



MEDICAL LEGAL & CONSULTING INCENTIVE RESERVE FORM (LEG)

Department: _____ Division: _____

CU Medicine, in compliance with IRS regulations, allows faculty to “forfeit” income or earnings for use in funding appropriate mission-related expenses. To be exempt from personal tax, the IRS requires any election of this nature be made in advance of the earnings period in which the individual may be eligible for payment.

For medical legal and consulting income earned, a faculty member can be reimbursed up to \$10,000 less University payroll expenses of 10% retirement and 1.45% Medicare Tax per fiscal year and up to \$20,000 less payroll expenses, if approved by the Department Chair. If allowed per the Department incentive plan, additional incentives exceeding the established limit may be processed. The following policy and filing dates apply to any faculty election to reserve future earnings for mission-related expenses.

Incentive Reserve Form Due Dates

Incentive Earnings Period

Reserve Form Due Date

July – June

June 30 (Prior to Incentive Earnings Period)

If this form is not received by CU Medicine Finance by the due date, then all incentive payments will be paid or the prior designation will be applied (if applicable).

Election for med/legal & consulting incentives processed up to the limit established by the Dept Chair:

I would like to place \$_____ or _____% (whichever is greater), of the allowed distribution of my medical legal and/or consulting incentive payment into the following account (***select one***):

___ Operating (for use as salary support) or ___ Discretionary (for future mission-related expenses)

Election for med/legal & consulting incentives above established limit, if allowed by the Dept’s Incentive Plan:

I would like to place \$_____ or _____% (whichever is greater), of my medical legal and/or consulting incentive payment in the department/division’s discretionary account.

By signing this reserve form, I understand:

- The reserve dollars cannot be paid out as an incentive at a later date.
- I cannot revoke or make changes to this designation during the current incentive earnings period. Any revocation or change will take effect for the next earnings period.
- Any equipment purchased with reserve funds is the property of CU Medicine, not my personal property.
- If I leave the University, any funds remaining in the department’s reserve account will be forfeited.

This designation for LEG incentives is (check one):

Ongoing – Designation will be applied to all incentive payments until a new designation is received.

Annual – Designation will be applied to all incentive payments made during the upcoming fiscal year.

Print Name: _____ Date: _____

Signature: _____