A10.200  Compensation of Employees

1. Purpose. To establish policies for the compensation of Applied Research Laboratory at the University of Hawaii (ARL at UH) employees hired through the University of Hawaii (UH). See Footnote on ARL at UH employees through RCUH.

2. Applicability. These policies shall apply to all employees of the Applied Research Laboratory at the University of Hawaii (ARL at UH).

3. Definitions.

   a. “Employee” shall refer to researchers, technicians, administrative staff, graduate assistants, and undergraduate students employed by the ARL at UH whether hired through UH or RCUH.

   b. “Base salary” shall refer to the rate of compensation for the employee’s normal academic or on-duty period.

   c. “Additional compensation” shall refer to: in the case of faculty, summer salary or overload; in the case of Administrative, Professional and Technical (APT) employees, overtime, night differential, overload, and temporary hazard pay; in the case of student assistants, overtime and premium pay.

   d. “Health and other benefits” shall refer to benefits such as medical and dental insurance, workers’ compensation insurance, temporary disability insurance, group life insurance, long-term care insurance, employee retirement benefits, paid holidays, and tuition waivers.

   e. “Leave” shall refer to: leaves of absence with pay such as vacation, sick leave, family leave, funeral leave, jury or witness duty, sabbatical or professional improvement leave; and/or leaves of absence without pay such as for professional improvement, for physical/mental health reasons or for personal reasons.
f. “Travel policy” shall refer to policies for the payment or reimbursement of travel costs such as per diems, excess lodging and mileage reimbursements to or on behalf of the employee.

g. “Summer salary” shall refer to research salary that may be earned by 9 or 11-month UH faculty that do not accrue vacation leave during that faculty member’s off-duty period. Not to be confused with overload.

h. “Overload” shall refer to additional compensation that generally cannot be earned by faculty on University grants during the faculty member’s academic or on-duty period unless the faculty member’s work meets the exception criteria under OMB Circular A-21, Section J.10.d.(1). UH faculty that accrue vacation leave are not eligible for overload unless the faculty member elects to go on non-accrual status for two years and signs out for the necessary vacation leave to conduct the work. UH APT employees may earn overload in accordance with the Unit 8 Agreement, provided however that the work to be charged to an ARL at UH project must provide direct benefit to the project and the cost must be allowable, allocable and reasonable in accordance with federal regulations.

i. “Academic or on-duty period” shall refer to the work period covered by the employee’s base salary. For 9-month UH faculty, the period starts between August 14th and September 14th and runs for nine consecutive months.

4. Policy. Employees of the ARL at UH shall be compensated in accordance with established University policies and procedures, statutes, and the provisions of the applicable bargaining agreement, including those related to: base salary, additional compensation, health and other benefits, leaves, and travel. Additional information regarding the specific policies can be found in the appropriate collective bargaining agreements, UH policies and procedures, and the web sites referenced under Part 5 below. However, all employees shall account for 100% of their effort on the ARL at UH timekeeping system as required under APM A10.110.

a. General guidelines.

i. UH faculty are considered exempt employees under the Fair Labor Standards Act (FLSA) and thus are not entitled to overtime on ARL at UH projects.

ii. UH faculty, in accordance with the general rule on overload compensation, are not entitled to overload compensation on ARL at UH projects unless the faculty
member’s work meets the exception criteria under OMB Circular A-21 J.10.d.(1):

1. Consultation is across departmental lines or involves a separate or remote operation (i.e., a faculty member’s own research project does not qualify);

2. Consultation work performed is in addition to the employee’s regular departmental workload; and

3. Consulting arrangements are specifically provided for in the task order or approved in writing by the sponsoring agency.

In addition, UH faculty members that accrue vacation leave must be on non-accrual status to be eligible for overload.

iii. UH APT employees and students (UH non-exempt employees under FLSA) may earn overtime on ARL at UH projects provided that the principal investigator approves it in advance.

iv. UH APT employees may earn overload in accordance with the Unit 8 Agreement, provided however that the work to be charged to an ARL at UH project must provide direct benefit to the project and the cost must be allowable, allocable and reasonable in accordance with federal regulations.

v. Unused, accrued vacation credits. For ARL at UH employees hired through UH, task orders will be assessed a fringe benefit rate for participation in a vacation pool to pay unused vacation credits attributable to federally funded grants and contracts when the employee terminates employment at the UH.

5. References.

   a. Unit 7 Agreement
   b. Unit 8 Agreement
   c. UH Personnel Policies & Procedures
   d. UH Vacation Credit Fund Transfer for Extramurally Funded Employees

Footnote

In accordance with the agreement between the University of Hawai‘i and Research Corporation of the University of Hawai‘i (RCUH), employees hired
through the RCUH for the ARL at UH are subject to RCUH policies and procedures. However, as a condition of their employment at the ARL at UH, RCUH employees must adhere to the timekeeping policies and procedures and prior approval requirements in APM A10.110.