



GUIDELINES FOR ACADEMIC PERSONNEL COMPENSATION FOR GRANTS AND CONTRACTS, TEACHING OVERLOADS, AND EXTRACURRICULAR¹ EMPLOYMENT

OFFICE OF RESEARCH AND SPONSORED PROGRAMS GUIDELINE NO. 2012-1

These guidelines implement federal policy for management of grants and contracts as provided in the Office of Management & Budget Circular A-21 (Cost Principles for Educational Institutions), OMB Circular A-133 (Single Audit Principles) and OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations). Academic personnel effort, compensation, and benefits are constrained by these policies and must be in compliance with these requirements.

Faculty employment at the University of Guam may be either on a 9-month or 12-month basis. While other academic personnel are normally hired on a 12-month basis, if academic personnel are on a 9-month basis, then they may work an additional 30% outside the 9-month academic year to match a 12-month equivalent. This provides parity as agreed in the BOR/Faculty Union Negotiated Agreement (2008). This salary then becomes the base rate. Faculty base rate is the 12-month equivalent of the salary. In cases where an hourly rate is needed, the hourly rate would be the 12-month salary divided by 2080 working hours in a year.

Federal grants subject to OMB Circulars A-21, A-133, and A-110 are very specific about academic personnel compensation. Academic personnel working on federal grants may charge a proportionate share of their base salary to the grant, but faculty may not increase their total compensation by working on a grant. The salary charged to the grant is based on their regular, annual compensation. All academic personnel time on these grants must be reported as time and effort consistent with the proportion of their normal 100% load and as invoiced to the funding agency. The academic personnel compensation base rate, as determined above, may not be exceeded for any percentage of the annual salary. Academic personnel effort may not exceed 100% per year on grants subject to these OMB cost principles.

Faculty may receive compensation from the grant in one of two ways: 1) Summer/inter-term salary (for 9-month faculty), up to 30% of the annual salary base rate; or 2) Salary buyout, invoiced to the grant as a percentage of the annual salary on a time and effort basis, reducing local funds applied to the salary. In any of these, time and effort must be accurately reported for the grant activity other fixed-fee grants and contracts, and other grants may be more flexible, but such cases require specific written approval by the granting authority. For example, faculty may subcontract with the University of Guam for services beyond 100% effort upon approval by the Dean/Director/Vice President when the Dean/Director/Vice President determines that such a contract does not impact their regular employment and when the funding entity has provided specific written approval. In such circumstances the faculty member may work an additional 30% through the University above the 12-month base rate. Overload, intersession and summer session payments must be taken into account when calculating the additional 30%. These extracurricular activities must be consistent with the conflict of commitment guidelines for faculty employment.

Academic personnel may also undertake extracurricular employment so long as it is not a conflict of commitment. For example, 12-month academic personnel with the approval of the Dean/Director/Vice

President, may commit up to one day out of seven on average to additional effort or extracurricular employment, when approved in advance by the Dean/Director/Vice President, so long as there is not also a conflict of interest.

Teaching overload is not an entitlement, but may be allowed when the Dean/Director/Vice President determines it is necessary and when the faculty member's CFES plan outcomes and effort continue unaffected. Teaching overloads may be compensated by the University consistent with the University policy on conflicts of commitment and interest and the guidelines that cap overloads at 0.50 Teaching FTE per semester (2 three-credit courses). If teaching loads are identified in the faculty CFES as part of their current load, they will not be further compensated as overloads.

Employment and self-employment are governed by Article IV.C.3 of the RRPM and Article IV.N of the BOR-Faculty Union Agreement. The Dean/Director/Vice President is responsible for determining whether any conflict of interest or conflict of commitment exists.

All self-employment and all non-university employment shall be reported each year at the beginning of the academic year (August) on the "University of Guam's Annual Disclosure Form for Conflicts of Commitment/ Interest." All such employment must be approved by the Dean/Director/Vice President on the faculty load form. Activities must be disclosed in advance and may not be started without prior approval by the Dean/Director/Vice President. These documents must be amended as this employment changes. The Dean/Director/Vice President will submit the annual reports to the ORSP and HRO as well as notifications of significant changes in employees' workload.

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~~Final approval for any compensation rests with the President of the University of Guam.~~

APPROVED:

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David O'Brien _____ Date
Vice President, Admin. & Finance

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Dr. Helen J.D. Whippy _____ Date
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President

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¹ Extracurricular – Non-University Employment