

Grant and Contract Accounting Office Compensation from Externally-Sponsored Projects

Purpose

This guidance delineates the guidelines for compensation paid to faculty and classified/exempt staff from externally-sponsored projects (grants and contracts) to ensure consistency across funding sources as well as adherence to state and federal laws, rules and regulations, university policies and procedures, and applicable collective bargaining agreements.

Persons Affected

This guidance applies to university faculty and classified/exempt staff.

Guidance

If permitted by a specific externally-sponsored project, regulation and university policy, an employee may receive compensation for personal services directly related to the project in the form of direct salary or additional compensation. The form and amount of compensation depends upon:

1. Workload status of the employee (part-time or full-time);
2. Type of work performed;
3. Employee status (tenured, tenure-track, adjunct, exempt, classified); and
4. Timing of work performed (AY or summer);
5. Approved sponsor budget and regulations.

Direct Salary

Compensation from externally-sponsored projects is paid as a portion of the institutional base salary (IBS) for *actual work performed* on the sponsored project from which the salary is paid. Compensated services must be performed during the project's period of performance and if federally supported will be captured in effort certification reporting as part of the individual's IBS. Compensation from externally sponsored projects should never exceed the individual's normal IBS rate of pay (2 CFR 200.430).

1. Exempt and Classified Staff – A portion of an individual's IBS may be paid from one or more projects proportional to the effort expended on each sponsored project during the period and/or term the work is performed. Individuals paid 100% from externally-sponsored funds cannot perform any institutional functions outside of their project-related job duties.

2. Tenure/Tenure-Track Faculty (AY) - A full-time faculty member's salary may be paid from one or more externally-funded projects proportional to the effort expended on each externally-funded project during the academic term as such work is performed. This **reassigned or buyout** time releases the faculty member from a portion or combination of teaching, scholarship, and service activities proportional to the level of effort on the sponsored project. If pursued, the faculty member will submit the necessary form to the project's Principal Investigator (PI), their chair and college for review and approval. The applicable department chair, dean and/or provost have the authority to reject the request and/or request additional information supporting the request. If approved, the college under which the faculty member resides will process the personnel action form.

Based upon the faculty collective bargaining agreement, a full-time nine-month assignment of teaching/scholarship and service activities equates to 45 work load units. For externally-funded compensation purposes, paid or cost-shared, the following calculations are utilized:

45wlu = 1 academic year of effort (9/16/XX - 6/15/XX or 9 months)

5wlu = 1 month of effort

1wlu = 30 hours of effort

45wlu = 1,350 hours of effort

4. Tenure/Tenure-Track Faculty (Summer) - If a faculty member's contracted workload is less than 15wlu during the summer term (6/16/XX-9/15/XX), the faculty member may also be paid from one or more externally-sponsored projects proportional to the effort expended if the aggregate remuneration does not exceed 15wlu over the three-month period and allowed by the sponsor. If pursued, the faculty member will submit the necessary form to the project's Principal Investigator (PI), their chair and college for review and approval. The applicable department chair, dean and/or provost have the authority to reject the request and/or request additional information supporting the request. If approved, the college under which the faculty member resides will process the personnel action form

Any aggregated summer remuneration that exceeds 2.5 months or 12.5wlu in teaching/research/other assignments will require an additional 2.5m+ form be signed and routed. Faculty can earn no more than their prorated 9-month salary during the summer term. Externally-sponsored projects cannot be utilized during the summer months to pay for work performed during the academic year and cannot be used to supplement institutional compensation that may be paid a lower rate than the individuals IBS per work load unit.

5. Adjunct and/or Lecturer Faculty (AY and Summer) - A part-time faculty member's salary may be paid from one or more externally-funded projects proportional to the effort expended on each project during the academic term for such work as performed. This

effort will either be categorized by the applicable college as **teaching reassignment** or **additional pay** which would require a separate contract based upon their IBS as specified in the CBA.

Additional compensation

Additional compensation, or extra service pay, refers to salary paid in excess of the IBS for work that is clearly in addition to regularly assigned or contracted duties. To ensure equitable and consistent application of faculty workloads, these guidelines apply to all sponsored project agreements regardless of the source of funding (federal, state, local government, and/or private entities).

1. Exempt and classified staff members are not eligible for additional compensation from externally sponsored projects.
2. The rate of pay shall not exceed the hourly equivalent of the individual's regular IBS.
3. The applicable department chair, dean and/or provost have the authority to reject and/or request additional information supporting any faculty add assignment request. If approved, the college under which the faculty member resides will process the personnel action form.