

## **Summer Effort and Summer Salary for Sponsored Research for Faculty with 9-Month Academic Appointments**

During the academic year faculty compensated for 9-month academic appointments are expected to devote their effort in support of University activities, including teaching, research, and service. In addition, faculty with 9-month academic appointments are permitted to expend up to an additional **two** months of compensated effort during the summer months, and earn up to two months (2/9ths) of additional salary for that effort from sponsored projects, subject to sponsor policies and the terms and conditions of the related awards. Please refer to the FAQs in the appendix for clarification around the general University overbase policy.

Consistent with his/her academic appointment, a faculty member may request permission to earn more than two months (2/9ths) of compensation during the months June, July and August, up to a maximum of three full months (3/9ths), supported by sponsored projects by filling out the **Commitment of Summer Effort Request Form**. The **form** should be completed by all faculty who are requesting more than two months (2/9ths) of summer salary funded by a sponsored project. Also note that if a faculty member is involved in administrative or other non-research activities, including teaching, or is directing his/her efforts toward other exploratory research or competitive or noncompetitive proposals outside the specific areas covered by the sponsored projects during this summer period, he/she is precluded from devoting 100% effort to or requesting three months of salary from those sponsored projects.

Faculty will be permitted to receive three full months of summer salary supported by sponsored projects if the following criteria are met:

- Sponsor policies and individual award terms and conditions allow charging three months of salary during the summer period. For example, the National Science Foundation (NSF) limits the salary of a Principal Investigator to 2/9ths of the academic year salary from all NSF grants. These two months of effort may be expended either during the academic year, during the summer period, or split between the academic year and the summer.
- The faculty member certifies that he/she will devote 100% of his/her University effort during the entire summer period in support of the sponsored projects. According to federal regulations, the only exception permitted is writing non-competitive renewal proposals directly connected to those projects.
- The faculty member obtains approval of this level of effort from the appropriate Department Chair, Dean, and Associate Provost for Research on the Commitment of Summer Effort Request Form.

In addition, in order to maintain flexibility and assure compliance with federal regulations and the institution's **Effort Certification Policy**, Boston University is establishing an amendment to this policy related to 9-month faculty who have successfully secured three full months of compensation from sponsored projects during a single summer period. This amendment will allow such faculty to devote up to 1/3rd of summer effort working in support of his/her academic appointment at Boston University, including work on new proposals, competitive renewals, and/or teaching and administrative activities:

A faculty member that has successfully obtained three full months of summer compensation from sponsored projects may use up to one month (1/3rd) of the summer salary to cover the equivalent amount of effort devoted to the sponsored projects during the academic year. The institutional funds that would have covered that month (1/9th) of the academic-year salary would be used to support the same amount of salary during the summer period. This allows the faculty member to devote up to 1/3rd of the summer period in support of academic and research activities not related to the sponsored project.

Faculty may choose this option on the Commitment of Summer Effort Request Form and will be allowed the split of summer effort in a manner explained above provided that the following criteria are met:

- The sponsor and individual sponsored award terms and conditions allow budgeted salary support and effort to be applied to the given sponsored project(s) at any time, including during the academic year.
- The faculty member certifies that he/she will devote 100% effort during the summer to research and other university related activities. Two of these months must be expended in support of sponsored projects and the additional third month in support of academic and other research activities not related to the sponsored project.
- During the summer period, the distribution of salary between sponsored and non-sponsored funding sources should be based on a reasonable estimate of how the faculty member will be spending his/her effort. Generally, it is likely that in each summer month, the faculty member will be conducting sponsored and non-sponsored activities concurrently. As such, a recommended salary distribution would be to charge 2/3rds of the faculty member's salary to sponsored projects and 1/3rd to institutional funds during each of the summer months. It would be acceptable to distribute the sponsored and non-sponsored effort either over the summer months June, July and August following the academic year, thus budgeting it across two fiscal years, or to plan it for the summer months July, August preceding the academic year and June following it in order to maintain all payments in the same fiscal year as long as the distribution of the salary is a reasonable estimate of the effort expended.
- The equivalent percentage of the latter third month of effort must then be devoted to sponsored projects over the following academic year. For example, a full month of summer effort requires at least 11% effort to be expended over the academic year in support of the sponsored project(s). The equivalent salary shifted to the academic year must be charged according to when the effort is being expended.
- The faculty member has obtained approval of this split of summer effort from the appropriate Department Chair, Dean, and Associate Provost for Research on the Commitment of Summer Effort Request Form.

Note: this policy should not be regarded as a mechanism for turning grant dollars into discretionary resources. The institutional funds corresponding to 1/9th of the academic year salary can only be used to cover one month of summer salary and cannot be recovered by the PI in any other form and for any other purpose.

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### Appendix A: Frequently Asked Questions

#### 1) What is the University definition of overbase?

The general term “overbase” is used to describe salary payments for compensated activities which are in addition to a faculty member’s 9-month base salary and associated work load, such as summer salary, administrative stipends, and teaching overbase.

