

*Section 3*  
**The Employees**

**3.1 SUBJECT: TRAVEL**

Date adopted: February 7, 1987  
February 8, 1992  
Date Amended: September 12, 2008  
Reference: Minute Book: 37 Page: 9

Reimbursement of travel expenses is limited to travel that is necessary for the proper execution of University business, or in justifiable pursuit of the University's educational and research objectives. All travel shall be by the most economical means and reimbursement may not be claimed for travel expenses provided free of charge to an employee while in travel status.

Accounting and Financial Services is charged with the responsibility for communicating travel procedures; and insuring that travel expenditures conform to these procedures; and any other communications thereof.

The respective vice president may approve exceptions to these policies and procedures in the best interest of the University.

It is the responsibility of all individuals requesting reimbursement of travel expenses to be aware of and to comply with the procedures as published by the Office of Accounting and Financial Services.

**3.2 Subject: AGENCY FUND**

Date Adopted: February 7, 1987  
Date Amended: September 12, 2008  
Reference: Minute Book: 37 Page: 8

Any campus group or student organization may request the establishment of an agency fund. It is the responsibility of those individuals or organizations owning agency funds to be aware of and to comply with this policy and the related procedures.

**I. Definition**

Agency funds are those funds held by the University as custodian or fiscal agent for others, such as student organizations, department flower funds, and external faculty/staff organizations. Agency funds must be affiliated with the University.

**II. Establishing Fund**

Agency Funds will be approved and established by the Office of Accounting and Financial Services. All student groups requesting or maintaining an agency fund must be registered with the Student Activities Office.

**III. Termination of Fund**

No University monies may be deposited to an agency fund. If University monies are found to be mingled with agency monies, the fund will be closed and the privilege of using an agency fund will be withdrawn.

Accounting and Financial Services is charged with the responsibility for maintaining and communicating Agency Fund procedures.

**3.3 Subject: EMPLOYEE TUITION WAIVER**

Date Adopted: November 19, 1976  
Date Amended: November 14, 1981  
Date Amended: February 7, 1987  
Date Amended: September 9, 1989  
Date Amended: September 12, 2008  
Date Amended: September 6, 2013  
Date Amended: June 6, 2014

References: Minute Book: 20 Page: 16  
Minute Book: 26 Page: 171  
Minute Book: 37 Page: 8  
Minute Book: 44 Page: 37  
Minute Book: Page:

It is the policy of Murray State University to encourage the professional growth of all employees. To facilitate such growth, Murray State University will waive the selected amounts of tuition in each fiscal year for up to six (6) credit courses per twelve month fiscal year, not to exceed one (1) course offered during working hours in any given semester or session. The tuition waiver may be used for undergraduate or graduate, specialist and doctoral courses. The University must maintain adequate support for high cost programs, therefore, tuition waivers may be restricted in some instances.

Additionally, an eligible employee may transfer any unused portion of the existing employee tuition waiver benefit as noted below to their lawful spouse, dependent child(ren) and/or extended family member.

For purposes of this policy, a dependent includes natural, adopted or step-child or person for whom the employee has been granted legal guardianship. Additionally, a dependent is defined as a person under 24 years of age at the beginning of the academic term during which the benefit is effective. Also, for purposes of this policy, an extended family member is defined in the University's medical plan documents. This policy does not extend to an extended family member's dependents.

Additional provisions regarding this tuition waiver include (also included in the *Personnel Policies and Procedures Manual*):

**1. General Qualifications**

- a. Regular, full-time and regular part-time employees currently working or on an approved leave of absence with or without pay and retired employees are entitled to a waiver of tuition. Eligible staff employees who have at least six months of continuous service or eligible faculty members with one academic semester of continuous service may transfer any unused portion of the tuition waiver to eligible dependents, as noted below.
- b. International exchange faculty at Murray State University, in conjunction with MSU's inter-institutional programs, and projects will be allowed to take one course per semester tuition free, upon the recommendation of the Director of the Institute for International Studies and the approval of the Provost and Vice President for Academic Affairs.
- c. When any person sixty-five (65) years of age or older, who is a resident of the Commonwealth, is admitted and enrolls as a student in any state-supported institution of higher learning in this

Commonwealth, the board of trustees of the institution or other appropriate institution officials shall waive all tuition charges and fees for such student, except as provided in the next statement. In the event that classes are full or the granting of free admission requires additional units, the institution may deny admission under law.

