

Important Information Related to Award Compensation Please Read

All awards to academic appointees are subject to applicable rules and regulations of the Internal Revenue Service, University of California Policy and University of California Financial Regulations.

Research Awards

Research awards that are funded by the Chancellor's General Fund Resources and are made as part of an honorary award (Presidential Chair, Chancellorial Chair, or University Scholar) are intended to support research during the appointment period. Year-end balances may be carried forward, however any unexpended research funds will be returned to the Chancellor at the end of the award period. The Executive Vice Chancellor and Provost may grant a request from the awardee via his or her dean, to extend the carry-forward period for a maximum of one year, provided a compelling reason exists. Research funding associated with endowed chairs is subject to the conditions of the endowment agreement.

General Guidelines for the Expenditure of Research Award Funds:

- If you receive research funds as part of your award, and you elect to use part of the money to pay yourself a summer ninth, that part of the funding used as summer salary is subject to applicable federal, state, and local income taxes, and to University deductions. **Important note:** *Award recipients who have administrative duties and/or an administrative appointment must request prior approval from the Executive Vice Chancellor and Provost to use research funding for summer-ninth payments. The request should be made through the Office of the Vice Provost for Academic Personnel.* Examples of positions that must request prior approval include Department Chairs, Directors, Associate Deans, Vice Provosts and Associate Vice Chancellors.
- If you receive research funds as part of your award, and you elect to use part of the money to pay someone else to assist you with your research (for instance, to hire a research assistant or post doc), the portion of the award used for salary and benefits is subject to applicable federal, state, and local income taxes, and to University deductions for the hired individual.
- If you receive research funds as part of your award, and you elect to use part of the money to reimburse allowable travel expenditures, that part of the funding is subject to University policy regarding travel. The following websites will provide you with up-to-date travel policy information:
 - [Summary of UC Travel Policies](#) summarizes UC travel policy.
 - [UCR Travel Policy and Procedure](#) summarizes UCR travel policy.
 - [UC Finance Bulletin G-28 \(Travel\)](#) identifies allowable expenditures and provides UC travel policy details.

- Federal Per Diem Rates from the GSA is an on-line interactive tool provided by the Government Services Administration that allows you to determine the Federal Per Diem for a given locale. UC per diems are based on the federal rates.

General Guideline for the Expenditure of Other Types of Award Compensation

- If you receive a cash award, (funds that are provided directly to you for past service or accomplishments) the funds are subject to applicable federal, state, and local income taxes and University deductions.
- If you receive a temporary salary increase as part of your award compensation, those funds are subject to applicable federal, state, and local income taxes, and University deductions. A temporary salary increase received as part of an award is not subject to range adjustment (also known as a COLA or cost of living adjustment).
- If you receive an award designated as a new or increased off-scale salary amount, it must be used as such and may not be converted into research funds or a stipend.
- If you are an emeritus/a faculty member and receive an award that you use to compensate yourself on a “BYA” or other type of agreement, that part of the funding is subject to applicable federal, state, and local income taxes, and to University deductions. In addition, the percentage of work related to the compensation used for salary counts toward your maximum percentage. For more information regarding re-employment at the University after retirement, please consult the following websites and the campus Benefits Office.
 - Topics on Returning to UC after Retirement
 - Fact sheet on Returning to UC after Retirement
 - UC Retirement Handbook

For specific questions regarding taxation, please consult your tax professional. For specific questions regarding allowable expenditures for your award compensation, please refer to the specific award information on the Academic Personnel website.