

Classification and Compensation: Additional Compensation

Subject:	University Human Resources
Policy:	Additional Compensation
Effective Date:	January 1, 2019
Revised:	
Review Date:	Three (3) years from Effective Date above
Responsible Party:	University Human Resources
Applicability:	This policy applies to full-time faculty and overtime exempt employees

1. INTRODUCTION AND PURPOSE

It is recognized that there are circumstances in which it is necessary for employees to take on additional responsibilities and provide additional services to the university on a temporary basis. The purpose of this policy is to set forth the limited circumstances in which faculty and overtime exempt employees may be approved to earn compensation that exceeds the employee's institutional base salary.

2. COMPENSATION IN EXCESS OF BASE SALARY OR CONTRACT SALARY

Payments made to employees from university-controlled funds in excess of the employee's institutional base salary will be considered additional compensation. University-controlled funds are any monies from state-appropriated funds, fees and tuition, designated accounts, auxiliary services, grants, contracts, gifts and donations, and any other funds which are controlled and managed by the university. There is no right to receive additional compensation and such compensation will only be approved for the reasons, and only upon advance approval, as outlined in this policy.

3. APPROVAL

In those circumstances in which there is a need to provide additional compensation, approval for additional compensation must be obtained in advance of payment. Approval for additional compensation is expressly conditioned on compliance with university policy, the availability of funds, and a determination that the limited use of additional compensation is in the best

interest of the institution. Requests for additional compensation may be denied or, once approved, suspended or removed at any time upon five (5) days' notice. The university has priority claim on the working time of full-time faculty and staff. Therefore, when faculty members or staff undertake additional activities, whether university-sponsored or not, they must ensure their assigned duties are fulfilled. Any payment of additional compensation must be approved by the department head/supervisor, dean/director, and the applicable Vice President.

4. TYPES OF ADDITIONAL COMPENSATION

a. Recognitional Awards, Endowed Chairs, Regents Professors, Named Professorships

The university may occasionally wish to recognize outstanding faculty members or employees with additional compensation. Such compensation will vary in amount and duration depending, in part, on the intent of the donor, the availability of funds, and the criteria established for the award.

b. Off-Campus Assignment Allowance

Faculty members and exempt employees are sometimes on university-approved assignments in other states within the United States or international locations and may incur increased costs of living. In such cases it may be appropriate to provide a temporary cost of living differential for the duration of the assignment.

c. Compensation for a Temporary Increase in Responsibility

When an interim assignment results in greatly increased responsibility for a faculty member or exempt employee, additional compensation may be appropriate for the duration of the assignment.

d. Summer Employment of Faculty

The university may hire faculty members on AY contracts for specific duties, including teaching or research, during the summer months. The salary of a faculty member appointed to a teaching assignment during summer session may not exceed 2/9ths of the AY salary. [See, BOR Policy 802.3](#). Faculty may engage in research using grant funds during the summer. The maximum amount that may be earned during the summer from all sources is 3/9ths of the faculty member's AY salary.

e. Special Assignments/Projects

The university may assign employees to perform special professional services such as participation in a teaching program of another unit or department, teaching in an Honors Program, or participation in a specially funded project which is clearly beyond the normal assignments for an individual, including privately sponsored research.

5. LIMITATIONS

- a. No employee may be paid additional compensation for providing to the same clientele the same services that are part of their assigned university duties. For example, no faculty member may receive additional compensation for tutoring students of the university.
- b. Teaching assistants may not receive additional compensation for tutoring students in any course in which they have any responsibility.
- c. Additional compensation is a temporary adjustment of salary and is not intended to be of long duration. Additional compensation is not an increase to an employee's institutional base salary.
- d. Normally, no additional compensation will be approved for teaching a course above a faculty member's usual teaching load. Teaching loads may vary depending on the department's needs.
- e. When it is necessary to provide additional compensation to a faculty member for a university-sponsored activity for which faculty release time cannot be obtained, the compensation should be based on the work to be performed. Additional compensation paid for special assignments/projects may not exceed 20% of the employee's base salary during the period for which additional compensation is approved.

The university has priority claim on the working time of full-time faculty and staff. Therefore, when faculty members or staff undertake additional activities, whether university-sponsored or not, they must ensure that their assigned duties are fulfilled.

6. FEDERAL GRANT FUNDING

The Office of Management and Budget has adopted regulations which limit the circumstances under which additional compensation may be paid, in whole or in part, from all federally funded projects, including those for which funds received by the university are from another entity, *e.g.*, from a state agency or other university that has received federal funds for the project in question. The regulations impose restrictions on the payment of additional compensation on projects sponsored with federal funds.

In no event will charges to sponsored agreements, irrespective of the basis of computation, exceed the proportionate share of the base salary for that period. This principle applies to all members of the faculty at an institution. ([2 CFR 200.430 \(h\)\(2\)](#)).

Intra-university consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full-time base salary. This principle also applies to faculty members who function as consultants or otherwise contribute to a sponsored agreement conducted by another faculty member at the same institution. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the consultant is in addition to their regular departmental load, charges for such work representing additional compensation above the base salary are allowable if such consulting arrangements are specifically provided for in the agreement or approved in writing by the sponsoring agency. ([2 CFR 200.430 \(h\)\(3\)](#)).

The university will pay additional compensation from federal and state pass-through funds only as allowed by federal regulations.