	POLICY: Additional Compensation for Faculty Supported on Research or Sponsored Programs			
	Responsible Office: Office of Research and Sponsored Programs			
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Policy Statement

This policy establishes general provisions for and limitations under which Additional Compensation may be appropriate for Lehigh University (“University”) faculty supported on research or sponsored programs. This policy applies whether the Additional Compensation is paid from federal or non-federal sponsored programs.

The University does not, in principle, normally permit the charging of Additional Compensation for any tenured or tenure-track faculty member on any sponsored program during the Academic Year. Additional Compensation may be charged only when all of the following conditions are met:

1. The Additional Compensation amount does not exceed the normal rate of pay based on the faculty member’s University base salary and the amount of work performed;
2. The work is for consultation across departmental lines, or involves a separate or remote operation;
3. The work performed by the faculty member is in addition to regular University responsibilities, and;
4. The Additional Compensation is specifically proposed and provided for in the approved budget and/or agreement with the sponsoring agency, or otherwise approved in writing by an authorized agency representative. If not explicitly provided for in the approved proposal/award, official agency approval must be requested and received in writing from the sponsoring agency before any work is done on an Additional Compensation basis.

Additional Compensation paid from a research or sponsored program to the Principal Investigator (PI), Co-principal Investigator(s) (Co-PIs), or named Senior Personnel of that program is **always prohibited**.

Additional Compensation from research or sponsored program funding paid to a faculty member during the Summer Months is **always prohibited**.

Additional Compensation for activities that are charged to sponsored awards must comply with effort commitment and reporting requirements.


Reason for Policy and Underlying Principles

The fulfillment of research responsibilities is considered a part of the regular duties of a faculty member and therefore not normally subject to consideration for Additional Compensation. In the course of conducting research, there may be occasions when a faculty member performs internal University consulting beyond home department and regular responsibilities.

Lehigh University complies with the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) for all federally sponsored programs. The University extends these requirements to all research and sponsored program grants, contracts, and other agreements, regardless of source.

Additional Compensation as described in this policy is not to be confused with external consulting as defined below and in Section 2.5 of *Rules and Procedures of the Faculty of Lehigh University*.

External Consulting:

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Section 2.5 in the Rules and Procedures of the Faculty of Lehigh University and Related Information states:

“The University recognizes the value to both the individual and the university when a faculty member engages in activities of a professional nature for added compensation. These activities may include but are not limited to consulting, short courses, liaison activity, and corporate board activity. The university approves and encourages that participation when it is complementary and non-competitive to the duties and goals of both parties, and contributes to the professional growth of the individual. The duties of a full-time faculty member of Lehigh University include teaching, research and scholarship, and service to the university community. In order to fulfill these responsibilities to students, colleagues, and the university, activities for additional compensation should not exceed an average of one day per week.

All faculty activities of a professional nature for which compensation is received shall be reported annually to the chairperson and, when appropriate, to the center director. Faculty having administrative responsibilities shall also report to their immediate superior. If the activity involves private practice or participation as a principal or an officer in any partnership or company, prior approval shall be obtained from the President.”

Intra-University Consulting:

If a faculty member engages in consulting on the sponsored program of another Lehigh University faculty member and the activity is across department lines or takes place at a remote site, extra compensation may be provided to the faculty member if the work performed is in addition to the faculty member’s regular departmental load and charges for such work are specifically provided for in the agreement or approved by the sponsoring agency or organization.

Compensation for such consulting arrangements is not considered part of the faculty member’s base salary for the purposes of calculating compensation for intersession or summer teaching, or summer research. The compensation should be commensurate with the faculty member’s base pay rate.

The time involved in such intra-university consulting should be considered a component of (and not in addition) to the overall allowable consulting time permitted under University policy. Therefore, effort devoted to all forms of consulting combined, may not exceed the equivalent of one day per week.

