



## RESEARCH SUPPLEMENTAL COMPENSATION POLICY

**Policy Title:** Research Supplemental Compensation Policy

**Policy Type:** Administrative

**Policy Number:** Administrative Policy # 35-10 (2022)

**Approval Date:** xx/xx/xxxx

**Responsible Office:** Graduate Studies and Research, Office of Sponsored Programs

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

**Applies to:** Faculty and Administrators

### POLICY STATEMENT

The faculty and administrators research supplemental compensation policy serves to establish consistency and transparency in the payment of additional compensation to Norfolk State University faculty and administrators providing research related professional services to the University. This policy addresses the circumstances under which supplemental compensation is appropriate for employees supported by research funds, the eligibility criteria, and the approval process. It serves to clarify the different compensation types and how and when to apply them.

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### DEFINITIONS

**Base Appointment Period:** The contract period for faculty member appointments is generally either a) nine-month Academic Year appointments, from August through May, or b) twelve-



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month appointments; specific dates are determined by the individual faculty member employment contract.

***Funding Source:*** Funds used to support the faculty/administrative appointment can be restricted or unrestricted. Restricted funds are reserved for a specific purpose (e.g., government sponsored research funds), whereas unrestricted funds do not have a defined purpose (e.g., general funds received from the Commonwealth).

***Institutional Base Pay (IBS):*** The annual salary (i.e., calendar or academic year) included in the faculty member's appointment contract. IBS excludes supplemental payments, incentive payments, or stipends received in addition to an annual salary. The IBS rate is used to calculate the salary cap for faculty research supplemental compensation related to grants. For professional research faculty, the IBS includes the responsibilities of research activities including proposal grant writing, sponsored research, and research development.

***Research Supplemental Compensation:*** The additional compensation for research related duties that are performed outside of regularly assigned responsibilities with significant time commitments in addition to normal job functions. These commitments may be temporary in nature, during normal work hours, or outside of the normal appointment period or regular work hours. Research supplemental compensation should not occur regularly, and it is the role of research faculty to ensure they structure their involvement in outside activities around their normal job function to avoid compromised performance of primary duties.

***Stipend:*** The additional compensation for administrative work that is performed in conjunction with regularly assigned duties during the contract period and normal work hours. Stipends are benefits-eligible, must be approved in advance by Deans, and are subject to approval by the Provost. They are one-time payments for limited periods of time. Stipends may be received for the following: recognition of service to the University in the form of teaching, research, or public service; as a form of compensation for those receiving internally funded research awards; participation in curriculum development activities; short-term assignment to an administrative interim appointment; or one-time faculty professional development award.

***Overload Payments:*** Payments issued for additional teaching duties beyond the regularly expected workload of instructional faculty. This applies in extremely unusual circumstances (e.g., last minute coverage for a faculty member on emergency medical leave, or lack of alternative instructors to teach a scheduled course). Overload payments should be approved in advance by the Dean and Provost and should not interfere with the regular commitments of the faculty member receiving the payment. Faculty receiving release time supported by sponsored funds are not eligible to receive overload duties or payments.

***Summer Pay:*** Additional compensation paid to nine- or twelve-month instructional faculty who teach a course or conduct research during the summer session. Summer pay must be approved by



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the dean of their school and chair of their department. Twelve-month faculty are compensated for any summer work by a stipend. Nine-month faculty are compensated for any summer work on a sponsored program by the terms of the sponsoring entity not to exceed 133% of their IBS during the full calendar year.

***Fringe Benefits:*** Fringe benefit rates are calculated by personnel classification, are based on a percentage of salary, and apply across all sponsored projects. They include health insurance, social security retirement, and worker's compensation. Norfolk State University's indirect cost rate agreement defines the fringe benefit rate for all full-time employees (i.e., at least 75% full-time equivalent, or FTE) that is used for grant proposals. A separate fringe benefit rate is established for part-time employees. Fringe benefits are required to be charged to the grant in addition to salaries.

