



## Sponsored Projects Compensation Policy

### Uniform Guidance Requirements and Seattle University Procedures

Responsible Offices: Controller's Office, Office of Sponsored Projects (OSP), Faculty Services

Effective Date: May 7, 2012; Updated & approved by ACA April 2021 – effective July 1, 2021

Uniform Guidance: [CFR Title 2 Part 200.430 Compensation – personal services](#)

#### Purpose

This document sets forth the Seattle University guidelines concerning salaries of faculty at Seattle University that are funded by extramural sources, including either public or private sponsors. In these guidelines, “sponsored project” will refer to any form of extramural support on a sponsored project (grant, cooperative agreement, or contract) made to the institution from which a faculty member draws salary. This document will address three types of faculty salary: academic salary, summer salary, and overload salary, as well as staff salaries on sponsored projects.

#### Policy statement

In order to ensure SU's compliance with federal regulation and internal effort reporting policies, sponsored project funded salary rates are defined according to the individual faculty member's institutional base salary. Institutional Base Salary (IBS) is defined as an individual's annual compensation paid by the University for an employee's appointment for teaching, service, and scholarship. IBS does not include administrative supplements, summer (for faculty not on 12-month contracts) salary, or overload salary (sections II and III).

During the academic year, work performed on the sponsored project must be charged at a rate that is directly proportional to both the level of effort expended and the individual's institutional base salary. For periods outside of the academic year, specifically during the summer months, the compensation rate cannot exceed the faculty member's base salary as it is defined during the previous academic year and all charges must be proportionate to the effort expended on the project.

For staff, IBS is defined as their contracted salary amount for their given full time equivalent. During the fiscal year, work performed on the sponsored project must be charged at a rate that is directly proportional to both the level of effort expended and the individual's institutional base salary.

#### Definitions

**9-month Faculty** – Faculty contracted on a 9-month academic year basis (typically September 15 through June 15). These faculty are eligible for additional summer salary (see Section II).

**12-month Faculty** – Faculty contracted on a 12-month, fiscal year basis. These faculty are not eligible for additional summer salary.

**Institutional Base Salary – Faculty** - Institutional Base Salary (IBS) is defined as an individual’s annual compensation paid by the University for an employee’s appointment for teaching, service, and scholarship. IBS does not include administrative supplements, summer (for faculty not on 12- month contracts) salary, or overload salary (sections II and III). For staff, IBS is their contracted salary for their given full time equivalent.

**Institutional Base Salary – Staff** - Institutional Base Salary (IBS) is defined as an individual’s annual compensation paid by the University for an employee’s contracted FTE

**Sponsored Project or “project”** – any form of extramural support on a sponsored project (grant, cooperative agreement, or contract) made to the institution

## **Guidelines**

When requesting salary support from a sponsor or providing effort on a sponsored project in the form of mandatory or voluntary committed cost sharing, the anticipated effort calculated in the form of person months or percent effort must be based on the individual’s IBS. The portion of effort multiplied by the IBS will determine the appropriate dollars to request from the sponsor or approved by the institution if in the form of cost sharing. Sponsor’s fund faculty and staff working on the project, not the cost of the replacement for their regular duties.

### **I. Academic Year Salary Subvention**

Academic year salaries may be fully or partially funded by external sponsors depending on the policies of the sponsor, the faculty member’s college or school, and the parameters outlined in this policy. Any salary support during the academic year (fiscal year for 12-month faculty) will subvent a portion of their IBS through a course release or another arrangement as approved by the relevant chair and dean.

For faculty members charging academic year (or fiscal year for 12-month faculty) salary support to a sponsored project during a given period, the amount charged will be the result of multiplying the faculty member’s IBS by the percent of effort for the period. Salary charges to a project for academic year support will be done via a faculty payroll distribution form. The terms or eligibility will be coordinated between OSP, the college financial manager, and the Principal Investigator (PI).

#### Example

Dr. Rudy Redhawk is on a 9-month academic year contract with an IBS of \$90,000. Dr. Redhawk is receiving one course release in fall quarter. The 5-credit course is equivalent to 5 work units (WU).

Dr. Redhawk is contracted at 35 WU.

1 course release = 5 WU/ 35 WU = 14.29% effort

Cost of course release charged to project:  $\$90,000 \times 14.29\% = \$12,861$

## II. Summer Sponsored Project Salary

For faculty members on 9-month academic contracts (including those who are paid over 12-months), sponsored project funds may be used to pay for up to 90% of 3 months of summer salary (up to 2.7 months). Sponsor policies, federal regulations, college, school, or division policies, and the parameters of this policy will determine the number of months of summer salary that may be funded from a sponsored project (e.g., some granting agencies only allow two months of summer salary support).

Consistent with sponsor requirements, salary commitments for sponsored projects conducted during the summer session (outside of the academic/calendar year commitment), will be compensated per the following guidelines:

- For faculty compensated from sponsored projects only, the maximum amount of summer salary from a grant (or combination of grants) is **2.7/9ths of the IBS**, if the sponsor allows, not exceeding 1/9<sup>th</sup> of the IBS in any one summer month.

