



ADMINISTRATIVE POLICY

Extra-Contractual Compensation Policy (HR 4)

POLICY STATEMENT

This policy establishes general provisions to cover the circumstances and limitations under which Extra-Contractual Compensation (ECC) may be appropriate for Nevada State College (NSC) employees who render services in excess of their normal workload, duties, and/or responsibilities. This policy applies to ECC paid to all NSC employees, regardless of the funding source, for any work at a Nevada System of Higher Education (NSHE) institution.

In order for NSC to provide Extra-Contractual Compensation to employees from federally-funded grants and contracts, NSC must follow an established, institution-wide policy that pertains to the payment of all ECC from all funding sources. This policy must comply with the Federal Cost Accounting Standards, specifically, 2 CFR 200 Uniform Guidance.

It is the purpose of this policy to define the parameters under which ECC, as it relates to various personnel and situations, may be paid and to establish the review criteria and procedure for the payment of such compensation, regardless of the source of funds.

DEFINITIONS

A-Contract: The base salary period is the full twelve (12) months of the Fiscal Year.

B-Contract: The base salary period is nine (9) months, including ninety (90) days in fall and eighty-five (85) days in spring; the specific contractual dates vary.

Extra-Contractual Compensation (ECC): Payment to an NSC employee (e.g., academic faculty, administrative faculty) for duties in excess of the normal workload that relates to the Institutional Base Salary or Extra-Contractual Compensation Minimum, whichever is higher. ECC constitutes payment beyond Institutional Base Salary and is not guaranteed. ECC is contract work that can include (but is not limited to) teaching overloads, administrative stipends, participation in professional development institutes, participation in sponsored projects, or other extra service obligations that go beyond primary role assignments.

Extra-Contractual Compensation (ECC) Cycle: Time period from the first day of the nine-month academic year obligation period in August of each year through the last day of the summer term in the consecutive year.

Extra-Contractual Compensation (ECC) Minimum: A minimum alternative salary amount of \$75,000 per Fiscal Year, used to calculate allowable ECC when an individual's Institutional Base Salary (IBS) is \$74,999 or below. The ECC Minimum will be evaluated and adjusted as needed every five (5) years.

Fiscal Year: The continuous twelve (12) month period from July 1 of a year to June 30 of the following consecutive year

Institutional Base Salary (IBS): The annual compensation paid by the College for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties stipulated in the employee's basic appointment. Compensation over and above the employee's IBS, for a given base salary period regardless of the source of funds (sponsored or non-sponsored), is not allowed for performance of regularly contracted duties. In certain situations, however, compensation in excess of the IBS may be justified. For purposes of computing ECC, any increase in IBS during an ECC Cycle are applied to the following ECC Cycle.

Off-Contract: Dates not covered under a B-Contract employment obligation period.

PROCEDURES

Payment of additional compensation is made via a Job Request in Workday. The reason for the additional compensation must be stated clearly in the Comment section.

The Office of Human Resources is the official source of information on the ECC status of faculty and staff.

I. Limits

- A. Subject to limitations of this policy and the policy on faculty workload, *A-Contract (12-month) employees* are permitted to earn a maximum of 25% of their Institutional Base Salary or ECC Minimum, whichever is higher, as additional compensation, regardless of funding source, during each ECC Cycle.
- B. Subject to limitations of this policy and the policy on faculty workload, *B-Contract (9-month) employees* are permitted to earn a maximum of 67% of their Institutional Base Salary, or ECC Minimum, whichever is higher, regardless of funding source, during each ECC Cycle.
- C. In special situations, employees may request approval for an exception to the ECC limits from their appropriate Executive-Level approver (Provost, Vice President). Such requests must be received and approved before the activity for which ECC is sought begins. The Office of Human Resources will inform the Office of the Provost of any ECC-related contracts that violate the limits set in this policy if it is not accompanied by a proper advance approval.

II. Forms of Extra-Contractual Compensation

The sections below describe the different potential sources of ECC: teaching, administrative stipends, professional development participation, and sponsored projects. Compensation for any of these activities is subject to the limits set forth in Section I: Limits. Total compensation for all activities combined must fall within the maximum allowable ECC stated in Section I.

A. Teaching

1. Academic faculty on an A-Contract or B-Contract may teach and receive compensation for additional course(s) during the contract year. Where additional compensation may be paid, the following requirements apply:
 - i. The maximum overload for full-time A-Contract faculty is *one* (1) course per semester or winter/summer session. A-Contract faculty in primarily administrative positions (e.g., deans, vice provosts) are compensated at the part-time faculty teaching rate.

