

**COLLEGE OF ALLIED HEALTH PROFESSIONS  
OFFICE OF RESEARCH**

**DISPLACED FACULTY SALARY AND SUPPLEMENTAL COMPENSATION PLAN**

**General Authorization:** The College of Allied Health Professions (CAHP) Supplemental Compensation Plan is authorized and adopted pursuant to Board of Regents Bylaws Section 3.3.1, authorizing the establishment of supplemental compensation plans at the University of Nebraska Medical Center. The CAHP Supplemental Compensation Plan shall be administered in accordance with UNMC Policy 3039 and University of Nebraska Board of Regents Addendum VIII-A-4. The definitions, guidelines and requirements stated in the Regents policy apply to this plan. This plan includes additional requirements, limitations and restrictions as permitted by the Regents' policy.

**Purpose:** The purpose of the Supplemental Compensation Plan is to promote the research mission of the CAHP and to prescribe the fundamental guidelines and requirements for the distribution of displaced faculty salary dollars for funded researchers, divisions, and departments in the CAHP from UNMC-administered extramural research grants.

**Definitions:**

- *Eligible Sources:* Pursuant to Section 5.3.c. of the Board of Regents approved UNMC supplemental compensation policy, extramural grants and contracts explicitly for the conduct of research that displace faculty salary are to be eligible sources for inclusion in faculty supplemental compensation.
- *Displaced faculty salary:* The net portion of a funded University salary line that becomes available for alternative uses as a result of extramural grant support.
- *Base university salary:* The regular salary paid by the University to a member of the CAHP academic faculty on an all-year or on an academic-year appointment as provided by section 3.3.1 of the Bylaws of the Board of Regents.
- *Eligible academic faculty:* Any member of the CAHP academic faculty who (a) holds an appointment of at least one-half full time equivalent (0.5 FTE) within the CAHP and the academic rank of instructor or above and (b) who is a principal or co-principal investigator or co-investigator or project director on a funded research grant.

**POLICY**

**I. Minimum Level of Support for Participation:**

Participation in the CAHP Supplemental Compensation Plan requires that displaced salary be a minimum of 5% of the base University salary on any given UNMC-administered extramurally funded grant. Supplemental compensation for participation on multiple UNMC-administered extramurally funded grants will be calculated for all grants meeting the minimum 5% threshold.

**II. Guidelines for the Distribution of Displaced Faculty Salary:**

- A. Fifty percent (50%) of displaced faculty salary will be distributed to the College of Allied Health Professions Dean's Office.

- B. Fifty percent (50%) of displaced faculty salary will be distributed to the CAHP Program in which the faculty member has his/her primary appointment. A minimum of fifty percent (50%) of the Program disbursement (25% of the total displaced faculty salary) will be retained for departmental purposes to be distributed as determined by the Program Director. The remainder of the Program disbursement will be available for distribution to the eligible academic faculty. Funds may be used for the eligible academic faculty's professional development, pilot data collection, repayment of CAHP research development funds, graduate assistantships, teaching release or supplemental compensation. The availability and amount of supplemental compensation will be negotiated between the faculty member and the Program Director, however, in no instance will supplemental compensation exceed 25% of the faculty member's base University salary, per Board of Regents' Policy.
- C. Distributions will be calculated based on the parameters above, prior supplemental compensation commitments and payments for the current fiscal year, and expenses associated with reallocating researchers' other responsibilities (see Appendix A: *Displaced Salary and Supplemental Compensation Worksheet* for details.)

## **PROCEDURE**

Faculty will be eligible for the supplemental compensation plan in accordance with this policy upon approval of a grant budget or eligible contract budget by the UNMC Sponsored Programs Administration, the CAHP Director of Finance & Administration, and the Associate Dean for Research Development. Participation in the supplemental compensation plan requires submission of the Supplemental Compensation Employment Agreement (completed by the faculty member), and the accompanying *Displaced Salary and Supplemental Compensation Worksheet* (completed by the Program Director) to the CAHP Director of Finance & Administration within 30 days of receipt of award notification. The CAHP Research Administrator will notify you of your eligibility for supplemental compensation and will initiate completion of appropriate documentation.

For faculty whose participation in the supplemental compensation plan spans two or more fiscal years, on or about May 1<sup>st</sup> of each year, the CAHP Director of Finance & Administration or designee will notify the CAHP Program Directors and appropriate faculty and provide guidelines to renew, change the funding distribution or terminate the supplemental compensation plan. This notification will be in writing, and may be electronic. Requests to continue in the supplemental compensation plan and/or changes in the funding distribution will be submitted in writing to the CAHP Director of Finance & Administration via the Supplemental Compensation Employment Agreement and the *Displaced Salary and Supplemental Compensation Worksheet* no later than June 1<sup>st</sup>.

Supplemental compensation payments will be disbursed from the 1st day of the current or the 1st day of the following month in accordance with payroll deadlines, following receipt of the completed Supplemental Compensation Employment Agreement and *Displaced Salary and Supplemental Compensation Worksheet*. No agreements shall be backdated more than 90 days. If the 90-day deadline is not met, the department can opt to pay the difference from non-state department funding as a one-time additional payment.

Any distribution of displaced faculty salary, including payment of supplemental compensation will be made only if displaced faculty salary remains available during the duration of the Supplemental Compensation Employment Agreement. If displaced faculty salary ceases or is decreased during the annual period of the Supplemental Compensation Employment Agreement, the existing Agreement will be deemed void and a new agreement, commensurate with the change in displaced faculty salary, will be negotiated in the event the faculty member wishes to continue participation in the supplemental compensation plan. Participating faculty may withdraw from the supplemental compensation plan at any point during the year by providing the CAHP Director of Finance & Administration with 30-day written notice of their intention to withdraw from the plan.

