

From: Dean Michael D. Smith

Sent: Tuesday, February 17, 2015 10:13 AM

Subject: Change to FAS Supplemental Salary Policy

Dear colleagues,

With gratitude to the members of the FAS Committee on Research Policy (CRP), I write to announce a positive change in our policy regarding faculty supplemental salary. As you may know, new governmental regulations on faculty compensation have necessitated changes in our policies. In responding to these new regulations, the CRP took this opportunity to structure our new policy in a manner that will improve the experience for faculty and will simplify its administration. I am pleased with the proposed changes and believe that the new policy will better serve the faculty.

Attached is the description of the new policy. If you receive supplemental salary, I would ask that you take a moment to review the policy and to consider the impact this change may have on your personal situation.

You will again receive information about this policy later this spring when requests are sent out regarding supplemental salary. If at any point you have questions or concerns about how this might impact you, please contact Patrick Fitzgerald, Associate Dean for Research Administration at 617.495.4083 or pwf@fas.harvard.edu.

Respectfully yours,

Michael D. Smith
Edgerley Family Dean of the Faculty of Arts and Sciences

Change to FAS Supplemental Salary Policy

Effective July 1, 2015, FAS will change the policy on faculty supplemental salary to simplify the process for faculty and administrators. Currently, faculty make supplemental salary requests twice per fiscal year, and payments are made in varying monthly amounts throughout the fiscal year, with large payments occurring in the summer months. Under the new policy, faculty will make a single supplemental salary request at the start of the fiscal year (and when they receive new grants providing supplemental salary), and the supplemental salary payments will be spread evenly across all months of the fiscal year (or across the remaining months of the fiscal year for new grants).

The current process is confusing to faculty and administrators, administratively burdensome, and prone to error. The change will simplify processing and standardize monthly supplemental salary payments. Supplemental salary will be paid over 12 months of the fiscal year independent of when the work is performed, consistent with the way the 9-month academic year salary is paid. Faculty will meet the federal government's requirement to confirm effort devoted to sponsored projects through the annual salary certification process.

Under the new policy, faculty will make one request in May for 1, 2, or 3 months of supplemental salary to be paid over the next fiscal year. The request will include supplemental salary from sponsored grants and Dean's ninths. Payments will be spread evenly across July through June of the next fiscal year. While the number of months of supplemental salary once declared is fixed for the fiscal year, the faculty, with help from the department administrators, will be able to request changes during the year to the allocation of payments to grants. When a faculty member receives a new award with supplemental salary starting before the next fiscal year, s/he may immediately increase the number of supplemental months, up to 3, or change the allocation of supplemental salary across sponsored grants and Dean's ninths. Supplemental salary payments may vary during a year due to one-term sabbatical leaves and the completion of a grant.

Transition from Old Policy to New Policy

The new methodology spreads payments evenly over the fiscal (and thus also the calendar) year. A person regularly taking 3 months of supplemental salary will see a one-time transition effect as we move from the old to the new policy. The old methodology paid 2 months in the last 6 months of the calendar year and 1 month in the first 6 months of the next calendar year. Faculty will now receive 1.5 months in both the last 6 months of the current calendar year and the first 6 months of the next calendar year, as illustrated below. During the transition year of 2015, a faculty member's calendar year salary will decrease by 0.5 of a month as a result of the new timing of payments.

Supplemental Salary	FY 2015 Request	Fall 2015	Spring 2015
Old Method	3 Months	2	1
New Method	3 Months	1.5	1.5

Faculty who regularly received 2 months of supplemental salary will see a similar transition effect because the old methodology paid 2 months in the last 6 months of the calendar year and zero months in the first 6 months of the following year. Again, this smoothing of supplemental salary will affect your calendar year salary only in the transition year.