### Example

Professor Jane Doe – 9 mo. salary = \$90,000  
Maximum allowed is 2.7/9ths of IBS, or  
 $(90,000/9) * 2.7 = \$27,000$  (maximum of \$9K per summer month)

- For faculty compensated from sponsored projects in addition to teaching and/or ad hoc or auxiliary summer service assignments, the maximum amount of summer salary that may be paid in total is also **2.7/9ths of the IBS**, not exceeding 1/9<sup>th</sup> of IBS in any one summer month.
  - a. Teaching assignments will be compensated per Academic Unit policies at a flat rate (following standard practice). Unless otherwise required, one course assignment is equivalent to 5 work load units.
  - b. Ad hoc or auxiliary service to the institution (at the department, college/school, or university level) will be compensated at a level based upon the standard summer teaching rate.

### Example

Professor John Doe is assigned to teach one course at 5 work load units and to oversee new curriculum implementation during the summer session for 3 work load units. Additionally, he is committed to 1 summer month on his grant.

Professor John Doe –9 mo. salary = \$90,000  
Summer Teaching Compensation Rate—5 work load unit course = \$7,014  
Maximum Allowable Summer Salary =  $(90,000/9) * 2.7 = \$27,000$

Professor John Doe's Total Summer Compensation:

Grant Assignment –  $(90,000/9) = \$10,000$   
Teaching Assignment –  $(\$7,014 \text{ per course}) = \$7,014$

Service Assignment –  $(\$7,014/5) * 3$  work load units = \$4,208  
Total Compensation = \$21,222 (maximum of \$10,000 per summer month)

### III. Overload Salary

In rare cases, SU faculty members may be compensated for work that is outside of and in addition to their regular assignment. For example, an overload assignment might be serving as a one-time conference workshop leader, evaluating a program, etc. Salary for this type of “overload” assignment that contributes to a sponsored project is subject to the following restrictions:

- a) Overload pay from federal grants must have prior sponsor approval.
- b) The work must be outside the scope of their normal duties and unrelated to academic assignment.
- c) The work must be “incidental,” meaning temporary and not on-going in nature.
- d) Work done on the grant does not interfere with normal duties.
- e) Such additional pay is not considered part of the IBS.
- f) Overload salary during any budget period typically is paid in one lump sum and is not related to percent of effort.

All requests for overload pay for faculty charged to sponsored projects must be pre-approved using the *Extra Compensation Approval Form* by the Principal Investigator, Department Chair, Dean of the faculty member’s home college/school, OSP and the Provost’s office **prior** to any work contracted and/or commenced. For staff, please complete Human Resources [Staff Supplemental Pay Request Form](#) and submit a copy to the OSP.

### IV. Faculty Emeritus

Faculty granted Emeritus status at the time of retirement (see the Faculty Handbook) must contact and negotiate their role on an application of and participation in sponsored projects with their deans as the dean of their home department is responsible for providing the necessary on-campus resources to conduct the project for the duration of the project period including space and budget management support.

The external sponsor must pay the full costs of their compensation and project. Salary for Faculty Emerita participating on sponsored projects will be based on their last institutional base salary with Seattle University. If the sponsored project is awarded, the Faculty Emeritus must receive an appointment letter through the standard Faculty Services process.

### V. Staff Salary

Staff members may be compensated by a sponsored project when the administrative or programmatic management aspects of the scope of work require it and it is approved by the sponsor as part of the proposal and/or within the sponsor’s guidelines. Staff compensation will be treated in a manner similar to the faculty academic year salary subvention method.

Staff compensation may occur in one of three ways:

1. For current full time staff, a portion of their salary will be paid by the award, relieving their department budget while the staff member spends a proportional amount of effort on the sponsored project.
  - a. For example, if the staff member is compensated at 1.0 FTE supporting the Physics department and the Physics department received a substantial NSF departmental transformation award approving of administrative support at .25 FTE, the Physics department could choose to relieve the administrative staff member from .25 FTE of their normal departmental duties for the duration of the sponsored project to assist in the project management. The staff member would then work .75 FTE of their time on departmental activities and .25 FTE of their time supporting the sponsored project.
2. For part-time staff, at the consent of the staff member, relevant supervisor(s), and human resources the staff member's full time equivalent may increase.
  - a. For example, if the staff member is currently employed at .50 FTE and an awarded sponsored project includes .25 FTE for an administrative staff position, the staff member's FTE may increase to .75 FTE for the duration of the sponsored project (and then will return to .50 FTE). During this time, the staff member will maintain all current departmental duties while taking on an additional .25 FTE in support of the specific sponsored project.
3. For new administrative or project management support included in a sponsored project, the PI may need to hire an employee to fulfill that role for the duration of the sponsored project (limited term or temporary). Please work with Human Resources during the proposal stage to ensure the position will be fairly compensated at the appropriate market range.

### **Related Policies & Forms**

[Cost Sharing and Matching Policy](#)

Extra Compensation Request Form (contact OSP for copy)

[Faculty Handbook](#)

[Faculty Stipend Request Form](#)

[Payroll Action Form](#)

[Review of Compensation Charges](#)