After the close of each fiscal year the CAHP Director of Finance & Administration or designee will review the activity in the designated cost center and verify that all disbursements were made in accordance with CAHP, UNMC and Board of Regents policies and procedures.

Appendix A  
**Instructions for Completing the  
 Displaced Salary and Supplemental Compensation Worksheet**

CAHP policy stipulates that 50% of displaced faculty salary will be distributed to the College and 50% will be returned to the program where the faculty member holds their primary appointment. The program director, in consultation with the faculty member, will determine how the program's allocation will be distributed, however, per Board of Regents Policy, no more than 25% may be distributed to the faculty member in the form of supplemental compensation. CAHP policy encourages the use of displaced faculty salary for furthering program and faculty research agendas, to include support for research associates, repayment of pilot grant funds, or faculty professional development.

All Supplemental Compensation Employment Agreements are based on the University fiscal year, while grant budgets often use other budgeting cycles. This may result in only a portion of a faculty member's total expected displaced salary for a grant being included in a fiscal year calculation.

The following example illustrates how displaced salaries on externally funded research grants and contracts explicitly for the conduct of research are calculated:

*Note: All distributions related to extramural grants are estimates based on the faculty member's FTE as reported in the awarded grant contract. Actual allocations will vary if the faculty member's actual FTE worked on the grant varies as documented in the Effort Certification system.*

**Section 1** identifies the specific grants and contracts eligible for inclusion in the plan, the portion of FTE specified by the award or contract documents, the number of months in the fiscal year covered by the current Supplemental Compensation Employment Agreement, and the resulting expected displaced funds for the fiscal year. Fifty percent of the displaced funds will be allocated to the program where the faculty member has their primary appointment.

**Section 1**

Researcher salary: \$ 90,000		Monthly Salary Return		# Months this Fiscal Year		Fiscal Year Total	Program/PI Distribution
Grant Title	Role	FTE	Dollars	From - To	Year	Total	Distribution
<i>Vit D in infants</i>	<i>Co-PI</i>	<i>10.0%</i>	<i>\$750</i>	<i>Aug - Feb</i>	<i>6</i>	<i>\$4,500</i>	<i>\$2,251</i>
<i>Balance in elderly</i>	<i>PI</i>	<i>5.0%</i>	<i>\$375</i>	<i>Oct - Mar</i>	<i>6</i>	<i>\$2,250</i>	<i>\$1,125</i>
<b>Net Salary Returns</b>						<b>\$6,750</b>	<b>\$3,376</b>

Often final grant award documents are not received until after work has actually started on a project. In these cases the amount of each monthly allocation will be adjusted to ensure that the correct fiscal year allocation is made. For example, if a grant budget indicates a faculty member will work 10% during the months of July through June, and the faculty member's salary is \$100,000, the total displaced salary dollars for the fiscal year would be \$10,000 (100,000 x .10). If the award document is received and processed in July, each monthly allocation would be \$10,000 / 12 = \$833.33. However, if the award document is not received and processed until September, but the work actually began in July, the adjusted monthly allocation would be \$10,000 / 10 = \$1000.

<b>Section 2</b>		<b>Cost Center</b>	
<i>Program Development:</i>		<i>\$1,688</i>	<i>3304511234</i>
<i>Researcher proposed</i>	<i>Attend national conference</i>	<i>\$1,000</i>	<i>3304511111</i>
<i>uses:</i>	<i>Pilot grant partial repayment</i>	<i>\$488</i>	<i>3304511199</i>
	<i>Pilot project</i>	<i>\$200</i>	<i>3304511245</i>
<i>Proposed distribution as of : 1/13/2016</i>		<i>\$1,688</i>	

Section 2 illustrates the distribution of the Program's allocation of displaced salary dollars. In the above example 50% of the Program's allocation, \$1688, will be used for program development, at the discretion of the Program Director. The remaining 50% will be used by the researcher for three research/professional development activities totaling \$1688.

Note: Displaced faculty salaries that are not being used for Supplemental Compensation will be transferred to the appropriate cost centers bi-annually, in January and July.

**CAHP Salary Return Distribution & Supplemental Compensation Worksheet 2016-17**

To: Associate Dean for Research Development  
 CC: Director of Finance and Administration  
 Administrative Research Coordinator

**Researcher/Project Leader:** \_\_\_\_\_

The following table includes the net displaced faculty salaries from grants and contracts for fiscal year 2016-17, as of \_\_\_\_\_.

Section 1

Grant Title	Role	FTE	# Months this Fiscal Year	Monthly Salary Return	Fiscal Year Total	50% to Program
Researcher salary: \$						
Net salary Returns:		0.0%		\$0	\$0	\$0

Section 2

Cost Center

<b>Program Development:</b>
<b>Researcher:</b>
<b>Researcher proposed uses:</b>
<b>Proposed distribution as of:</b> \$ - \$ - \$ -

Note: As funding sources change, changes to the distribution above will apply accordingly and a new agreement must be completed.

CAHP Researcher Signature \_\_\_\_\_ Date \_\_\_\_\_  
 CAHP Division Director Approval \_\_\_\_\_ Date \_\_\_\_\_  
 CAHP Associate Dean of Research Approval \_\_\_\_\_ Date \_\_\_\_\_

Please Note: Upon approval of the above distribution a CAHP Supplemental Compensation Employment Agreement must be completed.

