

 <b>UNIVERSITY OF DENVER</b> 1 8 6 4	<b>Office of Sponsored Programs Standard Operating Procedures</b>	Section: C2.2
Subject: <b>Overload Compensation to Faculty from Sponsored Program Funds (Grants and Contracts to DU)</b>		Date: 3/1/03
Approved by:   <hr/> James R. Moran, Vice Provost for Research		Approved by:   <hr/> Robert D. Coombe, Provost

## I. PURPOSE

To clarify circumstances whereby tenured and tenure-track faculty may receive supplemental compensation for effort expended on externally funded sponsored programs.

## II. DEFINITIONS

- a. **Academic appointment:** Period for which faculty is compensated for duties related to regular departmental load.
- b. **Faculty:** Persons hired by DU to fulfill teaching and scholarly activities. Appointment is defined by classifications eligible for tenure in the Faculty Handbook
- c. **Institutional Base Salary:** The salary amount determined by the University to compensate a faculty member to fulfill his/her academic and departmental duties on a full-time basis. For example, a faculty member has a 100% appointment for 9 months at \$45,000. The institutional base salary rate is \$45,000 for 9 months, or \$5,000 per month.
- d. **Overload:** Compensation paid to a faculty member that is in addition to his/her institutional base salary. This supplemental compensation is paid at straight-time rate (as opposed to an overtime rate), and is non-benefited.
- e. **Principal Investigator:** The DU faculty member who is the lead researcher/program director on a sponsored program.
- f. **Regular departmental load:** Academic duties performed in fulfillment of academic department responsibilities, such as teaching, student advisement, academic committee work, departmental sponsored scholarship, and assigned administrative duties.
- g. **Sponsored Programs:** Programs or projects that are funded by an external entity through an award (grant, contract, etc.) to the University. Sponsored programs include research, instruction, and other sponsored activities.

## III. POLICY

It is recognized that active participation in research projects and other sponsored programs may require additional efforts beyond those dedicated to the normal faculty workload of

teaching and scholarship activities. It is presumed that a regular full-time faculty appointment includes teaching, scholarship and other departmental activities that will require 5 days per week on average, and for such the faculty member is compensated according to the University-approved salary level. Overload compensation may be permitted on sponsored programs for up to an additional day's work per week during period of academic appointment under the following circumstances:

1. The Principal Investigator has specifically requested from the sponsor that overload compensation be paid, and the Office of Sponsored Programs (OSP) has received written approval from the sponsor authorizing payment of overload.
2. Funds are available on a grant, contract, etc., that has been awarded to the University through the Office of Sponsored Programs (OSP).
3. The faculty member provides consultation to a sponsored program that is in addition to his/her regular departmental load and that is across departmental lines from the faculty member's home department or involves a separate remote operation.
4. Overload compensation may not exceed 20% of faculty member's institutional base salary during the period of the faculty member's academic appointment.
5. Overload compensation is not permitted during any period in which the faculty member devotes 100% effort to sponsored programs.
6. All effort for the faculty member within the University (departmental and overload) is documented and certified.

#### IV. ROLES AND RESPONSIBILITIES

- a. **Faculty member/Principal Investigator:** Prepares proposal or other request to Department Chair, Dean, and Sponsor for overload compensation. If approved by Chair/Dean and Sponsor, the faculty member shall prepare the MHOT payroll form requesting additional compensation for each month as appropriate, documenting and certifying the overload effort.
- b. **Deans / Department Chairs:** Proposals or other requests to sponsors for overload compensation shall be submitted to the Department Chair and Dean. The Chair and Dean shall assure that primary responsibilities of faculty member are covered. Payroll forms (MHOTs) to make actual payments are authorized through the Dean's office. Such authorization shall include a review to assure that the payment of overload compensation is in accordance with this policy.
- c. **Office of Sponsored Programs (OSP):** Documents sponsor approval, processes payroll forms.

#### V. REFERENCE

- Office of Management and Budget (OMB) Circular A-21, Section J-8.