- d. The tuition waiver form must be completed and approved by the last day to add a course at the time of registration.
- e. The first day of class is the date that determines in which fiscal year the course applies.

## **2. Qualifying Courses**

- a. A course can only materialize if a sufficient number of tuition paying students enroll. The enrollment of tuition waiver employees will not be counted to determine if a course materializes. Provided, however, that if it is determined by the University that the value of a course offering as continuing education for employees is sufficiently important to justify the offering of the course, then in such event the limitations as to paying students will be disregarded.
- b. The tuition waiver does not extend to correspondence study, life and learning courses and overseas programs.

## **3. Eligibility**

- a. Baccalaureate and Post-Baccalaureate non-graduate courses:
  - For employees, their spouses, eligible dependents and extended family members who are taking baccalaureate or post-baccalaureate courses but not graduate level courses, the tuition for six courses per academic year may be waived.
- b. Masters, Post-Masters and Specialist, but not enrolled in a Doctoral Program or taking courses toward completion of a Doctorate:
  - For employees who are pursuing Masters, Post-Masters and Specialist courses but not enrolled in a doctoral program or taking courses toward completion of a Doctorate, the tuition for six courses per academic year may be waived. For employee spouses and extended family members who are taking Masters, Post-Masters and Specialist courses but not enrolled in a doctoral program or taking courses toward completion of a Doctorate, the tuition for two courses per academic year may be waived. An employee's dependent is not eligible for waivers at this level.
- c. Doctoral Program and Doctoral Courses:
  - For employees who are enrolled in a Doctoral program or taking courses toward completion of a Doctorate, the tuition for two courses per academic year may be waived. An employee's spouse, extended family member or other dependent is not eligible for waivers at this level.

## **4. Employee Responsibility**

- a. One course per semester or session can be taken during working hours if (1) the supervisor approves the time off during working hours and (2) the lost working time is made up at times satisfactory to the employee's supervisor.
- b. If an employee voluntarily terminates his/her employment before the last day to receive a tuition refund (according to the published refund table) during a semester in which he/she is using the tuition waiver benefit, he/she will be billed for the total tuition of the course(s).

<b>Coursework Being Pursued</b>	<b>Employee</b>	<b>Spouse</b>	<b>Extended Family Member</b>	<b>Dependent</b>
Baccalaureate and Post-Baccalaureate non-graduate courses (0 to 599 level courses).	6 courses	6 courses*	<b>6 courses*</b>	6 courses*
Masters, Post-Masters, and Specialist, but not enrolled in a Doctoral Program or taking Doctoral-level courses.	6 courses	2 courses*	2 courses*	No
Doctoral Program and courses leading to the Doctorate.	2 courses	No	No	No

\* Residual from unused employee portion.

**3.4 Subject: GRANTS AND CONTRACTS**

Date Adopted: June 22, 1987

Date Amended: September 12, 2008

Reference: Minute Book: 38 Page: 16-18

Murray State University has three primary missions: teaching, research, and service. Externally funded projects (grants and contracts) contribute significantly to these missions, especially to research and service. Efforts on the part of faculty and staff for obtaining external funding are encouraged and supported by the University.

Grants and contracts which use Murray State University personnel, equipment, or facilities are accepted in the name of the University. Individual faculty or staff members may not apply for or accept grants or contracts in the name of the University. The President is authorized to approve proposals for submission to potential sponsors, accept grants, or sign contracts on behalf of the University and to designate such authority to specific University officials.

Upon accepting federal grant or contract dollars the recipient institution must establish a financial management system that controls the receipt and expenditure of all funds similarly. Accepting this condition means that the institution will be unable to establish separate accounting procedures or practices for funds derived from different sources.

Any questions or requests for necessary forms should be directed to the Office of Sponsored Programs or Office of Accounting and Financial Services (grants and contracts accountant)..

**I. PROPOSALS**

Proposals intended to be submitted to any external funding agency must be developed through the coordinated efforts of the proposal writer, department chair/director, dean, Office of Sponsored Programs, and Office of Accounting and Financial Services.

