



IUPUI

OFFICE OF THE  
FACULTY COUNCIL

INDIANA UNIVERSITY-PURDUE UNIVERSITY  
Indianapolis

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# Faculty Bonus Plan for IUPUI

Circular 2015-04

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**Effective:** *May 4, 2015*  
*(Passed by the IFC at the May 4, 2015, meeting.)*

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## Scope

This policy applies to Responsibility Centers (RC) that elect to award faculty bonuses.

## Policy Statement

Each Responsibility Center (RC) must develop its own specific policy and process, in consultation with appropriate faculty governance groups. The bonus policy must be approved by IUPUI Finance and Administration.

Faculty bonuses at IUPUI differ from annual merit raises in terms of the source and process for funding. RC leaders recognize annual meritorious contributions during annual pay increase opportunities. A one-time cash bonus may be awarded no more than once every fiscal year in recognition of extraordinary accomplishment in service, teaching, research, and/or creative activity.

Cash bonuses cannot replace raises but are awarded in addition to raises. Raises should be awarded equitably and independent of any cash bonus award. Bonuses may not be given from funds that are intended for yearly raises. Bonus awards, like salaries, must be a matter of record made available upon request. The percentage and amount of each awarding RC's budget allocated to such bonuses annually must be available upon request.

## Procedures

Only full-time appointed faculty members are eligible for faculty bonuses.

Calculation of faculty bonus:

- 10 percent of individual's base salary is the maximum for faculty bonuses (base salary is defined by the IU School of Medicine as core plus adjustable).

Process for determining faculty bonus:

- Each RC must develop its own policy and guidelines for faculty bonuses.
- Policy and guidelines must be approved by the RC's faculty governance group.
- Faculty bonus policy and guidelines must be filed with IUPUI's Office of the Executive Vice Chancellor and Chief Academic Officer.
- Faculty bonus policy and guidelines must be approved and administered by IUPUI Finance and Administration.
- Bonus pay is distinct from research incentive pay and extra compensation.

## History

This policy replaces the Policy for Cash Bonuses for Academic Appointees at IUPUI as passed by the IUPUI Faculty Council in May 2003.

Revised by the IUPUI Faculty Council Faculty Affairs Committee and presented to the Faculty Council on May 5, 2015.