

University of Central Arkansas
Extramural Funding Policies and Procedures

Policy/Procedure Name: Overload Policy for External Grants & Contracts

Submitted by: Valerie Nicholson

Approved by: Council of Deans 1/28/09

Council of Vice Presidents (Senior Staff) 3/2/09

Effective Date: 3/2/09

Purpose

The following policy outlines the conditions of overload (additional compensation) funding with extramural (federal, state, foundation and other) grants and contracts.

Background

Federal regulations in OMB Circular A-21 dictate that salary charged to sponsored agreements cannot exceed the proportionate share of the employee's base salary for that period. Employees with primary appointments supported by grant/contract funding are not permitted to have overload jobs under a sponsored program. The only exception is where the overload job/additional salary has been specifically documented in the grant or contract award or approved in writing by the sponsoring agency.

Policy

Conditions of Use of Federal and State Research and Sponsored Programs Funds to pay excess salary:

1. In general, federal and state agencies discourage the use of research or sponsored program funds for additional compensation; some agencies specifically prohibit additional compensation. Intra-university consulting and contributions to a sponsored agreement conducted by another faculty member at the same institution are not eligible for additional compensation except as specified below.
2. Federal and state regulations allow additional compensation to be paid only when:
 - a. Consultation is across departmental lines or involves a separate or remote operation; and/or
 - b. The work performed is in addition to the regular departmental load
3. For state and federal agencies that allow additional compensation to be paid from research and sponsored program funds, the sponsor must be informed of the intent to charge salary as extra

compensation in the original budget proposal. If research or sponsored program funds are used to pay any additional compensation, the grant or contract should clearly state:

- a. That additional compensation will be paid to university employees;
 - b. The name or position of the individuals who will be receiving the additional compensation; and
 - c. The work and services to be performed by these individuals
4. The amount of the additional compensation should be segregated from regular salary expense and the budget justification should clearly indicate:
- a. The total dollar amount of additional compensation requested; and
 - b. The percent of additional effort committed to the project or the hourly rate and number of hours committed to the project
5. The award document from the federal or state sponsoring agency must state that additional compensation is allowed or imply that the proposal was accepted with no alterations regarding the request for additional compensation.
6. If a request for additional compensation is for an employee who will be paid from research or sponsored program funds, the dean must first route the Authorization for Additional Compensation Services form to the Sponsored Programs Office to verify sponsor approval.

This policy is subject to change with regard to federal and state agency guidelines. Modifications to any aspect of this policy may be implemented at any time, as determined by the provost. Such modification may occur through amendment of this policy or through written notice to the deans/heads of affected units.

Director of Sponsored Programs

Date

Total Amount Earned
During Current Appointment
Period: _____

Director of Human Resources

Date

VP Budget and Finance

Date