Salary Supplements vs. Stipends vs. Additional Compensation

**SUMMARY OF POLICY 12.16 (Salary Supplements, Stipends, and Additional Compensation)**

Salary supplements, stipends, and additional compensation are all types of extra compensation potentially available to faculty and staff. The hard part is determining which is which.

Below is a summary of the types of extra compensation available and how they are processed:

**Salary Supplements** – are payments that temporarily augment the base appointment salary of an employee. In the HR system, the employee’s primary position remains the same, while an additional assignment is created to pay the supplement. Salary supplements cannot be paid from grant funds.

*Examples:* (1) interim appointments; (2) faculty course overloads; and (3) endowed positions

Salary supplements are requested via an [EPAF Origination Request Form](#) (found on the HR website). Human Resources uses the origination request to create an EPAF and route for approvals.

*Tip:* Be mindful of the dates when submitting these requests. Salary supplements cannot cross fiscal years, and a new request form should be completed annually to renew supplements that are for extended periods.

**Stipends** – are lump-sum payments in addition to the base appointment salary that provide recognition or incentives to employees. Stipends can be paid from designated, auxiliary, and gift accounts; they cannot be paid from state appropriated funds or grant funds.

*Examples:* (1) the Regents Professor Award; (2) the President’s Staff Award; (3) teaching excellence awards; (4) compensation for online courses not paid for by sponsored agreements; (5) payments for off-campus teaching assignments; (6) incentive payments; and (7) musical or theatrical performances at university-sponsored events

Stipends are requested via a (paper) [Stipend Authorization Request Form](#) (found on the HR website) and routed for signatures before being sent to Human Resources. Once finalized, HR sends the information to the Payroll Office for processing. These payments are added directly to the employee’s paycheck (no additional job assignment is created).
Tip: Stipends cannot be paid until after the related work is performed. We recommend discussing non-award stipends with Human Resources prior to work being performed to ensure it is the most appropriate method of payment.

Additional Compensation – are payments in addition to the institutional base salary for work that is clearly in addition to regularly assigned duties and that must be performed outside of normal working hours or during vacation/compensatory time. Additional compensation may be paid from grant funds if allowed by the sponsor.

Additional compensation is subject to a cap equal to 25 percent of the employee’s 9- or 12-month base appointment salary (including any salary supplements).

Examples: (1) interdepartmental consulting or short-term, incidental activities on grants; (2) casual, seasonal work; and (3) teaching SFA 101

Requests for additional compensation are submitted via a (paper) Authorization for Additional Compensation Services Form and routed for signatures before being sent to Human Resources. After the additional compensation services have been approved and the work is completed, requests for payment are submitted via a (paper) Additional Compensation Payment Form. Each of the two request forms must be submitted before payment can be processed. These payments are added directly to the employee’s paycheck (no additional job assignment is created).

Like salary supplements, additional compensation cannot cross fiscal years. New services and payment forms should be completed for any additional compensation work that extends into another fiscal year.

Tip: Always work with Human Resources before arranging additional compensation with an employee. An employee may not be eligible for additional compensation, may have already reached his or her cap, or a different payment method may be more appropriate.

Reference the policy directory for cap calculation details and more information related to payment from grant funds.

Related forms (all found on the Human Resources website):
  EPAF Origination Request Form
  Stipend Authorization Request Form
  Authorization for Additional Compensation Services Form
  Additional Compensation Payment Form

Related policy: Salary Supplements, Stipends, and Additional Compensation (12.16)