Procedures

1. The faculty member or their designee contacts ORSP to confirm allowability of the Additional Compensation on a program, and/or for guidance on specific terms of this policy.
2. The faculty member or their designee completes the University’s “Faculty or Exempt Staff Additional Compensation Request Form” (“Request Form”) to initiate payment of faculty Additional Compensation on a research or sponsored project index.
 - a. The rate of compensation is calculated based on the faculty member’s normal rate of University pay (IBS).
 - b. The Authorized Signer field of the Request Form must be signed by an individual who has designated signing authority for the project index being charged.



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3. After obtaining signatures from the Authorized Signer, then the Department Chair/Center Director followed by the Academic Dean, the faculty member or their designee forwards the Request Form to the Office of Research and Sponsored Programs (ORSP) for review and approval.
4. After reviewing and if approved, ORSP forwards approved Request Forms to the Payroll Office for processing of the Additional Compensation payment.
 - a. When Request Forms are not approved by ORSP, ORSP will contact the requesting faculty member or their designee to inform of the reason for the non-approval.

Responsibilities

Responsible Party	List of Responsibilities
Academic Dean or Authorized Designee	Reviews and signs Additional Compensation Request Form. Forwards Request Form to Office of Research and Sponsored Programs for review and approval.
Authorized Signer	Signs Faculty or Exempt Staff Additional Compensation Request Form to initiate payment. Must be an individual with designated signing authority for the project index being charged.
Department/Center/Institute Administrative Support Staff (as applicable)	Fills in required information on the Additional Compensation Request Form. Obtains Authorized Signer and Department Chair or Center/Institute Director signatures. Forwards Additional Compensation Request Form to Dean's office for review and approval.
Faculty Member	Verifies allowability for additional compensation with ORSP. Completes the request form.
ORSP CGS	Verifies Additional Compensation is approved by the sponsor. Verifies compensation rate is in accordance with faculty member's IBS rate of pay. Signs Approved Request Forms and forwards to Payroll Office for processing. If Additional Compensation is not approved, contacts the faculty member who submitted the request, or their designee, to inform of the reason for non-approval.
Payroll Office	Ensures all forms for Additional Compensation paid off of Sponsored Research Project indexes include signature approval of ORSP.

Definitions

Term	Definition
Academic Year for Lehigh University	The annual nine-month period of September through May.

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Additional Compensation	Compensation paid to a faculty member for work performed during the Academic Year at a rate that exceeds the proportionate share of the faculty member's Institutional Base Salary for the period.
Consultation Across Departmental Lines	Consultation provided by a Lehigh University faculty member on the sponsored program of another Lehigh University faculty member, when the consulting faculty is not a member of the same academic department as the sponsored program lead Principal Investigator (PI).
Consultation Involving Separate and Remote Operations	Consulting activities that require the consulting faculty member to travel to a site greater than 50 miles one-way from any Lehigh University campus, and require more than one work day (i.e. at least one overnight stay) to complete.
Institutional Base Salary	Annual compensation paid by Lehigh University for an individual faculty member's appointment, whether that time is spent on research, instruction, administration, or other activities. In general, Lehigh University faculty appointments are generally for the nine-month period of September through May.
Summer Months for Lehigh University	The annual three-month period of June through August.

Who Should Read This Policy


- Academic Deans, Center/Institute Directors, and Department Chairs
- All faculty engaged in sponsored research activities
- Department/College Business Managers
- Department Coordinators

Related Resources

University Policies and Documents
Rules & Procedures of the Faculty, Section 2.5 https://www.lehigh.edu/~inprv/faculty/rules.html
External Documentation
Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200.430) https://www.ecfr.gov/cgi-bin/ECFR?page=browse
University Forms and Systems
Additional Compensation Request Form (https://financeadmin.lehigh.edu/content/payroll-forms)

For questions about this policy:

Office of Research and Sponsored Program
610-758-3021

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<https://research.cc.lehigh.edu/contact-us-orsp>

Revision History

Date	Summary
15-Sep-2020	This revision includes provisions for and limitations under which Additional Compensation may be appropriate for faculty supported on sponsored programs. The revisions clearly identify in what circumstances a faculty member can be paid Additional Compensation from an externally sponsored program and is applicable whether the Additional Compensation is paid from federal or non-federal sponsored programs.