

**EXTRA COMPENSATION FOR FACULTY, NON-CLASSIFIED OR CLASSIFIED, EXEMPT EMPLOYEES**

The salary or other regular compensation of a full-time employee of the University is intended as compensation for all regularly assigned activities performed for or in the name of the University. However, an employee may be called upon from time to time to perform additional tasks over and above regularly assigned duties for which he or she may receive extra compensation. In accordance with state law and University policy, the following requirements and restrictions apply to the payment of extra compensation to faculty, non-classified, or classified, exempt employees:<sup>1</sup>

1. Faculty, non-classified, or classified, exempt employees are eligible for extra compensation, with the exception of those employees with titles of dean, vice chancellor, chancellor or chief executive officer for each campus, division or unit. An employee's dean or supervisor must certify that the employee is working full time, or 100%, during the activity period for which extra compensation is being recommended.
2. The work for extra compensation shall not interfere with the regular duties of the individual, as certified by the dean or unit head. Unless specifically authorized by the dean or unit head, no employee shall receive extra compensation, unless the duties are performed outside the normal work schedule or annual leave is taken for preparing and conducting said activities. For example, but not by way of limitation, full-time employees may teach for extra compensation provided preparation for and time in class fall outside their regular work schedules.
3. The request for extra compensation must be approved prior to performance of the work.
4. State grant funds or federal funds may not be used to pay extra compensation unless specifically authorized by the sponsoring agency.
5. Extra compensation for an employee must be consistent with any applicable state and federal laws and regulations and with any applicable accreditation standards or criteria.
6. Extra compensation must not result in a conflict of interest.
7. University funds will not be used for extra compensation for speeches, public appearances, etc., which are civic, public relations, or development activities.
8. University funds will not be used for extra compensation for such scholarly activities as research, research consultation and collaboration, or creative works considered part of normal faculty duties.

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<sup>1</sup> Classified, non-exempt employees are not eligible for extra compensation under this policy. This policy does not address the payment of additional compensation to classified employees for the performance of additional duties assigned to them at non-job-related institution-sanctioned events, as permitted under Ark. Code Ann. § 6-63-306.

9. An employee's total compensation, for a year or for a month, including extra compensation, shall not exceed the line- item maximum (LIM) salary for the position, subject to the exceptions set forth in Ark. Code Ann. § 6-63-303 (for overload teaching), § 6-63-309, § 6-64-305, and subject to the provision below regarding private funds. Further, the maximum amount which may be paid to an employee as extra compensation is twenty (20) percent of his/her annual salary, unless authorized by the President. A change of title will not be approved in order to pay an individual above his/her existing line item maximum.
10. To the extent an employee exceeds 125% of annual LIM with extra compensation, then the compensation must be paid through private funds and the request for exemption must be approved by the chancellor or chief executive officer for each campus, division or unit, vice chancellor for academic affairs, the President of the University of Arkansas System, and the Board of Trustees.
11. Unless authorized by the President, senior administrators, as defined by the chancellor or chief executive officer for each campus, division or unit, shall not be eligible for extra compensation for teaching a class or performing other duties for the University.
12. Stipends for extra compensation must be authorized to be paid at the regular payroll period for the time period in which it is earned.

### Procedures

Subject to any additional approval or reporting process provided for by statute:

Each campus or unit within the University of Arkansas shall establish procedures to process recommendations for extra compensation, which shall include approval (or disapproval) by the chancellor or chief executive officer for each campus, division or unit.

Each campus or unit will monitor extra compensation for conformity to the requirements of this policy and applicable law, and shall maintain information regarding extra compensation for an annual report.

Exceptions to the provisions of this policy or delegations of approval authority will require the approval of the President.

April 29, 2016