- ii. The maximum overload for full-time B-Contract faculty is *one* (1) course per semester or winter session. B-Contract faculty may also teach a maximum of three (3) summer session (or equivalent off-contract period) courses; of those three (3) courses, two (2) courses are considered a full load for the off-contract period and one (1) is considered overload.
 - iii. The maximum overload for academic faculty shall not exceed a total of four courses in a Fiscal Year (12 months), July 1-June 30. The measurement is based on the course completion date.
 - iv. One course may carry up to, but not more than, five credits. Several courses (such as independent studies) may be considered 'one class,' but only up to a total of three credits.
 - v. Approval for ECC of Academic faculty for added teaching responsibilities is granted by the Dean or Director of Libraries. Exceptions to the semester/annual credit limitations must be requested through the Dean or Director of Libraries and approved by the Provost's Office.
2. Administrative faculty who want to engage in teaching activities at the request of an instructional unit may do so upon approval of their immediate supervisor. The faculty member may request additional compensation if the instructional activity is in addition to regular work duties and performed outside of normal working hours. Where additional compensation may be paid, the following requirements apply:
- i. The administrative faculty member's regular job requirements will be maintained and fulfilled.
 - ii. Instructional activities must occur outside of the employee's normal working hours. Any exception to this must be approved by the Executive-Level Approver.
 - iii. The administrative faculty member may teach no more than one course per semester or winter/summer session. The one course may carry up to five credits, but not more than five. Several courses (such as independent studies) may be considered 'one class,' but only up to a total of three credits.
 - iv. Administrative faculty require approval from their immediate supervisor and must inform their hiring authority of their supervisor's approval.

B. *Administrative Stipends*

A-Contract and B-Contract academic & administrative faculty members completing additional administrative duties may receive additional compensation in the form of administrative stipends.

C. *Professional Development Participation*

1. B-Contract academic faculty are allowed to participate in and receive additional compensation for professional development institutes held over the summer. They do not require special permission unless their participation will lead to effort that exceeds 100% or surpasses the maximum allowable annual overload. Exceptions in these instances must be requested through the Dean or Director of Libraries and approved by the Provost's Office.
2. A-Contract academic faculty are allowed to participate in and receive additional compensation for professional development institutes held over the summer. Where additional compensation may be paid, the following requirements apply:
 - i. The academic faculty member's regular job requirements will be maintained and fulfilled;
 - ii. The work completed is beyond their normal workload and assigned duties;

- iii. A-Contract faculty must consult with their Dean or Director of Libraries on how they will maintain their regular work duties in addition to their participation. Participation must be requested through the Dean or Director of Libraries and approved by the Provost's Office.
3. Administrative faculty are allowed to participate in and receive additional compensation for professional development institutes held over the summer. Where additional compensation may be paid, the following requirements apply:
 - i. The administrative faculty member's regular job requirements will be maintained and fulfilled;
 - ii. The work completed is beyond their normal workload and assigned duties;
 - iii. Administrative faculty must consult with their immediate supervisor on how they will maintain their regular work duties in addition to their participation. Participation must be requested through the supervisor and approved by the appropriate Executive-Level approver.

D. *Sponsored Project Participation*

1. During the Academic Contract Period: For Academic Faculty (A or B Contract), completion of sponsored research during the academic year may be undertaken on a released-time basis. When an employee undertakes a sponsored research project on a released-time basis, the grant shall be charged for that portion of his/her time devoted to the project, per the terms of the grant/contract. The rate of compensation will be the same as that paid by the College.

In those instances where it is not possible for a faculty member to be released from regular College duties to undertake sponsored research projects, payments of ECC may be permitted in accordance with this policy, unless prohibited by the Dean or Director of Libraries. It is understood that ECC duties will be undertaken only when the additional duties will not interfere with regular duties.

Academic faculty should work with their Department Chair and Dean or Director of Libraries to determine if release time or ECC is appropriate. If ECC is approved, the Dean or Director of Libraries must inform the Provost and Office of Sponsored Projects on the additional allowable effort. ECC must be requested through the Dean or Director of Libraries and approved by the Provost's Office.

2. During Off-Contract Periods: B-Contract faculty are allowed to participate in and receive additional compensation for sponsored project activities completed over the summer. Research compensation during the summer months (or other periods not included in the base salary period) is to be calculated for each faculty member at a rate not in excess of the IBS divided by the period to which the base salary relates. The maximum amount of sponsored projects activity that may be earned during the summer is 1/3 of the faculty member's IBS; funding agencies may set lower limits. Where additional compensation may be paid, the following requirements apply:
 - i. If a faculty member is working on several projects during an off-contract period, care must be taken to ensure that accurate effort reporting is certified (e.g., teaching; sponsored projects).
 - ii. ECC must be requested through the Dean or Director of Libraries and approved by the Provost's Office.

- Administrative Faculty may receive a buyout of all or a portion of their time using a sponsored agreement. Buyouts must be approved by the Administrative Faculty member's direct supervisor and the appropriate Executive.

FORMS/INSTRUCTIONS

Route for Approval:

- Academic Faculty requests: Department Chair → Dean or Director of Libraries → Provost
- Administrative Faculty requests: Supervisor → Executive-Level Approver

CONTACTS

SUBJECT	CONTACT	PHONE	EMAIL
Provost	Vickie Shields	702-992-2634	vickie.shields@nsc.edu
Senior Vice President of Finance & Business Operations	Kevin Butler	702-992-2312	kevin.butler@nsc.edu

RELATED INFORMATION

AA 3.2 [Academic Workload Policy](#)

HISTORY

ECC Policy approved May 2018
 Clarifying language added and distributed September 2018

APPROVAL SIGNATURES PAGE

Vickie Shields

5-2-2022

Office of the Provost (Provost's Signature)

Date

Recommendation (check one):

	Denial	Approval	Approval w/ condition*
<i>Recommendation</i>		XX	

DeBonne P. Pollard

Office of the President (President's Signature)

7.01.2022
Date

Final decision (check one):

	Denial*	Approval
<i>Recommendation</i>		X

*Attach rationale for denial.