

# Sponsored Research Supplemental Compensation Policy

## ROWAN UNIVERSITY POLICY

**Title: Sponsored Research Supplemental Compensation Policy**

**Subject: Establishing Institutional Base Salary and Guidance for Additional Compensation**

**Policy No: OSP:2022:01**

**Applies: University-wide**

**Issuing Authority: Provost/Senior Vice President for Academic Affairs**

**Responsible Officer: Deans**

**Adopted: 09/22/2022**

**Last Revision: 09/27/2022**

**Last Reviewed: 09/27/2022**

### I. PURPOSE

This policy is intended to ensure compliance with course Buy-Out Best Practices. This policy seeks to establish the institutional base salary (IBS) amount to identify and budget faculty and staff who will receive a salary, a portion of their salary, or other compensation from a grant, contract, or agreement that is funded by an external sponsor or additional remuneration from university funding sources. This policy ensures that compensation budget development, practices, and procedures follow Uniform Guidance as defined by the Office of Management and Budget (OMB) 2 CFR 200, Subpart E, 200.430, Compensation – personal services.

### II. ACCOUNTABILITY

The Vice President for Human Resources/CHRO, the Provost/SVP for Academic Affairs, and the Senior Vice President for Finance/CFO shall ensure compliance with this policy. The Deans and the respective Department Chair/Head shall implement this policy.

### III. DEFINITIONS

1. **Institutional Base Salary (IBS):** Total guaranteed annual compensation paid to an individual by Rowan University, whether that individual's time is spent on research, teaching, administration, service, or other institutional activities (e.g., advising). Excluded from IBS are bonuses, incentive payments and permitted income earned outside of University responsibilities such as consulting.
2. **Principal Investigator (PI) and Project Director (PD):** Individual responsible for completing the project and agreeing to be the steward of the project as agreed upon via the notice of award, fully executed contract or agreement, or other formal document that represents the relationship, award, terms, and scope of work between Rowan University and the external sponsor.
3. **Mandatory Cost Sharing:** Legally required by the awarding sponsor, agency, or department as a condition of the award.
4. **Voluntary Committed Cost Sharing:** Is not required or expected by the awarding sponsor, agency, or department, but committed in a proposal that is later awarded or fully executed.
5. **Academic Year (10-month) Base Salary:** An employee's annual appointed 10-month salary, including those who elect to distribute their base salary over 12 months.
6. **Calendar Year (12-month) Base Salary:** An employee's annual appointed 12-month salary, excluding those with 10-month appointments who elect to distribute over 12 months.

7. **Summer Salary:** Salary for those with academic year base salaries with appointments during the summer months (July and August). These appointments may be in relation to externally sponsored programs or for teaching or other duties assigned during the summer months.
8. **Scholarly and Creative Activity (SCA):** Scholarly activity is the pursuit of an active and continuing agenda of reading, writing, speaking, or other forms of scientific or pedagogical inquiry whose purpose is to create new knowledge, integrate knowledge, or open additional knowledge-based areas for further exploration. Creative activity is an expression of the scholarship of discovery and integration for those faculty engaged in disciplines for which research, as it may be traditionally defined, may not apply. Such faculty may sometimes, but not always, focus on disciplines in the fine, performing, or communicative arts.

## IV. POLICY

### A. Institutional Base Salary

Personnel costs charged to sponsored awards must comply with the University policy as well as sponsor specific requirements and federal and state laws and regulations. Rowan University defines Institutional Base Salary (IBS) as compensation for an individual's annual appointment (either academic year or calendar year), whether the individual's time is spent on teaching, research, administration, service or other institutional activities and represents 100% of that individual's institutional responsibilities. Excluded from IBS are overload teaching, incentive payments, bonuses, one-time payments for unrelated work, and outside consulting work.