#### 2) What is the general overbase policy for faculty with 9-month academic appointments?

Faculty with 9-month appointments may earn up to an additional 3/9ths of salary over the course of a 12 month period, typically earned as 3 months of summer salary (3/9ths) or a combination of summer salary, administrative stipend, and teaching overbase courses. For effort reporting purposes, the University will review faculty work load over the 12 month period including the academic year (September through May) and the following summer (June, July, and August). Schools, Colleges and academic departments should determine how to best budget funds that may cross fiscal years.

It is important to note that funds from sponsored projects must fund either summer salary or provide released time from the faculty member’s base work load. The grant funds cannot supplement the base salary for more than a total of 3/9ths because that would result in greater than 12/9ths total compensation. If a faculty member’s total compensation exceeds 12/9ths from sponsored research funds, it violates the prohibition on modifying one’s base rate of compensation due to sponsored funding receipt (OMB Circular A-21). An exception is in the case of a major administrative appointment (such as Chair, Center Director, etc.) which carries a stipend. In that case, the expectations of the faculty member’s full time appointment have changed and it is allowable to supplement the base salary for the period of the administrative appointment with University funds (typically unrestricted departmental operating funds).

#### 3) When is Provost approval required for earning overbase, stipends, and/or summer salary?

Provost approval is required in two cases (also refer to chart below):

- A. Whenever a 9-month faculty member wishes to be paid greater than a total of 3/9ths additional salary (for example, through a combination of an administrative stipend summer research funding and/or overbase teaching) it requires approval from the Associate Provost for Faculty Affairs. As long as the total funding from a sponsored award is equal to or less than 2/9ths, then the faculty member does not need to complete the Summer Effort/Salary form. A detailed memo should be submitted by the appropriate Dean’s Office to the Associate Provost for Faculty Affairs requesting approval for the faculty member to exceed 3/9ths additional salary.
- B. If a 9-month faculty member needs to request approval to earn greater than a total of 3/9ths additional salary and the portion of the funding from sponsored projects exceeds 2/9ths, then the faculty member requires approval from both the Associate Provost for Faculty Affairs and the Vice President for Research. The Summer Effort/Salary form should be used for both requests. The box at the bottom of the form must be checked to flag that the faculty member’s total request exceeds 3/9ths and all overbase activities should be included on the form. The form should be submitted by the appropriate Dean’s Office to the Office of the VP for Research and it will be forwarded internally for review by the Associate Provost for Faculty Affairs.

**4) How do I determine what is “recurring” effort for reporting purposes (PARs) versus what is “incidental” effort?**

Incidental effort is an important concept for effort reporting purposes. According to federal guidelines, incidental work does not need to be included on PARs, but does need to be accounted for in the payroll system. Unfortunately, the federal guidelines do not provide a clear definition of incidental effort. Many institutions therefore use the criterion of “regularity” of the assignment. As such, Boston University’s definition of Incidental Work is as follows: *OMB Circular A-21 defines “incidental work” to be “in excess of normal for the individual for which supplemental compensation is paid by the institution” and is considered to not be a regular part of an individual’s assignment. Incidental payment examples include: salary supplements for a one-time activity with a duration of 4.5 months or less; or honoraria, prizes, bonuses, and certain benefits that must be reported as “salary” for income tax purposes, but do not represent payment for work, e.g. tuition remission for graduate courses above an annual threshold, mortgage relief, and salary in lieu of immediate vesting in the retirement plan.*

Recurring forms of compensation are in fact part of Total University Compensation and therefore subject to effort reporting. Treating recurring compensation in this manner facilitates accurate, complete reporting of University-compensated activities and provides assurance to sponsors that salary reimbursements are commensurate with level of effort expended. Of particular note are stipends for administrative service and most forms of overbase payments for research, teaching and service activities. These mechanisms are subject to effort reporting and should be included in activities on the PAR. A list of the SAP Wage Types which denote those that are incidental and not included on PARs and those that are part of total University compensation and included in the calculation of PAR effort can be found on-line under Effort Certification and Compensation at:

<http://www.bu.edu/cfo/post-award-financial-operations/resources/university-policies/>

**5) How does the determination of whether work is incidental or recurring affect how much additional salary a faculty member can earn and the approval routing?**

For the purposes of determining the total allowable amount of salary payments for effort reporting and PARs, incidental assignments would not be included. However, for purposes of calculating the 3/9ths for the total amount of overbase a faculty member may earn over a 12 month period, incidental activities would be included and should be fully disclosed on the Summer Effort/Salary Request form or request to the Associate Provost for Faculty Affairs (refer to #3 above).

Total Additional Salary	Sources of Funding	Approval Required	
		Summer Effort Form	Assoc Provost for Faculty Affairs
Up to 3/9ths	2/9ths or less from sponsored project	No	No
Up to 3/9ths	more than 2/9ths sponsored project	Yes	No
More than 3/9ths	less than 2/9ths sponsored project	No	Yes - via memo
More than 3/9ths	more than 2/9ths sponsored project	Yes	Yes - via form