



Supplemental Compensation Process for Faculty and Academic Professionals

INSTRUCTIONS

Purpose:

Pre-approval of supplemental compensation prior to the performance of work per the Conditions of Faculty Service.

Instructions:

The supplemental compensation process for full-time faculty and academic professionals involves two steps:

Step 1: The **Supplemental Compensation Pre-Approval Form** must be completed and approved **prior** to the work being done IF:

- * the amount of compensation for the supplemental activity is greater than \$400 **OR**
- * ANY portion of the employee's salary **OR** supplemental pay is from a sponsored project

Step 2: Process payment using the **Supplemental Compensation Payment Form**. Copy of signed Pre-Approval form **MUST** accompany payment form for final processing for those activities with compensation exceeding \$400 **OR** for **any** amount if the employee receives funding from a sponsored project.

Additional Information on supplemental compensation as defined in the NAU Conditions of Faculty Service, Sec. 1.7.3, can be found on the Provost's Website: <http://www2.nau.edu/~provo-p/doc/conditions2.htm>

(**Note:** Supplemental Compensation Forms for Classified Staff and Service Professionals can be found on the Forms Index page of the Human Resources Website at the following link: <http://hr.nau.edu/m/content/view/307/325/#S>)

Step 1: Pre-Approval Form

The Pre-Approval Form is required for each assignment resulting in additional compensation greater than \$400 while an individual is on-contract. If **any** portion of salary or supplemental compensation is from a sponsored project, the Pre-Approval Form is required. It is the individual's responsibility to ensure the form is routed and signed **before** the work begins to avoid potential conflicts with contractual obligations, stipulations from granting agencies, and/or exceeding the maximum number of supplemental hours allowed per year.

- Individuals who are employed on an academic year basis are limited to a maximum of 312 hours of supplemental employment during the academic-year. The hour equivalent for an assignment can be determined by dividing the supplemental compensation amount by the hourly rate. The maximum hourly rate of pay for supplemental employment for individuals on an academic year contract is determined by dividing the contract amount by 1,520 hours.
- Individuals employed on a fiscal-year basis are limited to 384 hours of supplemental employment during the fiscal-year. The maximum hourly rate of pay for supplemental employment for individuals on a fiscal year contract is determined by dividing the contract amount by 2,080 hours.

The pre-approval form below should be completed and routed as directed on the form.

- If the funding department (the department for which the work is being done) is different from the individual's home department, signatures will be needed from both areas.
- If **any** portion of the individual's salary or supplemental compensation is from a sponsored project, signature is required from the Office of Grant and Contract Services.
- Once all parties have reviewed and signed the form, a copy should be sent to the funding department with the original being returned to the faculty member.
- If approved the individual may proceed with the work as requested.

Per the specific agreements or instructions governing the supplemental work, the faculty member can either contact the funding department to request the Payment Form be prepared and submitted, or payment will be initiated by the funding department.

- **Please note:** Payment for the additional work **cannot** be initiated for amounts greater than \$400 or for faculty receiving any funding through a sponsored project until the pre-approval form has been completed and signed. It is, therefore, particularly important that the faculty member obtain all necessary approvals before the work starts to avoid delays in payment.
- All payments will be subject to the payroll deadlines and payment dates established by the University Payroll Office as found on the [Payroll Calendar](#).

Step 2 : Payment Form

The Payment Form for Faculty and Academic Professionals is to be completed by the funding department and can be found on the Forms Page of the Human Resources web site. Please refer to the form for specific instructions on processing the payment.

STEP 1: To be completed by Faculty *prior* to supplemental activity

Faculty / Academic Professional Supplemental Compensation Pre-Approval Form

Name: _____ Title: _____

Department: _____ Employee ID: _____

Fiscal Year, Academic Year, or Term during which work will be performed: _____
(For example: Fiscal Year 2009, Academic Year 08/09, or Spring 2008)

***Is any portion of your salary funded by a sponsored project (grant, cooperative agreement, contract, or subcontract)?** Please check: YES NO

***Will the supplemental compensation be paid FROM a sponsored project (grant, cooperative agreement, contract, or subcontract)?** Please check: YES NO

****Is the funding department different from your home department?** Please check: YES NO
(If yes, please see the following page for additional approval information)

If yes, Name of Funding Dept _____ Amount \$ _____
Funding Dept contact _____ Phone _____ Fax _____

Any additional agreements, forms, or documentation related to the supplemental work should accompany this form.

Describe your current year's teaching, advising, research and service assignment including courses taught and indicate the percent of time assigned to each activity or attach your approved Statement of Expectations.

Describe the work for which supplemental pay is being requested. Include a brief description of the type of work and the dates and time (i.e. class dates and times) when work is to be performed. If pay covers instruction of a course, state the prefix and number, mode of delivery (in-person, web, or video conferencing), the number of sections, and course capacity.

Explain why the work to be performed is supplemental and not "on-load".

I verify that I have not accepted more than 312 hours (or 384 for FY employee) of additional work over my regular contract (see INSTRUCTIONS for calculating hourly rate and hours worked).

Faculty Signature: _____ Date _____

Supervisor/Department Chair (Home Department) _____ Date _____ Approved: Yes No
Compensation amount _____

Dean _____ Date _____ Approved: Yes No

*Office of Grant and Contract Services _____ Date _____ Approved: Yes No

Approval necessary for individuals whose primary position receives grant or sponsored project funding, or if the supplemental compensation will be paid from a sponsored project.

****Additional Signatures:** Signatures are only required for this section when the funding department is different from the home department. If any signatory oversees both the home and the funding department, their signature is required only once in the prior signature block.

_____ Approved: Yes No

Supervisor for Supplemental Work (Funding Department) _____ Date _____ Compensation amount _____

Dean _____ Date _____ Approved: Yes No

- ▶ Copy Distribution (from Dean's office):
 - Original to Faculty/Academic Professional
 - Copy to Home Department
 - Copy to Dean
 - Copy to Funding Department (if different from home dept)