



## POLICY ON BUDGETING POSTDOCTORAL SALARY/STIPENDS IN SPONSORED PROJECT APPLICATIONS

**Policy Number:** 2.0.4.6

**Version Number:** 001

**Classification:** Proposal Development and Submission

**Effective Date:** July 1, 2018

**Responsible University Office:** Office of Sponsored Programs

### 1.0 Purpose

The purpose of this policy is to ensure that all postdoctoral researchers supported by externally sponsored awards are funded at the minimum annual salary threshold as specified by the Fair Labor Standards Act.

### 2.0 Applicability

This policy applies to all grant and contract applications requesting funds from external sponsors to support postdoctoral researchers as defined in Section 4.0.

### 3.0 Government Rules and Regulations

**Fair Labor Standards Act (FLSA)** – The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.” As amended on May 18, 2016, the U.S. Department of Labor raised minimum salary thresholds for exempting employees from FLSA overtime requirements from \$455 a week (or \$23,660 annually) to \$913 a week (\$47,476), effective December 1, 2016. These thresholds are expected to be reviewed and updated every three years.

### 4.0 Definitions

**Fair Labor Standards Act (FLSA)** – See Section 3.0

**Postdoctoral Researcher** - An individual who has received a doctoral degree (or equivalent) and is engaged in a temporary and defined period of mentored advanced training to enhance the professional skills and research independence needed to pursue his or her chosen career path (as defined by the National Institutes of Health and National Science Foundation, January 29, 2007).

## 5.0 Policy

Effective immediately, all new proposals for grants and contracts should budget no less than the FLSA annual minimum salary for all postdoctoral research positions to ensure they are sufficiently funded. Multi-year applications must budget for potential Cost-of-Living Adjustments every three years at a rate of approximately three (3) percent of current salary, or at a rate specified by the U.S. Department of Labor. The Budget Justification must clearly explain that the proposed COLA is in response to anticipated increases in the FLSA Minimum Salary threshold. When an application funds only a portion of a postdoctoral salary based on total effort devoted to the project, the same minimum salary threshold should be used as the basis for calculating salary/stipend amounts and be clearly articulated in the application's budget justification.

## 6.0 Responsibilities

**Principal Investigators:** Ensure that postdoctoral work tasks are appropriately assigned to a postdoctoral position classification as defined in Section 4.0.

**OSP Support Centers:** Verify that work tasks match postdoctoral position classification as defined in Section 4.0. Verify that budget requests are based on minimum FLSA salary thresholds, subsequent COLAs are included in multi-year budgets and budget justifications include the required references to FLSA review periods.

**Department Chairs and Associate Deans for Research:** During electronic routing approval process, verify that postdoctoral work tasks are appropriately reflected with a postdoctoral position classification as defined in Section 4.0, and the salary requested is based on the minimum FLSA salary thresholds. For multi-year proposals, verify that a COLA is factored in every three years with an appropriate budget justification.

## 7.0 Sanctions for Non-Compliance

Clemson University reserves the right to withdraw an application or reject an award that does not include adequate postdoctoral support per this policy. Alternatively, Clemson may require a budget revision, with sponsor approval, to fund postdoctoral positions at the FLSA minimum salary levels by reducing other budget categories.

## 8.0 Approval Signatures

This policy has been approved by:



Tanju Karanfil  
Vice President for Research

July 1, 2018

Date

REVISION HISTORY		
EFFECTIVE DATE	REVISION NUMBER	MODIFICATION
January 1, 2017		
July 1, 2018	1	New classification number