FACULTY EXTRA COMPENSATION

Purpose
The following Process is established to ensure compliance with all federal and sponsor requirements regarding compensation that is charged to a federal project. The Process ensures the accurate identification and reporting of all costs associated with extra compensation (sometimes referred to as “overload”) as specified in the Uniform Guidance in order to prevent disallowance of costs.

Administration
The Offices of Sponsored Programs and Sponsored Accounting are responsible for maintenance and review of this Process with input from the Provost, Vice Provost for Research and the Academic Council.

Specific Application
Since faculty do not have a structured work period that would be analogous to a staff or administrative support person, i.e., faculty typically do not, and are not held accountable to, work 35-40 hour week: thus, the concept of compensation for overload/overtime/extra compensation on a federally sponsored project is not generally recognized. Uniform Guidance at 200.430(h)(2) states that “...in no event will charges to Federal awards, irrespective of the basis of computation, exceed the proportionate share of the institutional base salary (IBS) for that period...and unless there is prior approval by the Federal awarding agency...”

Uniform Guidance does allow for some limited degree of flexibility in the regard by stating at 200.430(h)(3) that “...in unusual cases where consultation is across departmental lines or involves a separate or remote operation and the work performed by the faculty member is in addition to his or her regular responsibilities, any charges for such work representing additional compensation above IBS are allowable provide that such consulting arrangement are specifically provided for in the Federal award or approved in writing by the Federal awarding agency...”

After an award is received and is in progress, the PI might determine that an unforeseen and unplanned event requires the consultation of another Stevens’ faculty whose presence and compensation are best described the verbiage shown above and stated at 200.430(h)(3), i.e., “...across departmental lines...or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities “ then “...charges for such work representing additional compensation above IBS are allowable provided that [it is] approved in writing by the Federal awarding agency.” In these extremely limited cases, extra compensation might be approved but only after submitting an email request to the OSP Account Analyst that describes the need and circumstances. This will be forwarded to the grant or contract official for approval. Otherwise, any Stevens’ faculty presence on a sponsored project is at their base rate of pay (IBS).
PROPOSAL PREPARATION AND SUBMISSION - PI and OSP Preaward
- Specific mention in the proposal body and the budget justification that compensation and effort will be an overload, or extra compensation
- Specific explanation and justification regarding the need for the individual’s presence in order to clearly describe the need for a normally unallowable form of compensation

AWARD RECEIPT OR DURING AWARD – PI and OSP Account Analyst
- Specific identification on the payroll document that this represents extra compensation
- Contact OSP Account Analyst if need is perceived after an award is received
- Ensure additional compensation does not change the technical/fiscal scope of the project
- Write a justification that describes the need for the individual, what has happened to require this person’s presence now, that wasn’t anticipated at the proposal stage

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