***Sponsored Effort:*** The percentage of work time to be devoted to a project. Effort must be feasible in conjunction with other University duties and must accurately reflect the amount of time spent on and the actual work performed for a project. Unless the faculty member has reached a salary cap, the percentage of salary which should be charged to the grant must equal the percentage of effort, which cannot exceed 100%.

***Salary Cap:*** The maximum limit on the salary and wages that can be received from sponsored research awards funded by governmental agencies. The salary cap applies to the institutional base salary and should be a flat rate across budget years.

### **CONTACT(S)**

Graduate Studies and Research, Office of Sponsored Programs officially interprets this policy. Graduate Studies and Research, Office of Sponsored Programs is responsible for obtaining approval for any revisions as required by BOV Policy # 01 (2014) *Creating and Maintaining Policies* through the appropriate governance structures. Questions regarding this policy should be directed to Graduate Studies and Research, Office of Sponsored Programs.

### **STAKEHOLDER(S)**

Faculty and Administrator

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This policy serves to identify eligibility for research supplemental compensation and establishes the method for receiving authorization.



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### **Eligibility**

Faculty are eligible to receive research supplemental compensation if additional activities benefit Norfolk State University and do not interfere with the role and job responsibilities of the primary position. The activity must be outside the scope of normal work requirements and not regularly used to supplement individual salaries.

- Research supplemental compensation is available for full-time faculty supported by unrestricted sponsored program funds.
- Part-time faculty on sponsored projects may be compensated at the rate paid for the regular part time assignment for the percentage effort assigned to the project.
- Faculty supported fully by restricted sponsored research funds cannot receive research supplementary compensation support from awards that serve as the source of funding for their primary appointment.
- With prior approval by the department chair and dean, 12-month faculty may be released from teaching duties to work on grant-funded activities if the grant covers the salary associated with the faculty's effort.
- Alternative arrangements should be considered first for faculty teaching courses that exceed their normal course load before requests for research supplemental compensation are submitted during the academic year.

### **Research Supplemental Pay Uses**

This policy governs all additional research related compensation requests regardless of source (e.g., University fund sources, non-federal sponsored funds, or federally sponsored funds) and is in full compliance with federal and state regulation in accordance with the OMB Uniform Guidance.

Faculty are eligible to receive research supplemental compensation for assignments where they serve to advance the mission of Norfolk State University, in which they are expressly qualified, and that fall outside of the expectations that are normally associated with their position. Faculty actively participating in research and other sponsored programs may extend additional effort beyond that of the traditional workload. Prior to requesting research supplemental compensation, employees should ensure that there are no conflicts of commitment, and that the additional duties they perform are feasible within their capabilities (or something other than the word "workload" as it's confusing in this sentence) and do not interfere with the capacity to meet the expectations of their primary position stated in the employment or faculty appointment letter.

Percentage of effort during a faculty member's contract period must not exceed 100% per OMB Uniform Guidance regulations. Faculty salary charged to a grant during the academic year will thus replace the amount paid to the faculty member from the University operating budget.

Research supplemental compensation from grants is generally not allowed during the academic semester. Research supplemental compensation *during the academic semester* is only allowable



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when it has been budgeted and the sponsoring agency has approved the request.

Administrative and Professional Faculty members working on federally sponsored grants may receive compensation via stipend as stipulated in the grant award.

### ***Faculty Working on Non-Government Sponsored Grants***

Faculty may also receive supplemental compensation for research that is privately funded during the academic year if the grant is not connected with any federal or state commitments, and the pay is budgeted with the sponsor and confirmed.

### ***Faculty Working on Federal or State-funded Research***

Payments of research supplemental compensation from *federal or state-funded grants* may be allowed when all the following criteria are met:

1. Work is outside of the traditional job duties in the employee's primary appointment.
2. Work does not present a conflict of interest with the regularly assigned duties of the faculty member.
3. Work is addressed within the sponsored agreement or has been approved in writing by the sponsoring agency.

