

Additional Compensation Guidelines - Research

Purpose

To ensure faculty additional compensation payments are processed in accordance with Office of Management and Budget Guidance for Grants and Agreements (2 CFR 200) in addition to requirements under BOT Doc. T01-012. The guidelines provided herein are not intended to redefine compensable activities, but rather to establish a means by which systematic authorization is received for such activities and to establish procedures for monitoring the time commitment required to perform the extra assignment.

These guidelines apply to only full-time faculty (Full-time Lecturers, Teaching Faculty, as well as Tenured and Tenure-Track Faculty).

Definitions

With respect to the Policy on Additional Faculty Compensation, the following words shall have the following meanings:

- **Additional compensation** is defined as any compensation paid to faculty by the University in excess of the Institutional Base Salary (IBS). Additional compensation may be paid to faculty for temporary outreach, research, and teaching activities administered, sponsored, co-sponsored, or conducted through the University; conducting workshops, and training outside the home department, taking additional administrative duties such as center directorship or special appointments; and conducting extramurally-funded research. Payment is for work clearly beyond/outside the scope of the faculty member's normal assignments or outside the scope of duties specified in one's individual contract, in an amount appropriate to the allocation of time necessary to complete the extra assignment.
- Outside consulting or other outside remunerated services of a professional nature that don't go through the University are subject to the Policy on Faculty Consulting and Outside Activities (Doc. T96-047).
- A faculty member is an employee of the University whose principal title is Lecturer, Teaching Faculty, Instructor, Research Faculty, Assistant Professor, Associate Professor, Professor, Chancellor Professor, or Commonwealth Professor and any other University employee whose principal duties consist of teaching, research, and/or service/academic outreach.
- Faculty overload may be allowable as a direct charge against sponsored programs in certain limited circumstances pursuant to 2 CFR 200.430 (h) (3).

"Intra-IHE (Institution of Higher Education) 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."

- Sponsored research contract or grant - A contractual arrangement with a federal, state, private, or

other non-university agency under which funds are made available and are administered by the University for a specified research or training project or program.

- Full-time - An employment relationship applicable to Faculty, which requires a commitment of 100% of the individual's normal and expected working time and effort. Full-time employment (i.e., 100% FTE) is generally inconsistent with the acceptance of any other employment on a continuous or permanent basis. (Note: For other purposes, e.g., benefits, "full-time" employment may be defined differently.)

Conditions and Requirements

Faculty members of the University of Massachusetts Dartmouth may receive additional compensation under the following circumstances and conditions:

- A. Any activities undertaken for additional compensation may not interfere with a faculty member's satisfactory disposition of his or her regular assignments and responsibilities.
- B. Faculty members may engage in as much extra activity for additional compensation as is consistent with maintaining a satisfactory disposition of their obligations to the University, as defined and monitored by the department chair and the dean of the school/college. It is the responsibility of the department chair and the dean to ensure that faculty members are meeting their full-time obligations to the institution in a satisfactory way. Deans, in consultation with the department FEC, will determine if department chairpersons are meeting their full-time obligations to the institution in a satisfactory way. Should the dean disagree with the FEC or chairperson(s), the provost will make the final determination on whether faculty member or chairperson is meeting their full-time obligations to the institution in a satisfactory way.
- C. Additional compensation for federally-funded or federal-pass-through research and other contracts must be consistent with federal rules and regulations.
- D. Faculty may receive additional compensation for privately-funded research at rates that were pre-negotiated by the Office of Research Administration with the sponsor at the time of the award of the grant/contract.
- E. Rates of pay for teaching or related services are established by the unit sponsoring the programs with the approval of the Provost.
- F. No faculty member may accept additional duties or additional compensation that would bring him or her into conflict with Chapter 268A of the General Laws (ethics statute).
- G. Salary for services under separately designated assignments must be paid in proportion to the effort expended on each assignment and at the same rate for each assignment.
- H. UMass Dartmouth faculty generally may not be paid as independent contractors by the UMass Dartmouth Foundation. No services (other than those normally associated with the position) shall be provided as an implicit or explicit condition of the receipt of any funds allocated for purposes of additional compensation.
- I. Faculty members may earn a maximum of 3/9ths of their base salary during a calendar year per the University of Massachusetts Board of Trustees Policy T01-12.
- J. Director stipends, internal grant stipends, and Administrative stipends, such as those for department chairs and faculty directors, are subject to the 3/9th summer salary limitation as specified in B.2 below. For calendar year assignments, 3/12th of the total stipend amount is subject to the 3/9th summer salary limitation.