### B. Research Load and Compensation During the Academic Year

1. Scholarly and Creative Activity Load
  - a. Faculty are assigned a workload that can include teaching/scholarly and creative activity (SCA); and service responsibilities. Faculty workload is defined by collective bargaining agreements in conjunction with the Office of the Provost. All full-time, tenured and tenure track faculty may receive six credits of their contractual workload assigned to SCA with approval by their Dean. They have the ability to request up to two (2) course buy-outs in that same semester. Deans, at their discretion and with approval of the Provost, may elect to award faculty additional SCA load without requiring buyout. It is expected that faculty will maintain a teaching load of at least one (1) course per semester.
  - b. Faculty receiving time for SCA load whether or not it includes course buy-outs will be required to submit a summary report describing accomplishments and outputs at the end of the fiscal year following the period in which time was reassigned. The report will be filed with the corresponding academic Dean's office and it is the responsibility of the Dean's office to maintain the reports.
2. Course buy-out
  - a. The standard course buy-out request for research is equivalent to three credits, which shall be calculated at 12.5% of the Institutional Base Salary plus fringe benefits. Upon receipt of the grant, Faculty seeking a buyout at a lower rate must have this approved by the Dean, Vice President for Research and the Provost since course buy-out at a lower rate will be a factor when calculating additional compensation. Upon receipt of the grant, Faculty must apply for course buy-outs and receive approval from their Department Chair or Head, Dean, and the Provost's Office. The Provost shall be responsible for notifying the Department of Human Resources and Division to ensure that course buy-out is reconciled.
3. Additional Academic Year Compensation
  - a. Faculty may place a request for additional compensation payments during the academic year for work beyond their contractual obligation, or when the externally funded project has been budgeted with additional compensation. Any requests for compensation during the academic year from externally funded sources should have been originally budgeted in the approved grant /sponsored project, and any amounts for compensation above the proportionate amount of IBS for the appointment period must be approved by the sponsor in writing prior to proposal submission. All compensation earned during the academic year must not exceed 30% above IBS and will be approved and monitored by the Provost's Office and Division of Research.

- b. Any compensation above and beyond an individual's IBS is subject to review and approval, must be outside their contractual obligations and responsibilities, and must follow the approved HR Salary Voucher Policy.
- 4. Faculty Summer Compensation
  - a. Summer salary may be paid for work on externally sponsored projects, teaching assignments, administrative duties, etc. during the summer months (July and August). Only individuals with 10-month appointments are eligible for summer salary; those individuals with 12-month appointments are not eligible unless approved in advance by the Provost and the CHRO. Only the portion of summer effort dedicated to a sponsored project may be charged to that project as an equal portion of total summer compensation. Summer salary will be calculated and paid at the IBS rate equivalent to 1/10th of the academic year salary. Any payment amounts in excess of 2 months of IBS during summer will require approval in writing from the sponsor and both the Provost and CHRO.
  - b. Faculty must submit summer salary requests for approval to their Department Chair or Head and /or Dean for approval using the Summer Compensation Form.
- 5. Sabbatical Leave
  - a. Full-time tenured faculty members are eligible for sabbatical leave. Sabbatical leave is governed by the Sabbatical Leave MOA that specifies all terms and compensation guidelines. Faculty on sabbatical leave may participate in sponsored programs and are eligible to receive up to 30% of non-sabbatical year's IBS as incentive compensation subject to the policy above and provided the extra compensation is consistent the work proposed in the approved sabbatical application. Within 60 days of return from sabbatical leave, a report must be submitted to the academic dean and the Provost's Office detailing accomplishments during the sabbatical leave. The Provost's Office is responsible for archiving the reports.
- 6. Leave or Extended Leave
  - a. Faculty with active grants and contracts who are taking greater than three months of leave away from campus may be required to request and gain approval in writing. Faculty on approved leave should consult Human Resources for any compensation related questions regarding grants and contracts. On most federal awards, agencies require prior approval when faculty are absent for a continuous period of three months or more or when a reduction in the time dedicated to the project decreases by 25% or greater relative to the level approved in the initial contract. In some cases, the faculty may be required to develop a proposed plan to manage the award during the time of the leave. The plan will be submitted to the sponsor, in accordance with sponsor guidelines, and evidence that the plan was approved must be submitted to the Office of Sponsored Programs. The timeline for the request to the federal agency is a minimum of 30 days prior to the start of the leave period. Faculty members who are principal investigators should work with sponsored programs to clarify the specific sponsor rules on leave of absence or extended leave from campus.
- 7. Cost Sharing
  - a. When a sponsored project includes, either as a condition of the award (mandatory) or proposed by Rowan University (voluntary) and is subsequently awarded/agreed to by the sponsor, then any and all personnel cost sharing amounts must be appropriately accounted for. See the Cost Transfer Policy.
- 8. Other
  - a. Exceptions to the requirements stated in this policy shall be subject to review by the Provost, CHRO, and CFO.

## V. REFERENCES

### References and Related Requirements

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200 Uniform Guidance – Compensation: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.430>
2. Cost Accounting Standards Board for Educational Institutions 48 CFR 9905(501.20)
3. Rowan Sabbatical Leave MOA
4. NJ State Grant Compliance Supplement

5. Policy OSP: 2015: 01 Cost Transfer Policy
6. Policy HR: 2021: 01 Salary Vouchers and Special Assignment Payments