Additional Compensation for Employees Working on Sponsored Projects

Scope
All University faculty, staff and administrators.

Purpose
The purpose of this policy is to clarify the requirements and procedures for additional compensation paid to employees on sponsored programs.

Exceptions
The policy does not apply to payments made to faculty members on nine-month appointments for work performed during the summer break.

Requirements
The following conditions/requirements must be met before additional compensation will be paid on sponsored programs:

• Federal regulations do not allow additional compensation unless the work being performed on the sponsored project is significantly different from that which the employee performs as part of his or her regular duties AND the work is performed outside the employee’s regular work day. If the employee is to perform grant-related work as part of his or her regular responsibilities or perform the work during the regular work day, then a portion of his or her base salary could be paid for with grant funds, but the salary can not be supplemented with the grant funds.

• Any additional compensation to be paid at any time during the award period needs to be listed in the original proposal budget, budget justification and Project Abstract and Budget Summary (PABS) form as additional compensation. The proposal should include the employee 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.

• If additional compensation was not requested in the proposal as described above, the sponsor has to be informed of the intent to pay additional compensation and sponsor approval has to be provided in writing to the Office of Grants and Sponsored Research (OGSR) (electronic or hardcopy) before work begins. Please note, if funds budgeted for salary buyback are being transferred to pay additional compensation, the approvals of the appropriate dean and the Vice Provost are required prior to soliciting sponsor consent.

• The additional compensation to be paid, when added to all other additional compensation paid to the employee from all sources in the present fiscal year (with the exception of payments for work performed during the summer session by faculty on nine-month appointments), cannot exceed 20% of the employee’s base salary.
If the sponsoring agency is federal or using flow-through funds or requires applicants to meet federal grant requirements, the employee who will be paid additional compensation cannot be a member of the same department as the PI of the sponsored program.

**Additional Compensation Pre-approval Form**

In order to ensure that an employee’s supervisors are informed of the additional compensation, an Additional Compensation Pre-approval Form must be completed and fully signed prior to undertaking the efforts for which additional compensation is requested. The form is available for download on the OGSR website on the policy page and on the St. John’s Intranet via the OGSR forms page. The project director must fill in the appropriate information including recipient employee or faculty member’s name/department, time/effort, rate/amount of compensation and time period/dates that effort will be carried out. The project director must list any other additional compensation from University activities that the employee has received or expects to receive for work performed that fiscal year (with the exception of payments for work performed during the summer session for faculty on nine-month appointments).

If the additional compensation is being requested for a faculty member, the form must be signed by that faculty member, the faculty member’s chair and dean, the project director of the sponsored program, and the Director of the OGSR. If the additional compensation is being requested for a staff employee or administrator, the form must be signed by that employee, the employee’s supervisor, the project director of the sponsored program, and the Director of the OGSR. All signatories verify the accuracy and completeness of the information provided. Once all other signatures have been secured, the Director of the OGSR will review the information and check to ensure that the requested payment meets all requirements. If the request meets the necessary requirements, the Director will sign the form and return a copy for the project director to retain.

**Requesting Payment**

Following the completion of the work, the PI must submit a completed Personnel Change Form (PCF) and a Log of Service to the OGSR. The OGSR will give the final approval before sending all the information to Human Resources to process for payment.