Summer Supplements on Federal Awards

Revised Procedures for Faculty Compensation
Why Revise?

- Federal sponsors require that compensation for effort on a funded project coincide with the time the work is performed.

- This means that an individual compensated 100% from grant funds during one month must work exclusively on that project for the month.
Current Practice: Supplement Supplements

• Faculty can charge 100% effort to any one of four summer months.
• Faculty can charge 100% effort in up to three of four months.
Problems with 100% Summer Effort

- No significant vacation time in a 100% committed month.
- No other projects are allowed in a 100% committed month.
  - No new proposals.
  - No administrative duties.
  - No student mentoring.
  - No independent research.
Goals of the Revised Procedures

- To ensure that the 3/9ths summer supplement policy is honored.
- To eliminate the 100% problems.
- To allow better alignment of effort with compensation by providing
  - flexibility for planning the summer’s work schedule and sufficient funding to compensate for non-federal effort.
New Policy: Committee Recommendation #1

• Change the summer-effort maximum from 100% per month in three out of four months to a maximum of 75% effort per month spread over all four summer months (May, June, July, and August) for those supported with federal funding.
New Policy: Committee
Recommendation #2

Keep the maximum amount of summer salary allowed at three months but lower the maximum amount of federally-funded effort for which faculty may be compensated during the summer from three to two-and-a-half months.

The additional half month of federally sponsored effort would be performed and paid for during the academic year, and the remaining half summer month would be compensated out of the school funds saved during the academic year.
According to the Faculty Handbook, the month of May includes compensation for Duke related effort that might take place during the summer.
The percentages of effort during the summer can vary. In this example, the May administrative effort is spread evenly across all four possible summer months.
Spreading Out Effort for 1/9th

- If a faculty member has committed 1/9\textsuperscript{th} of summer effort on a grant or contract, he or she can plan how that time is going to be spent during the summer.
Spreading Out Effort for 3/9ths:
Step #1
Assuming a faculty member has the funding for 3/9ths summer effort on sponsored effort:

- Limit supplemental compensation in any one summer month to 75% of 1/9th.
- Faculty must plan out how to spread summer effort over 4 months – May, June, July, and August.
Spreading Out Effort for 3/9ths: Step #2

To further ensure time for other activities: vacation, new proposals, independent study, administration, etc.

- Limit supplemental compensation from federal funds to 2.5/9ths and
- Pay the remaining 0.5/9th from institutional funds.
Where do the Institutional Funds Come From?

• Academic Year Salary Recovery
  – Faculty are compensated for research effort during the academic year from their grants and contracts.
  – The Deans realize a savings.
  – These funds are made available to the faculty to cover the 0.5/9th during the summer.

• School and/or individual discretionary codes.

• Funds cannot come from other federal grants.
Filling out the Supplement iForm

• Supplemental iForms will allow payments from multiple sources each month.
  – Based on actual dollars requested and not percentage effort.
  – Can be set up once at the beginning of the summer and stops after the last numbered payment is made.
Summary of Key Points

• Compensation should be tied to when the effort actually occurs.
• Faculty can no longer take 100% of one month on a federal grant without the Management Center’s approval through the Vice Provost for Research).
• Faculty and business managers should plan the summer distributions early, appropriately spreading effort across the summer months.
• If a faculty member does not have 2.5 months committed, then the schools’ regular business rules apply.