Additional Compensation Guidelines

A. Academic Year Additional Compensation Paid to Academic Year Faculty

1. Additional compensation paid during the academic year appointment period from private sponsors is allowed only if no effort is charged or budgeted to any federal, federal pass-through and/or state sponsors during the academic year. In unusual circumstances, additional compensation for consulting across department lines is allowed on federal and state grants “if work is performed in addition to regular department load and such agreement is specifically provided for in the agreement or approved in writing by the sponsoring agency.” Copy of award and budget page is required to be submitted with an additional compensation form for these unusual circumstances.
2. Additional compensation paid from private sponsors must be evidenced by negotiated rates in the award. Copy of award and budget page is required to be submitted with an additional compensation form.
3. Faculty members must secure written approvals from all levels before engaging in any activity for additional compensation.
4. The approval of the Provost is required for a faculty member to receive additional compensation in excess of the limits (3/9ths of base annual academic year salary for privately sponsored activities and 2.5/9ths of base annual academic year salary for activities involving federal or state funds) during a calendar year.
5. Overload Instruction for Credit Courses in the Academic Year: In certain circumstances (e.g. coverage for another faculty member on emergency medical leave; coverage for enrollment and program growth to meet strategic initiatives such as online programming), the dean and the chairperson can agree to assign additional teaching duties to faculty beyond the departmental standard load. For such overload teaching, additional pay may be approved for faculty, if it does not cause a conflict of commitment with the other duties of the faculty member.
6. Compensation earned for consulting services from entities not associated with the University is not subject to the 3/9ths limit. Such consulting services should use no university resources, including computers, networks, or students. Consulting service activities external to the University must be disclosed to the University through the Outside Activities Disclosure process.

B. Summer Additional Compensation Paid to Academic Year Faculty

CFR 200.430 stipulates that salary for periods outside the academic year

- I. Except as specified for teaching activity in paragraph (A)(5) 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.
- II. Charges for teaching activities performed by faculty members on Federal awards during periods not included in IBS period will be based on the written policy of the IHE governing compensation to faculty members for teaching assignments during such periods.

Full-time faculty members who are not involved in any sponsored grants/contracts during the whole calendar year and who would like to teach courses for overload and in summer should get prior approval from the Provost if the total additional compensation is expected to exceed 3/9ths of their base academic year salary.

1. Summer period is defined as three months for nine-month faculty, beginning June 1 through August 31.
2. Faculty members engaging exclusively in privately sponsored activities through the University during the summer can earn 3/9th of the Institutional Base Salary (IBS) if they work 100% of the summer and do not intend to take a vacation or engage in any other activities that are not directly attributable to the funding source. Academic year teaching overloads, winter intersessions, and summer instructional terms additional compensations are included in the 3/9th rule. In addition, faculty members engaging exclusively in privately sponsored activities through the University during the summer may be paid at rates negotiated with the sponsor that may result in more than 3/9ths of Institutional Base Salary (IBS) paid during the summer period with the approval of the Provost. A copy of the award and budget page must be submitted with the additional compensation form.
3. Faculty members engaging in federal and/or state grants and contracts during the summer are limited to 2.5/9 or 28% of the base annual academic year salary as total additional compensation during that same summer period. The summer additional compensation may include mixes of federal, state, and/or private not to exceed a total of 30% of annual salary. Exceeding the 30% limit requires pre-approval by the Vice Chancellor of Research unless the funding source is exclusively private (see B.2 above). The request to exceed the 30% limit must include a description of the proposed activity (e.g. proposal development) and the funding source to cover the difference (3.33% of the base annual academic year salary, which is approximately 0.4 summer months).
4. Units must secure approvals before the extra work is carried out in order for the faculty member to be compensated for the work. Additional compensation is requested via the Additional Compensation form – Faculty, which can be found on the Human Resources portal.

