**Supplemental Compensation From**

**Sponsored Projects during the Academic Terms**

***Policy and Procedures***

# Overview

The purpose of the Sponsored Programs Supplemental Compensation policy is to clarify circumstances when a JU employee may receive additional (supplemental) compensation for work on externally funded sponsored programs that is performed during the academic term.

# Policy

Active participation in research and sponsored programs may require additional work beyond the scope of a regular full-time employee. A traditional full-time employee will require work 5 days per week on average, which determines base compensation. Generally, additional compensation from grants and contracts is not allowed during the academic semesters unless specific conditions are met as described in this document. Sponsored program funds should be used to release/re-assign employees from their typical duties for temporary work on a sponsored project during the academic year for 9-month appointees or anytime for those on 12-month appointments.

In those instances when it is not possible for an employee to be released from their regular University duties to undertake **sponsored activities performed during the academic term**, payments of supplemental compensation may be permitted up to an additional day’s work per week during the academic appointment. All supplemental compensation will be at the rate of pay reflected in the individual’s Institutional Base Salary (IBS).

# Eligibility for Supplemental Compensation

Allowability of the supplemental compensation mechanism and eligibility for who may receive it varies depending on the **source** of the sponsored program funding:

**Federal & Federal Flow-Through Sponsored Projects (such as the NIH or NSF):**

1. 12-month faculty/staff ***are not typically*** paid supplemental compensation on federal grants, but instead usually receive a percent of release time from their normal duties to be entered through a pay funding change which results in salary savings to the department. There may be **rare** cases where 12-month faculty or staff may receive supplemental pay if work is considered outside normal work hours and duties, subject to the guidance outlined below in section C.
2. 9- or 12-month faculty or staff who are functioning in a consultant role *during the academic term* are eligible if all the following conditions are met:
   1. Consulting must be allowed by and is subject to any conditions set by the sponsoring agency.
   2. Consulting must be across departmental lines.
   3. Supplemental compensation for the academic term cannot exceed the faculty member’s daily rate of pay. The maximum amount to be earned for the academic term is 20% of the individual’s IBS.
   4. Supplemental compensation cannot be allowed if the faculty member is listed in the proposal and/or budget as principal investigator or senior/key personnel.
   5. Supplemental compensation must either be specifically provided for in the approved budget or JU has received prior written approval by the awarding agency.

**Non-Federal Sponsored Projects**

**For non-federally sponsored funds, the institution has more discretion in considering special circumstances under which supplemental compensation may be approved.** JU typically follows the requirements outlined above for federal funding, with the following exceptions:

* 1. **Individual investigators and senior/key personnel roles** may receive additional compensation from non-federal sponsors.
  2. Effort compensated via additional compensation with non-federal funds does **not** have to occur across departmental lines.

# Procedures for supplemental compensation during the academic term

1. Ensure that the employee’s contributions to a sponsored program are in addition to the normal University workload and are short term in nature.
2. Ensure the Principal Investigator has specifically requested from the sponsor that supplemental compensation be paid, and the ORSP has received written approval from the sponsor authorizing the payment. The proposal to the sponsor should include the employee’s name, the position, the task for which the compensation will be paid, amount of the payment, how it is calculated, and the time period in which the work will be performed. Generic terms, such as “salaries,” “overload,” “personnel services,” “stipend payments,” etc., may not be used as requests for additional compensation. Requests for additional compensation must be clearly labeled “extra compensation” in the budget of the proposal. No extra service pay can be disbursed from the award until Jacksonville University receives written approval from the sponsor agency.
3. The employee will be paid the IBS equivalent up to one (1) additional day of work per week during the term of the approved supplemental compensation. This will be paid at the regular non-benefited, non-overtime rate.
4. Total additional compensation for work performed during the academic term does not exceed 20% of the employee’s annual IBS. Note that the 20% limitation applies to the total for the academic year and not to each request. Example: IBS @ $80,000 x 20% = $16,000 maximum the faculty member can be paid in supplemental compensation during the academic year.
5. The policies of a sponsoring agency shall govern supplemental compensation when they are more restrictive than the JU policy.
6. Payment for additional compensation is processed by the College submitting an HRAF to the Office of People and Culture with approvals from the Dean and ORSP.
7. Additional compensation should be processed after the work has been performed and will be paid out in one lump sum.

**Maximum supplemental compensation allowable by source per academic year**

|  |  |  |
| --- | --- | --- |
|  | **9 Month Employee, Fall/Spring terms** | **12 Month Employee** |
| **Federal Source** | N/A | N/A |
| **Federal Exception** | 20% | 20% |
| **Non-Federal Source** | 20% | 20% |

Calculating daily rates of pay for supplemental compensation during the academic term:

9-month faculty

Daily: divide IBS by 160 days (16 weeks/semester = 80 days x 2 = 160 days)

Example: IBS = $50,000/160 days = $312.50/day.

Maximum allowable at 20% of IBS = $10,000

$10,000/$312.50 per day = 32 days maximum per academic term for supplemental comp.

12-month employees

Daily: divide IBS by 235 days (16 weeks +16 weeks +15 weeks = 47 weeks x 5 = 235 duty days)

Example: IBS = $80,000/235 days = $340.42/day

Maximum allowable at 20% of IBS = $16,000

$16,000/$340.42 per day = 47 days maximum per academic term for supplemental comp.

# Definitions

**Supplemental Compensation**: Compensation paid by the university beyond the established monthly base salary of the employee for short-term work that is performed outside of the typical scope of work or job duties. The work is above and beyond the individual’s normal job responsibilities and is not otherwise defined under the individual’s appointment and/or their 100% effort distribution. The supplemental compensation is paid at a straight-time rate (as opposed to overtime rate) and is non-benefited.

**Faculty**: a full-time faculty member is one whose major employment is with the institution, whose primary assignment is in teaching and/or research, and/or whose employment is based upon a full-time faculty contract.

**Faculty Appointment (contract period):** the period for which faculty is compensated for duties related to a regular teaching load. Load for full-time 9-month faculty is 24 credit hours per academic year, which may be four 3-credit courses per semester, and load for 12-month faculty is 30 credit hours per year, which may be four 3-credit courses each fall and spring and two 3-credit courses during the summer session or a combination thereof.

**Faculty Appointment (outside the contract period):** for 9-month faculty is generally the period from May 1 through August 1.

**Faculty Institutional Base Salary:** annual permanent salary of the employee as it appears in the individual’s employment contract or subsequent letters of notice of salary increase/decrease for time spent on teaching, research, or other normal workload activities. For example, a faculty member has a 100% appointment for 9 months for $45,000. The institutional base salary rate is $45,000 for 9 months, or $5,000 per month, The IBS excludes any income an individual is permitted to earn outside of duties for Jacksonville University.

**Sponsored Programs:** externally funded activities that are governed by specific terms and conditions. Sponsored projects must be separately budgeted and accounted for subject to terms of the sponsoring organizations. Vehicles for sponsored projects may include grants, contracts, cooperative agreements or other instruments for conducting research, training, instruction, and other public service activities.

**Principal Investigator:** the employee, typically faculty, who is the lead researcher/program director on a sponsored program.

**Co-Principal Investigator**: the employee, typically faculty who is the co-lead researcher/program director on a sponsored program across department lines from the Principal Investigator.