SAINT LOUIS UNIVERSITY

Policy Concerning
Additive Pay for Faculty on
Sponsored Programs

1.0 INTRODUCTION

OMB Circular A-21 states that intra-University consulting is assumed to be undertaken as a University obligation requiring no compensation in addition to full-time base salary. The exception to this is an unusual case 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 departmental load (i.e., over 100% effort). For example, in certain exceptional circumstances, activities such as statistical analysis, foreign language services, or survey construction and analysis may be eligible for additive pay. In such cases, Circular A-21 provides that charges for work over and above regular compensation are allowable charges to sponsored awards only if such consulting arrangements are specifically provided for in the sponsored agreement or are approved in writing by the sponsoring agency.

2.0 PURPOSE

This policy is intended to clarify and guide the instances in which faculty may receive pay over and above their 100% effort contract salaries from externally sponsored programs. Such pay will be considered additive pay and is to be guided by the following policies and procedures. This policy does not include additional pay faculty may receive for administrative duties such as serving as department chair.

3.0 APPLICABILITY

These guidelines shall be effective for all faculty in any school, college, or department at the University whose salary is supported by externally sponsored programs.

4.0 DEFINITIONS

Additive Pay: Pay that is over and above contract salary amount (i.e., Institutional Base Pay) and is considered to be beyond the scope of regular duties for a faculty member. The rate of additive pay should be consistent with the nature of the task performed but cannot exceed the recipient’s current institutional base pay rate.

Institutional Base Salary: The annual amount specified in a faculty member’s academic year contract for that faculty member’s appointment, whether that time is spent on teaching, research, patient care, service or other scholarly activity. For faculty members

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with multiple compensation sources (e.g., Veteran’s Administration, UMG incentive Clinical pay) the institutional base salary as defined herein includes only the amount identified in the Saint Louis University academic year contract. (Also referred to as Contract Salary.)

Faculty Contract: The document that specifies the faculty member’s period of performance, duties, and base salary.

Contract Period: The period of performance specified in the faculty contract.

Contract Salary (also Institutional Base Salary): The total salary specified within the faculty contract. This can include regular academic year salary, plus any supplements for additional responsibilities (i.e., chair duties, administrative responsibilities).

Faculty Member: Any University employee who receives a contract for specific academic services (i.e., teaching and/or research).

Full-time Faculty: Faculty who receive a contract for either 9, 10, 11, or 12 months continual service during the academic year that includes specific responsibilities within a department or unit. Such responsibilities may include teaching, research, administrative or other duties.

Sponsored Agreement: Any grant, cooperative agreement or contract instrument made by a source external to the University that provides funds to the University in support of a specific research project or scholarly activity for which there is a detailed budget and expected outcomes. These can be either public (government) or private (corporation, foundation) funds.

Intra-university consulting: Services provided by faculty members in their areas of expertise on sponsored agreements either inside or outside the faculty members' home department. As reflected in this policy, intra-university consulting is assumed to be a university obligation that requires no additional compensation.

5.0 POLICY

It is the policy of Saint Louis University that faculty will receive additive pay chargeable to Sponsored Agreements during the Contract Period only in exceptional circumstances.

The following criteria guide the allowability of additive pay for Saint Louis University faculty members supported by Sponsored Agreements.

- A faculty member may provide services for a department other than his or her home department at the University during the Contract Period and receive additive pay only if all of the following conditions are met:
  - The services are considered outside of or in addition to the faculty member’s regular duties.
If paid by an external source, the services and scope of work were clearly detailed in the proposal and were specifically approved in the initial sponsored agreement award document by the sponsoring agency.

If not specifically approved in the award document as a term and condition of the award, the additive pay for these services has received written approval from the sponsoring official prior to performance of the additional work and prior to the request for payment of additive pay.

The services are considered reasonable, allowable, and allocable to the project.

The faculty member is not serving as the Principal Investigator on the project.

