




MEMORANDUM

TO: Vice Presidents, Deans, Directors and Department Heads and Principal Investigators

FROM: Jennifer Easley, Director 

DATE: September 17, 2015

SUBJECT: Supplemental Salary Payment from Sponsored Projects
(Updated from Memo dated February 5, 2008)

Extra compensation payments from restricted funds (e.g. grants and contracts) is heavily regulated. Uniform Guidance section 200.430 Compensation: Personal Services H(3) specifically states "...in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities, any charges for such work representing additional compensation above IBS are allowable provided that such consulting arrangements are specifically provided for in the Federal award or approved in writing by the Federal awarding agency."

With Uniform Guidance providing guidance for institutions accepting Federal funding and Generally Accepted Accounting Principles requires consistent treatment in like circumstances, the above referenced citation applies, generally, to all sponsored agreements.

Sponsored Programs Administration encourages you to work closely with your designated Sponsored Programs Administrator when preparing proposal budgets. The proposal budget should specifically highlight requests for supplemental salary and provide substantial justification for such request in the budget narrative. Ultimately, prior to charging supplemental salary to a sponsored agreement, specific approval from the sponsor must be documented.

Sponsored Programs Accounting will audit supplemental salary payments from restricted funds quarterly providing a list of audit exceptions to Sponsored Programs Administration for analysis and resolution.

If you have questions or concerns, please contact Sponsored Programs Administration.