**A. PROJECT DESCRIPTION**

All formal proposals should include a narrative or project description which includes the need, significance, impact, objective and procedure of the project; the qualifications of the University, specific college and department, and principal investigator/project director (PI/PD) to carry out the project; thorough documentation of proposed in-kind contributions; detailed explanation of how all requested budgeted line-items will be expended; and the evaluation process during and upon completion of the project.

**B. PROJECT BUDGET**

All formal proposals must include, for internal review, a line-item budget reflecting sources of funds (sponsor, University, or others) whether required by the potential sponsor or not. All direct costs not requested from the sponsor will normally be borne by the PI/PD's department or college.

If the proposal includes creation of a new position, formal approval of the proposed position is not required for internal review of the proposal and proposal submission, but approval of the position is subject to review and approval if the project is funded.

## 1. INDIRECT COSTS

All proposed budgets will include full indirect costs:

- a. At the rate negotiated between the University and the United States Department of Health and Human Services, or
- b. At the maximum rate allowable by the potential sponsor, if less than (a) above.

Because of the cooperative relationship between the Commonwealth of Kentucky and its local government entities, there is some basis to not request full cost from these sponsors. These sponsors should be informed of the full costs on projects and that requests for funding include 100% of direct costs, plus the allowable portion of the indirect cost rate in 1., above.

Project budgets will not be approved for overload payment unless they include full overhead as defined in the two preceding paragraphs. Exceptions must be specifically approved in writing by the appropriate vice president.

## 2. TUITION WAIVERS

Tuition will be waived and available as a matching contribution only if the following criteria are met:

- a. The full cost of instructional salaries and benefits are paid by the sponsoring agency.
- b. Full indirect costs, as defined in section I.B.1., are recovered from the sponsoring agency.
- c. Waiver is approved by the vice presidential area submitting the proposal.
- d. Waiver is approved by the Vice President for Finance and Administrative Services.

Mandatory fees will not be waived. These will need to be budgeted as a direct cost of the agreement, paid directly by the student receiving credit, or covered by a University department as part of the match for the agreement.

## 3. SALARY AND WAGES

Salaries, wages, and fringe benefits should be budgeted based on the criteria in the Grants and Contracts Policies and Procedures and current fringe benefit rates used by the University.

## C. INTERNAL ROUTING

All proposals to provide research, instructional service, or other services generally provided by the University to third parties must be routed through specific University administrators as listed in the Grants and Contracts Procedures.

## II. PROJECT ADMINISTRATION

### A. ESTABLISHING BUDGETS



All funds received from external funding agencies and all funds offered as matching contributions by the University toward grant/contract activities must be budgeted from identifiable sources and accounted for by the University.

**B. EARLY PROJECT START-UP**

No expenditures, purchase orders, requisitions, or personnel actions should be initiated before a fully executed agreement is received and a formal budget and account number are established. Exceptions to this policy may be approved by the appropriate vice president.

**C. UNALLOWABLE EXPENSES**

Any expenses or obligations that do not comply with the grant/contract guidelines or that are otherwise disallowed will be charged to the host department account number provided on the initial routing form.

**D. FISCAL REPORTS**

The Office of Accounting and Financial Services is the only department on campus authorized to submit fiscal reports to sponsors.

**E. PROCUREMENT**

All funds derived from external sources are deposited in the central accounting system of the University. Upon acceptance of a grant/contract by the University, all internal procedures regarding purchasing become effective. All purchases will be made in accordance with established University policies and procedures and any specific guidelines and requirements of the sponsoring agency.

**F. EXPENSES**

All expenses on a sponsored project must be approved by the project director.

All expenses on a sponsored project must be incurred during the dates on the formal agreement. Expenses made prior to the agreement start date or after the ending date must be approved in writing by the sponsoring agency, if not provided for in the agency guidelines.

**G. COMPENSATION FOR PERSONAL SERVICES**

The following summary explains the policies that must be followed when being compensated for personal services on grants/contracts awarded to the University.

**1. Assignment Periods for Faculty**

Faculty with academic year assignments will be considered as “assigned” from August 15 of one year through May 15 of the following year [nine (9) months]. The “non-assigned” period begins on May 16 and continues through August 14 [three (3) months].