Compliance and Monitoring

Additional compensation payable from funds administered by the University is permitted only under the conditions specified herein. Any such payments made, for any reason, in violation of this policy and associated Regulations constitute an indebtedness from the recipient to the University.

Frequently Asked Questions

1. Is additional compensation received during the academic year included in the 3/9th rule?

YES. The Board of Trustees policy restricts the total additional compensation from all sources in a given calendar year to 33% (3/9) of the faculty member's Institutional Base Salary (IBS). Exceptions to this rule are covered in A.5 and A.6 above.

2. If I receive three months of summer salary, can I take a vacation?

A faculty member who requests three months of summer salary from a sponsored program must report 100% effort on the project and must therefore forego vacation entirely or any other non-sponsored activities, including grant writing.

3. Can I receive summer salary for work on a sponsored program done during the academic year?

No. A faculty member cannot be paid in the summer period for work that was done on a sponsored program during the academic year. Federal regulations stipulate that summer salary

from sponsored programs must be for actual work performed during summer. During the academic year, faculty members are expected to perform teaching, research, and service. In most situations, a faculty member engaged in research during the academic year is not allowed to charge salary to a grant unless arrangements are made for a course buyout or other specific arrangements are made with the approval of the department chairperson, dean, provost, and the CRO.

4. Are stipends paid to directors, etc., subject to the 3/9th rule?
If stipends are paid for work performed during the calendar year, 3/12th of the stipend (the portion corresponding to summer work) is subject to the 3/9th rule.

An Example

Faculty Scenario

Prof. McDonald's base academic year salary is \$108,000.

While faculty can earn up to 3 months in summer salary, only 2.5 months can be charged to sponsored research, so faculty can participate in other activities such as taking a vacation, writing papers and/or proposals and mentoring students.

Calculations:

Institutional Base Salary (IBS)	\$108,000
Maximum summer stipend that can be earned as ad-comp	\$36,000 (\$108,000/3)
Maximum amount that can be charged to sponsored research	\$30,000 (\$108,000/9 months* 2.5 months)
Maximum amount that can be charged to other sources such as research support funds (indirect), OCE etc.	\$6,000

Non-chair administrative scenario

Prof. McDonald's base academic year salary is \$108,000. Her annual director's 12-month stipend is \$6,000, which is added to her base. Director work takes place throughout the year; thus summer component of the stipend is 3/9.

Calculations:

Institutional Base Salary (IBS)	\$114,000 (Salary \$108,000 + Director Stipend \$6000)
Director stipend that is counted towards summer ad-comp	\$1500 (\$6000*3 summer months/12 months)
Maximum summer stipend that can be earned as ad-comp	\$36,500 (\$114,000/9 - \$1500)

Maximum amount that can be charged to sponsored research	\$31,666 (\$114,000* 2.5 months/9 months)
Maximum amount that can be charged to other sources such as research support funds (indirect), OCE etc.	\$4,833

Chair scenario based on the revised chair MOA

Prof. McDonald's base academic year salary is \$108,000. Her annual chair stipend is \$6,000, which is added to her base. Chairpersons' work includes three total weeks of summer work by contract. The portion of the chair stipend paid for summer work, therefore, is three summer weeks out of a total of 42 weeks per year of chairperson work.

Calculations:

Institutional Base Salary (IBS)	\$114,000 (Salary \$108,000 + Chair Stipend \$6000)
Chair stipend that is counted towards summer ad-comp	\$428 (\$6000*3 summer weeks/42 weeks) : 42 weeks = 39 academic year weeks + 3 summer weeks
Maximum summer stipend that can be earned as ad-comp	\$37,572 (\$114,000/9 - \$428)
Maximum amount that can be charged to sponsored research	\$31,666 (\$114,000* 2.5 months/9 months)
Maximum amount that can be charged to other sources such as research support funds (indirect), OCE etc.	\$5,905

Note: Assuming appropriate disclosures are made and there are no conflicts of interest, she can perform consulting activities outside of the University, and the compensation earned from those activities would not impact the limits calculated in either of the two scenarios above.

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