chaired by the dean of engineering to review nominations for named professors. Specific guidelines may be found at <https://engineering.purdue.edu/Engr/DOE/committees/enpc>. A discretionary annual allocation of \$25,000 should be provided. The allocation will be continued each year subject to satisfactory performance reviews (see section on Faculty Review).

University Faculty Scholars

An annual allocation of \$10,000 for the five year award period will be provided under the university policy for faculty scholars.

Funding Guidelines

Discretionary funds of \$50,000 (including PRF salary) for distinguished and \$25,000 for named professors as mentioned above will be the standard for all new appointments after February 2, 2004. All distinguished and named professors that were appointed before February 2, 2004 will not be impacted by this policy. Additional discretionary funds provided to the distinguished or named professor will be permitted but outside of this standard policy. Funds accrued in excess of two years' allocations will reduce future allocations. If endowment earnings are insufficient to support the discretionary allocation, other allowable funds can be used at the discretion of the dean.

Endowment level

While university guidelines suggest \$2M and \$1M respectively, we would strongly suggest a minimum of \$2.5M for Distinguished and \$1.5M for Named Professorships. If the endowment level is not sufficient to generate the discretionary funds indicated above or is incrementally funded, the school should work with the donor to provide bridge funding for new endowments until the funding goals are met.

Term

All such professorships will have a five year renewable term of appointment. While the faculty member designated as distinguished will carry that title throughout the balance of their Purdue career (until retirement), discretionary support funds would not continue if their productivity does not merit such support.

Faculty Review

Each head will establish a review process for Distinguished, University Named and Named Professors in order to assess whether their performance and contributions to the mission and vision of the school merits continuation of the salary supplement and/or the discretionary allocation. This process will allow for salary supplements and/or discretionary allocations to be increased or decreased when performance warrants such action. The review will be

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conducted on a recurring cycle to occur at least once every five years. While this process of periodic review can be applied to faculty currently holding these appointments, the existing discretionary allocations will not be affected. A similar review can be conducted for Faculty Scholars at the discretion of the dean or head.

Salary Supplement

The level of the salary supplement will be determined by the dean. The annual supplement must be within the following limits established by University policy:

Distinguished Professors – Up to one month of the base academic year salary or base fiscal year salary. The PRF Distinguished Professor salary allocation (currently \$6,000) is included in the maximum payment.

Named University Professors and Named Professors – Up to one month of the base academic year salary or base fiscal year salary.

University Faculty Scholar – Up to \$5,000 not to exceed one month of the base academic year salary or base fiscal year salary. This allows up to one half of the Faculty Scholar allocation to be used as a salary supplement.

Salary supplements will be prorated and paid monthly via the normal payroll process; that is, the payment will be included in the regular monthly paycheck. The payments will be classified as taxable compensation and subject to normal employment and income taxes. As salary supplements are not considered part of base compensation, TIAA contributions will not be made on these amounts. The faculty should also understand the basis for benefits and taxability of these payments. It should be communicated that these payments are non-recurring, and thus, subject to an annual review.

College of Engineering Process

Salary supplements will be an annual determination effective with the beginning of each fiscal year. Early each Spring, each eligible faculty member will be contacted regarding his/her salary supplement. The supplements will be reviewed by the dean and submitted for approval by the Provost with the submission of the unit's annual operating budget. Salary supplements will be considered outside of the budget process only in the case of a new appointment that begins after the process is completed or other than the start of the fiscal year or academic year.

Questions

Questions concerning this policy should be directed to the Engineering Office of Academic Affairs, the Engineering Office of Financial Affairs, or your local Business Manager.

Related Documents

Discretionary Allocations and Salary Supplements for Distinguished Professors, Named University Professors, Named Professors, and University Faculty Scholars (University Policy IV.5.3)

Appointments of Distinguished Professors, Named University Professors, Named Professors, and University Faculty Scholars (University Policy IV.5.2)

Approved Proposal to Establish a University Faculty Scholars Recognition Program

Guidelines for Naming Opportunities and Endowed Funds for the West Lafayette Campus (University Policy IX.4.1)