

## **SALARY COSTS RECUPERATED FROM GRANTS AND CONTRACTS**

**APPLICATION:** Faculty often have the opportunity to charge a portion or all of their salary budgeted from appropriated funds to a grant or contract (including non-appointed teaching contracts). A policy is needed as the basis for decisions relative to reinvesting a part of these recuperated salaries to augment their program.

**RATIONALE:** Faculty should be provided an incentive to compete for extramural grant or contract funds to support their research or outreach program. In this context, faculty who charge all or a portion of their salary to a grant or contract can request access to a portion of the corresponding “salary savings” (appropriated funds originally budgeted for their salary). Use of these funds to support their program provides an incentive for faculty to seek grants and contracts that allow inclusion of faculty salaries. This policy would not apply to state commodity support boards, special earmarked legislative funds or other grants or contracts that do not allow use of faculty salaries.

**STATEMENT:** Each request to recuperate salary costs will be considered on a case-by-case basis. Faculty must request Recuperated Salary Costs (RSCs) at the time of proposal submission using the standard form available from the respective Grants and Contracts Office or on the web. Upon approval of the request, 90% of the direct salary costs defrayed by the grant or contract will be returned to the faculty member’s program. Since the purpose of the RSCs is the support of research or extension outreach, the funds released must come from the faculty member’s research or extension appointment. Funds will not be returned to pay for the hiring of temporary personnel to assume the teaching responsibilities of the faculty. The remaining 10% of direct salary and all associated fringe benefits will be utilized by the respective Associate Vice President.

Revised May, 2005.

POLICY REGARDING REIMBURSED SALARY COSTS (RSC), EFFECTIVE JULY 1, 1994:

Reimbursed salary costs may be requested to be returned to the department of the principal investigator. All costs for fringe benefits and 10% of the direct salary costs reimbursed by a grant or contract will be retained by the Division, as part of a capacity development fund.

The department may request, with justification, that the remaining 90 percent, or a portion thereof, of the direct salaries be returned to their department. The Department/Unit Head should recognize the PI's program that generated the RSCs.

PROCEDURE FOR REQUESTING RSCS:

The principal investigator will complete the RSC form, indicating his/her intent to request RSCs, obtain the Department/Unit Head signature and attach it to the proposal at the time of routing. The RSC form will be used as an intent at the proposal stage and an actual request at the time of the award.

The Dean/Associate Vice President for Agri.-Research approval is not required prior to submitting the proposal, but is recommended, since the principal investigator could choose to modify the proposed budget if the request for RSCs is not approved. The originals of "intents" not receiving approval will be returned to the department, along with appropriate notations from the Dean/Associate Vice President. Approved "intents" will be signed by the Dean/Associate Vice President and a copy will be forwarded to the originating department. The originals of all approved "intents" will be maintained in the Business Office.