

NORTHERN KENTUCKY UNIVERSITY

Requirements for Grant Compensation

Faculty summer pay

Faculty can receive grant compensation during the summer up to a maximum of 2.5 months of their institutional base salary (IBS). This 2.5 months is for the time outside of the faculty academic year contract. The monthly rate is based on the individual's base salary for the previous academic year. See more information on **Faculty Summer Grant Compensation Guidelines** document on Office of the Comptroller or Office of Research, Grants and Contracts website.

Per US Office of Management and Budget (OMB) Uniform Guidance:

Periods outside the academic year. (i) Except as specified for teaching activity in paragraph (h)(5)(ii) of this section, charges for work performed by faculty members on Federal awards during periods not included in the base salary period will be at a rate not in excess of the IBS. (h)(5)(ii): Charges for teaching activities performed by faculty members on Federal awards during periods not included in IBS period will be based on the normal written policy of the IHE governing compensation to faculty members for teaching assignments during such periods.

http://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1&rgn=div5#se2.1.200_1430

Note: As a general policy, the National Science Foundation (**NSF**) limits salary compensation for senior project personnel to no more than two months of their IBS in any one year. This limit includes salary compensation received **from all NSF-funded grants and all types of compensation (reassigned time, supplemental compensation or summer pay)**. Per NKU procedures established by the Office of the Comptroller and the Office of Research Grants & Contracts, the NSF *year* definition used for pre award budgeting and for post award administration is the NSF (12 month) *grant year*.

There are three types of paperwork required for faculty summer pay:

The faculty summer salary request form will need to be completed. This form needs to be completed by all faculty who will receive summer pay on externally funded grants or contracts. This form helps departments determine faculty availability for summer teaching or other University non-grant work. The form is to be completed and signed by the faculty member to receive the summer pay and all of their summer commitments are to be included on the same form. The form will then need to be sent for signature to the PI(s) of the grant(s), the faculty's chair/division chief, dean and provost. The completed form will then be sent to the Office of Comptroller for retention.

Once the fully completed faculty summer salary request form has reached the Office of the Comptroller, an electronic supplemental pay Personnel Action Request form (PAR) must be prepared for the summer pay to be set up in the payroll system. The supplemental compensation PAR is completed in SAP MSS and sent thru workflow for approval of several individuals including the grant PI, chair (of the faculty member to be paid), Beth Sweeney (Provost's office), Office of the Comptroller (Tonya Smiley), and Human Resources.

Faculty summer pay also requires time certification which is a manual process. At the end of August, the Office of the Comptroller will send the faculty summer salary request forms back to the faculty that received summer pay. The faculty must then review the form to confirm it does reflect the actual summer effort they completed. If it does they will sign and date the form & have it signed by the grant PI. If summer pay was for a PI, the form must be signed and dated by the PI and their supervisor. The original signed document should be sent to the Office of the Comptroller, AC601. This will be the required after the fact time certification. If the effort listed on the original form changed during the summer then the faculty will need to contact Tonya Smiley (5264) in Office of the Comptroller to discuss the discrepancies and to determine if any changes need to be made to the grant.

Supplemental compensation for staff or faculty during the academic year

Supplemental compensation for work on grants is an *unusual* occurrence and must have been detailed in the original grant proposal and approved via the grant contract by the funding sponsor. An employee cannot be paid supplemental compensation on a grant for work done during the time they are already working for and being paid by NKU (normal office and teaching hours). For all grants and contracts, supplemental compensation must be based on the individual's base salary. Therefore the supplemental compensation will be paid at the individual's current NKU hourly rate. FICA is the only fringe benefit cost that is applicable to faculty supplemental pay, FICA and KERS are applicable to staff supplemental pay. Since intra-university consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full-time base salary, the principle also applies to faculty members who function as consultants or otherwise contribute to a sponsored agreement conducted by another faculty member of the same institution.

Per US Office of Management and Budget (OMB) Uniform Guidance: *Intra-Institution of Higher Education (IHE) consulting*. *Intra-IHE consulting by faculty is assumed to be undertaken as an IHE obligation requiring no compensation in addition to IBS. However, 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 provided that such consulting arrangements are specifically provided for in the Federal award or approved in writing by the Federal awarding agency.*

http://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1&rgn=div5#se2.1.200_1430

There are two types of paperwork required for supplemental compensation:

If supplemental compensation is approved by the sponsor, an electronic supplemental pay Personnel Action Request form (PAR) must be prepared. Payment can only be made after the work is completed and time documentation is received by the Office of the Comptroller. The supplemental compensation PAR is completed in SAP Manager Self Service (MSS) and sent thru workflow for approval of several individuals including the grant PI, chair/supervisor (of the faculty/staff employee to be paid), Dean/VP, Beth Sweeney (Provost's office), Office of the Comptroller (Tonya Smiley), and Human Resources.

Because the supplemental compensation is for time worked during the academic year but outside of normal office and class hours, very detailed time certification is required. This documentation must include the day worked and the start and end time of the work, and those hours must have been outside of normal class and office hours. It must also include a short description of the work performed, the grant account number and cost center. The documentation must be signed by the employee receiving the supplemental compensation and the Principal Investigator. If the Principal Investigator is the recipient of the supplemental compensation, he or she must sign the time documentation and so must their immediate supervisor. The best practice is to attach this documentation to the electronic PAR.

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