

# Supplemental Pay

## SPA-11-016



### About This Policy

Effective Date:

03-01-2011

Last Updated:

03-01-2011

Responsible University Office:

Office of Research Administration

Responsible University Administrator:

Associate Vice President for Research

Policy Contact:

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

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### Related Information

- \* [OMB Circular A-21, Part J-10 Compensation for Personal Service](#)
- \* [IU Policy on Mobile Devices and Internet Access](#)
- \* [Supplemental Pay for Occasional Additional Services for Exempt Professional Staff](#)

## Scope

## Policy Statement

## Reason For Policy

## Procedure

## Definitions

## Sanctions

## Additional Contacts

## History

[Back to top](#) ↗

## 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.

[Back to top](#) ↗

## 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:

Across departmental lines, Outside the scope of the employee's regular appointment, Short term in nature, and 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.

[Back to top ↗](#)

**Reason For Policy**

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

[Back to top ↗](#)

**Procedure**

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.

[Back to top ↗](#)

**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.

[Back to top ↗](#)

**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.

[Back to top ↗](#)

**Additional Contacts**

Subject	Contact	Phone	Email
Policy Implementation	Tim Burris	855-0185	<a href="mailto:thburris@indiana.edu">thburris@indiana.edu</a>

[Back to top ↗](#)

**History**

Replaces: III-90 “Supplemental Pay on Federal Accounts” Important Notice 89-16 “Limitation on In-House Consultant Payments”