MISSISSIPPI STATE UNIVERSITY

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MEMORANDUM

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

FROM: Kevin Enroth, Director KTE

DATE: February 23, 2022

SUBJECT: Supplemental Salary Payment from Sponsored Projects
(Updated from Memo dated September 17, 2015)

Extra compensation payments from restricted funds (e.g. grants and contracts) are 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 requiring consistent treatment in like circumstances, the above referenced citation applies, generally, to all sponsored agreements.

The Office of Sponsored Projects encourages you to work closely with your designated Office of Sponsored Projects Administrator when preparing proposal budgets. The proposal budget should specifically highlight requests for supplemental salary and provide substantial justification for such requests in the budget narrative. Ultimately, prior to charging supplemental salary to a sponsored agreement, specific approve 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 the Office of Sponsored Projects for analysis and resolution.

If you have questions or concerns, please contact the Office of Sponsored Projects.