



## FACULTY & STAFF SUPPLEMENTAL COMPENSATION

**Policy Title:** Faculty & Staff Supplemental Compensation

**Policy Type:** Administrative

**Policy Number:** #38-03 (2014)

**Approval Date:** 07/01/2015

**Responsible Office:** Sponsored Programs

**Responsible Executive:** Provost and Vice President for Academic Affairs

**Applies to:** Full-time instructional, administrative/professional faculty and staff

### POLICY STATEMENT

This policy provides opportunities to enhance the recruitment and retention of exceptional faculty. The University encourages appropriate and properly sanctioned faculty creative and professional activity that may result in supplemental compensation. Such appropriate activities include, but are not necessarily limited to research, professional consulting, invention, and technical or professional innovation. The defining characteristic of these activities is that they are supported by funds outside of Education and General (E&G) money. This policy should be read in conjunction with the University policy on contracts for Teaching Faculty and the policy on employment generally for Administrative and Professional Faculty (See section 5.11 of the University’s Teaching Faculty manual, May 4, 2012 edition, and “Employment,” Administrative & Professional Faculty Handbook, January 1, 2002, pg. 11, et seq.). The intent is that this policy will supersede current policy and/or practices.

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## **DEFINITIONS**

**Staff:** For the purposes of this policy, “Staff” excludes all non-exempt employees, who perform additional work related to their University responsibilities in addition to the 40-hour workweek, such as clerical, service staff, and hourly workers. Those positions are to be paid overtime. These positions generally perform operational functions such as routine clerical, maintenance work, and checking and inspecting equipment. Exempt employees do not receive additional compensation for work related to their University responsibilities or for additional duties as assigned within the scope of their position.

## **CONTACTS**

Sponsored Programs officially interprets this policy. Sponsored Programs is responsible for obtaining approval for any revisions as required by BOV Policy # 01 (2014) Creating and Maintaining Policies <https://www.nsu.edu/Assets/websites/policy-library/policies/01/BOV-Policy-01-Creating-and-Maintaining-Policies.pdf> through the appropriate governance structures. Questions regarding this policy should be directed to Sponsored Programs.

## **STAKEHOLDERS**

Faculty/Staff and Administrators

## **FACULTY & STAFF SUPPLEMENTAL COMPENSATION: POLICY CONTENTS**

### **COMPENSATION UNDER SPONSORED PROGRAM ACTIVITY**

Faculty members with funded grant or contract activities can receive supplemental compensation unless it is specifically prohibited by the funding agency. If a grant or contract does not allow compensation concurrent with a regular appointment, faculty may only receive release time. Charges for work representing supplemental compensation above the base salary are allowable, provided that such consulting arrangements are specifically provided for in the agreement or pre-approved in writing by the sponsoring agency. Work performed is overload, documented, and approved by appropriate supervisors.

### **MECHANISMS FOR COMPENSATION**

(a) Traditional overload payment, as currently used for credit and non-credit instruction. Such payment could be made under the existing standard faculty contracts if such payment is specifically permitted by university policy and regulations.

(b) The flexible employment contract, with specific provisions governing compensation for specific types of faculty activity that is above and beyond basic contractual workload; and

(c) Norfolk State University Research & Innovation Foundation (NSURIF) for the conduct of appropriately designed and approved activities of the type to be encouraged by the University.

## **APPROVAL PROCESS**

PI/PD wishing to retain an individual for nominal effort on an approved project must first seek and obtain approval to use the individual prior to him or her commencing the work. A supplemental work authorization form is available for this purpose from Sponsored Programs. PI/PD must also ensure that the individual to be contracted satisfies the Code of Federal Regulations requirement regarding intra-University consulting.

Faculty members, who intend to engage in short-term grant or contract work (i.e. faculty members who are not recognized as grant administrators, or PI/PD) must complete and sign the Authorization for Supplemental Sponsored Programs Related Supplemental Compensation for Project Investigators/Program Directors and secure the appropriate signatures prior to engaging in the work.

Opportunities, methods, resources, and/or client populations among different departments may require flexibility and/or variation in and/or procedures from one part of the campus to another. Hence, school deans and department chairs are encouraged and expected to be flexible and creative in the utilization of available techniques, mechanisms, and incentives to encourage, monitor, and evaluate faculty activities that call for supplemental compensation.

Should any individual(s) engage in such activities to the extent that their basic faculty and staff workload responsibilities are being neglected or not performed in a satisfactory manner, it should be the responsibility of the unit head, department chair and/or dean to take appropriate corrective action, including placing reasonable limits on the extent of future involvement in such supplemental compensation activities.

The principal responsibility for development and administration of such endeavors is at the unit or college level, with appropriate reporting to and oversight by the appropriate Vice President.

## **PAYROLL RELATED ISSUES**

Base Pay: Incentives cannot be added to the faculty's base pay. Incentives are considered income for the faculty and will be taxed accordingly. The University will not increase incentive total by the amount of payroll taxes normally deducted from the faculty's pay.

Short term sponsored program activity that is undertaken concurrent with regular appointment, and is permitted by the funding agency, may be compensated on an overload basis if and only if the time spent on the activity constitutes no more than 20% of the days in the faculty or staff member's normal work week across all funding sources. Hence, any sponsored program work effort that does not exceed the equivalent of 1.0 days (20% x 5 days) per work week can be

compensated as overload work. This translates into about 1 month per academic year and 3 summer months that can be compensated. However, if the work effort is in excess of this threshold, then the faculty member can only seek and be awarded a release time.

Faculty members who have been assigned to sponsored program activities on an annualized appointment shall be compensated no more than 20% or 8 hours per week across all funding sources of their base salaries.

### **PAYMENT SCHEDULE**

Faculty/Staff member's payment of incentive will be paid over the regular University pay schedule.

### **PUBLICATION**

This Policy shall be widely published and distributed to the University community. To ensure timely publication and distribution thereof, the Responsible Office will make every effort to:

- Communicate the policy in writing, electronic or otherwise, to the University community within 14 days of approval
- Submit the policy for inclusion in the online Policy Library within 14 days of approval.
- Post the policy on the appropriate SharePoint Site and/or website; and
- Educate and train all stakeholders ad appropriate audiences on the policy's content as necessary. Failure to meet publication requirements does not invalidate this policy.

### **REVIEW SCHEDULE**

- Next Scheduled Review: 04/26/2021
- Approval by, date: President, 07/01/2015
- Revision History: 07/24/2014; 04/26/2018
- Supersedes: University Policies & Procedures No 15 Sponsored Programs Faculty & Staff Supplemental Compensation

## **RELATED DOCUMENTS**

1. Uniform Guidance: <https://www.ecfr.gov/>

## **FORMS**

1. Supplemental Pay Form: <https://www.nsu.edu/Academics/Faculty-and-Academic-Divisions/Schools-and-Colleges/School-of-Graduate-Studies-and-Research/Sponsored-Programs/Forms>