



INDIANA UNIVERSITY

Supplemental Pay

FULL POLICY CONTENTS

Scope
Policy Statement
Reason for Policy
Procedures
Definitions
Sanctions

ADDITIONAL DETAILS

Additional Contacts
Web Address
Forms
Related Information
History

Effective: 1 March 2011
Last Updated: 1 March 2011

Responsible University Office:
Office of Research Administration

Responsible University Administrator
Steven A. Martin, Associate Vice President for Research Administration

Policy Contact:
James P. Becker, Executive Director of Grants and Contract Services

Scope

This policy applies to all Indiana University faculty and staff receiving extra compensation over and above their institutional base salary on any federally sponsored research account.

Policy Statement

It is the policy of Indiana University that in order to charge supplemental pay to federally sponsored research accounts, the following criteria must be met:

The work performed must be:

1. Across departmental lines,
2. Outside the scope of the employee's regular appointment,
3. Short term in nature, and
4. Provided for in the sponsored agreement, or approved in writing by the sponsoring agency as stated in OMB Circular A21.

Limitation on Supplemental Pay to Internal Consultants

For internal consultants there is a limitation of ½% of academic 10-month salary for each day of consulting on federally sponsored programs. Persons with 12-month appointments are limited to ½% of 10/12ths of their annual salary per consulting day.

Non-Federal Sponsored Research Accounts

If allocating supplemental pay to a non-federal sponsored research account, the allocation is subject to approval by the IUPUI Dean of Faculties or the Indiana University, Bloomington Office of the Vice Provost for Faculty & Academic Affairs as well as the sponsoring agency.

Reason for Policy

To establish guidelines and best practices for the charging of supplemental pay to sponsored research accounts.

Procedures

The Office of Research Administration (ORA) will generate exception reports to identify all supplemental pay on federally sponsored research accounts. ORA Grant Services consultants will work with departmental representatives to have charges moved off accounts where the charge does not meet the policy criteria listed above. Charges must be removed within 90 days of the original booking of the expense to avoid cost transfer audit findings.

Definitions

Institutional Base Salary: The annual salary received for a payroll appointment. At Indiana University this is defined as base pay applicable to an appointment. This includes, if appropriate, compensation from both Indiana University and an approved practice plan.

Supplemental Pay: Extra compensation received over and above the institutional base salary. At Indiana University this includes payments for services outside the normal scope of employment.

Departmental Lines: At Indiana University, departments are those organizations in the hierarchy that are directly below the organization of a school or responsibility center.

Sanctions

Charges for supplemental pay that are not approved as per this policy will be considered unallowable and will be moved to a non-sponsored departmental account.

Additional Contacts

<i>Subject</i>	<i>Contact</i>	<i>Phone</i>	<i>Email</i>
Policy Implementation	Tim Burris, ACE Compliance Analyst	(812) 855-0185	thburris@indiana.edu
Policy Implementation	Jan Young, ACE Team Manager	(812) 855-5326	jyoung@indiana.edu

Forms

NA

Related Information

OMB Circular A-21, Part J_10. Compensation for Personal Service:
http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html

IU Policy on Mobile Devices and Internet Access:
<http://www.indiana.edu/~vpcfo/policies/accounting/i-480.html>

IV-70 - Supplemental Payments for Services Provided Outside the Normal Scope of Employment:
<http://www.indiana.edu/~vpcfo/policies/payroll/iv-70.html>

History

Replaces:

- III-90 "Supplemental Pay on Federal Accounts"
- Important Notice 89-16 "Limitation on In-House Consultant Payments"