Faculty members with fiscal year appointments are considered as “assigned” from date of employment through the next June 30. In most cases this will be from July 1 of one year

through June 30 of the following year (52 weeks).

## 2. Released Time

It is the policy of the University that, when feasible and appropriate, faculty with grants/contracts will be given released time (as specified in each grant/contract) to perform the agreed upon amount of work.

## H. CRITERIA FOR RECEIVING OVERLOAD PAYMENTS

1. Overload may be paid only when all of the following requirements are met:
  - a. If to be paid from sponsored funds, overload payment will only be paid if the project includes the maximum recovery of full indirect costs allowed by sponsor, as defined in this policy.
  - b. No qualified person is available to perform the work as part of a full or normal workload.
  - c. The work is done in addition to a full workload and cannot be done as part of a full or normal workload.
  - d. The additional work will not interfere with the performance of regularly assigned teaching, research, service, administrative, or other duties.
  - e. If to be paid from sponsored funds, sponsor approval is required; approval may be shown in the grant proposal or subsequent approval may be obtained in writing after the award has been received but before the service is provided.
  - f. The individual and the immediate supervisor for the overload position will be required to certify that the work has been done. The individual's supervisor for the regular position will be required to certify that the regular assigned duties were not affected.
  - g. Total overload compensation will not exceed 20% of the base salary during the employee's base contract period. For example, a faculty member on a 9 month contract and a salary of \$45,000 may earn up to \$9,000 from August 15 through May 15. ( $\$45,000 \times 20\% = \$9,000$ )
  - h. The work for overload compensation is approved in advance by the individual's department chair, dean or director and vice president; by the vice president for whom the service is provided if the service is provided outside the employee's area; and the President.
  - i. In fairness to employees it will be the policy of the University to arrange, whenever possible, for employees to be released from normal duties to perform specialized work both within and outside the University. Overload pay will be the exception.

## I. OVERLOAD PAYMENT

### a. Faculty and Exempt Staff

On rare occasions when overload payment to faculty and exempt staff is appropriate and has been formally approved, it will be kept to a minimum and in no case will a combination of outside consulting and overload assignments exceed twenty (20) percent of a faculty or staff member's time.

Fiscal year faculty and exempt staff are considered to be assigned for 52 weeks per year. Therefore, fiscal year employees will have limited opportunity for overload assignments

by the University.

b. Non-Exempt Staff

Non-exempt staff is normally those University employees who are employed on an hourly basis. According to their assigned work positions, they may be expected to work either 37.5 or 40 hours per week. Only in exceptional cases will non-exempt staff be allowed to work on special projects and receive overload/overtime compensation.

J. SUMMER COMPENSATION/FACULTY

Academic year faculty not assigned during the summer may work on University projects (externally or internally funded) for a period of time not to exceed three (3) months. During these three (3) months a faculty member may be assigned full-time and be paid at the rate of pay he/she received during the previous academic year. Full-time or part-time summer assignments on externally funded projects have no bearing on a faculty member's regular rotation for receiving a summer teaching assignment, unless a previous agreement has been reached by the department.

Any combination of teaching or other full-time assignments may not exceed full-time plus 20% for faculty members during the three (3) months between the spring and fall semesters. Therefore, academic year faculty may make up to 40 % of the preceding academic year salary during the three (3) month summer period.

The summer salary distribution may not exceed the following percentages of base contract pay for each of the following periods:

Period	Base Pay % per Period
May 16-31	5.55%
June 1-30	11.11%
July 1-31	11.11%
August 1-14	5.56%
Total Summer Base Pay	33.33%

Under no circumstances will the rate of base pay earned for each summer period exceed the above percentages of monthly contract pay.

In addition to the above percentages allowed for summer base pay, an additional 6.67% may be earned as extra compensation and paid between May 16 and August 14. The additional 6.67% extra compensation must be approved by the funding agency during the proposal stage or in writing after the award is made.

The allowable summer base pay of 33.33% and the possible 6.67% of extra compensation provides up to 40% above an academic year contract that may be earned during the three summer months.

K. CONTINUING EDUCATION CLASSES

These policies include faculty and other exempt staff who teach continuing education classes, such as, but not limited to, off-campus classes, correspondence courses, KET courses, evening

and weekend classes, non-credit courses, workshops, conferences, and special programs for extra compensation.