The use of research supplemental compensation for faculty on externally funded projects must not be in any direct conflict with regulations which govern the use of the funds.

Research supplemental compensation must not be used as a bonus or as a reward for performance.

### ***Stipend Payments***

Stipends may be used to meet the specific needs of the department, school, or University. These may apply to non-standard teaching activities and sponsored projects performed during any part of the year. Stipends may also be allowable for faculty developing new distance learning programs or participating in service that is not considered routine (i.e., participation in a summer institute or lead/develop a new initiative). These payments must be reviewed by the dean and Provost in *advance* of work being performed. A justification memorandum of the payment request, the compensation amount, and the duration of the activity must be submitted for review and approval by the dean and Provost. Amounts for stipends must be computed based on the effort devoted to the activity.

### ***Processing Payments***

Supplemental compensation cannot be considered in base pay. Supplemental compensation payments should be processed as employee compensation and will be subject to federal and state tax withholdings.

The University will not increase supplemental compensation to offset payroll taxes.

Administrative and Professional faculty members who have secured sponsored program activities shall be compensated no more than 133% of their IBS across all funding sources of their base



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salaries.

Short-term sponsored program activity that is undertaken concurrent with regular appointment, and is permitted by the funding agency, may be compensated and cannot exceed 133% separately or combined. A faculty member should seek release time prior to requesting research supplemental compensation.

### **ROLES AND RESPONSIBILITIES**

*Faculty Members:* Prepare proposals, complete research supplemental compensation authorization request forms (refer to Related Documents and Forms) and submit to their Chair and Dean for approval.

*Chairs of Departments:* Verify that the work needs to be performed, the research supplemental compensation authorization request is eligible to be considered a research supplemental payment or stipend and confirm the availability of funds.

*Office of Sponsored Programs:* Cross-checks identification of funds and ensures compliance with the rules and regulations of the award, reviews research supplemental compensation authorization requests and recommends approval of the request for payment.

*Grants and Contracts Accounting:* The Office of Grants and Contracts Accounting should create reports to identify research supplemental compensation payments charged to sponsored accounts and ensure compliance with policies. If the charges are not in compliance, they must be removed from the account within 90 days to avoid audit issues.

*Office of the Provost:* Reviews and approves the requests for research supplemental compensation as documented on the research supplemental compensation authorization form.

*Office of Planning and Budget:* Confirms the availability of funds for research supplemental compensation as documented on the research supplemental compensation authorization form and ensures that the payment does not exceed the IBS rate.

*Office of Human Resources:* Processes the completed, signed, final research supplemental compensation authorization forms for payment and maintains a record of the research supplemental compensation payments.

### **PAYMENT SCHEDULE**

Faculty/Administrator member's payment of research supplemental compensation will be paid over the regular University pay schedule.



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### **EDUCATION AND COMPLIANCE**

The Responsible Office will make every effort to educate and train all stakeholders and appropriate audiences on the policy's content as necessary.

All stakeholders have a shared responsibility for complying with this policy and the federal government framework for grants management, commonly called Uniform Guidance.

### **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.

Failure to meet publication requirements does not invalidate this policy.

### **REVIEW SCHEDULE**

- Next Scheduled Review: MM/DD/YYYY
- Approval by, date: Board of Visitors, MM/DD/YYYY
- Revision History: MM/DD/YYYY
- Supersedes:

### **RELATED DOCUMENTS**

Uniform Guidance: <https://www.grants.gov/learn-grants/grant-policies/omb-uniform-guidance-2014.html>

### **FORMS**

1. Office of Sponsored Programs Forms: [Sponsored-Programs/Forms](#)



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2. Supplemental Pay Form: [Authorization-for-Sponsored-Programs-Related-Supplemental-Compensation-for-PIs-PDs,-OSP-Form-301,-070119.pdf](#)