The faculty member is not otherwise providing services to the project as a University employee.

The faculty member has obtained the written approval of his/her Chair or Dean, the Office of Sponsored Projects and the Vice Provost for research.

If approved, the effort associated with intra-University consulting is considered incidental in accordance with OMB Circular A-21 section J.10.

6.0 PROCEDURES

In order to receive additive pay, the faculty member must complete an Additive Pay Form and submit a clear justification for the additional pay. The form and justification must be approved in accordance with this Policy. Absent any of the required approvals, the University’s Payroll Department will not process an Additive Pay form.

7.0 RESPONSIBILITIES

Faculty members are responsible for ensuring that additive pay is correctly identified in any applications for external funding. Faculty members must verify the correct calculation of additive pay amounts and must obtain all necessary approvals. In addition, Principal Investigators are responsible for ensuring that only approved additive pay is charged to their externally sponsored projects.

Departmental Administrators are responsible for reviewing proposals and award files to ensure that any requests for additive pay have been clearly delineated and that all required sponsor and University approvals have been obtained before additive pay is charged to a sponsored agreement.

The Office of Sponsored Programs is responsible for reviewing and approving Additive Pay Forms and for obtaining approval by the Vice Provost for Research prior to submitting an Additive Pay Form to payroll for processing.

8.0 SANCTIONS

Failure to comply with this policy will result in the denial of additive pay.
This policy is in compliance with OMB Circular A-21, section 10.d. which states:

d. Salary rates for faculty members.

(1) Salary rates for academic year. Charges for work performed on sponsored agreements by faculty members during the academic year will be based on the individual faculty member’s regular compensation for the continuous period which, under the policy of the institution concerned, constitutes the basis of his salary. Charges for work performed on sponsored agreements during all or any portion of such period are allowable at the base salary rate. In no event will charges to sponsored agreements, irrespective of the basis of computation, exceed the proportionate share of the base salary for that period. This principle applies to all members of the faculty at an institution. 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. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the consultant is in addition to his regular departmental load, any charges for such work representing extra compensation above the base salary are allowable provided that such consulting arrangements are specifically provided for in the agreement or approved in writing by the sponsoring agency.

(2) Periods outside the academic year. (a) Except as otherwise specified for teaching activity in subsection (b), charges for work performed by faculty members on sponsored agreements during the summer months or other period not included in the base salary period will be determined for each faculty member at a rate not in excess of the base salary divided by the period to which the base salary relates, and will be limited to charges made in accordance with other parts of this section. The base salary period used in computing charges for work performed during the summer months will be the number of months covered by the faculty member's official academic year appointment.
(b) Charges for teaching activities performed by faculty members on sponsored agreements during the summer months or other periods not included in the base salary period will be based on the normal policy of the institution governing compensation to faculty members for teaching assignments during such periods.

(3) Part-time faculty. Charges for work performed on sponsored agreements by faculty members having only part-time appointments will be determined at a rate not in excess of that regularly paid for the part-time assignments. For example, an institution pays $5000 to a faculty member for half-time teaching during the academic year. He devoted one-half of his remaining time to a sponsored
agreement. Thus, his additional compensation, chargeable by the institution to the agreement, would be one-half of $5000, or $2500.

e. Noninstitutional professional activities. Unless an arrangement is specifically authorized by a Federal sponsoring agency, an institution must follow its institution-wide policies and practices concerning the permissible extent of professional services that can be provided outside the institution for noninstitutional compensation. Where such institution-wide policies do not exist or do not adequately define the permissible extent of consulting or other noninstitutional activities undertaken for extra outside pay, the Federal Government may require that the effort of professional staff working on sponsored agreements be allocated between (1) institutional activities, and (2) noninstitutional professional activities. If the sponsoring agency considers the extent of noninstitutional professional effort excessive, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

APPROVAL SIGNATURES

Interim policy pending final approval
Effective November 1, 2008