

## Intercollege Compensation

The practice of paying extra compensation to faculty members employed regularly in one division of the university for temporary services in other divisions could, if unregulated, be abused and might easily undermine the salary structure of the university. When it is necessary, however, and under certain clearly defined conditions, the divisions of the university are permitted to pay qualified members of the faculty for specialized teaching, research, and consulting services.

Note: An honorarium is a token payment generally paid as a means of saying “thank you” for one-time participation in a class or event. Under tax law, such payments to Cornell faculty must be processed through payroll. Honoraria generally do not exceed \$500 and these minor, token payments are not subject to the procedures defined below.

Please consult the Cornell University Payment and Tax Services Office at

<http://www.payments.cornell.edu>

for further information.

### University Policy

Limited and temporary service—such as a single lecture to a scheduled class or a single meeting for consultation—rendered by a faculty member of one division to another division is part of the normal obligation of the faculty member to the university and should therefore be rendered without compensation. The work involved should either be of clear benefit to Cornell or render significant service to the community at large. Intercollege consulting and services are subject to the normal college and university policies on outside consulting.

When an endowed college wants to engage a faculty member normally paid for full-time service in another endowed college for a formal research assignment or regular teaching assignment consisting of one or more courses in the resident teaching program for full-time students, arrangements should be made by the deans of the colleges after consulting with the faculty member. An exchange of funds or other appropriate arrangement between the colleges should be made to compensate for the services provided to one college and the loss of services to the other. The payment is not made directly to the faculty member.

Services rendered by a faculty member in one state-supported unit of the university to another state-supported unit of the university are not compensated. Such service is a normal part of the extension responsibility of the staff of the state-supported divisions.

When an endowed college or division wants to engage a faculty member who is normally paid for full-time service in a state-supported college, special arrangements must be made by the deans of the colleges involved, within the framework of policies established by the university controller, the vice president for financial affairs and chief financial officer, and the director of budget. Funds to compensate a state-supported college faculty member

for instruction or consulting services should never be transferred directly from a departmental account in an endowed unit to a departmental account in a state-supported unit.

A college may pay another college or a faculty member of another college for that faculty member's services as an instructor in extension courses or special adult education programs conducted either on campus or outside Ithaca under arrangements similar to those followed by the School of Continuing Education and Summer Sessions in engaging faculty members. These arrangements require the permission of the chairperson and the dean.

Exceptions to these general rules may be necessary in special circumstances. In such instances the provost, the university controller, and the vice president for financial affairs and chief financial officer, and the deans involved work out mutually satisfactory arrangements.

### Federal Policy

A unique problem arises when intrauniversity consulting fees are paid from federal funds. Federal agency approvals of the use of campus consultants are difficult to obtain and cannot be counted on. Federal policy in this area is stated in circular A-21 from the Office of Management and Budget (available at <http://whitehouse.gov/omb/circulars/a021/a021.html>). When this situation occurs, the Office of Sponsored Programs should be contacted for guidance prior to submitting a proposal to the sponsor.

"In no event will the [faculty] charge to research agreements, irrespective of the basis of computation, exceed the proportionate share of the base salary for that period, and any extra compensation above the base salary for work on government research during such period would be unallowable. This principle applies to all members of the faculty at an institution. Since intrauniversity consulting is assumed to be undertaken as a university obligation requiring no compensation in addition to full-time base salary, the principle also applies to those who function as consultants or otherwise contribute to a research agreement conducted by another faculty member of the same institution. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the consultant is in addition to his regular departmental load, any charges for such work representing extra compensation above the base salary are allowable provided such consulting arrangement is specifically provided for in the research agreement or approved in writing by the sponsoring agency."

## Procedures

All arrangements for paid intercollege services must have the prior written approval of the deans of the colleges concerned. Appointment forms with their signatures, stating the stipend and the expected extent of service, must be forwarded at least one week in advance of the assignment to the university controller and the vice president for financial affairs and chief financial officer, who consults with the vice provost for research if funds from federal sources are involved.

Funds for extra compensation ordinarily come from other than normal university sources, such as research contracts or grants. If payment is to come from federal funds, permission for such payment must either be included in the contract or grant or be agreed to in writing by the sponsoring agent. Payment of extra compensation must be through the university's payroll system.