

Grant Compensation Policy

Faculty and staff applying for outside grants or contracts must submit a Funding Request Form to the Office of Sponsored Programs before beginning work on applications. A completed funding request form is the first step in alerting appropriate administrators of an intended pursuit of external funding.

Principle Investigators must reach a mutually acceptable arrangement concerning the relationship of the grant or contract income and responsibilities to the College before the grant or contract is submitted. The Sponsored Programs Officer is available to assist with project budget calculation and will assist with obtaining necessary approvals for grant submission.

Advance planning and proactive communication are essential to successful funding proposals. Faculty and staff who wish to apply for external support are strongly encouraged to allocate sufficient time for thoughtful application preparation and to avoid delays in internal approvals and last-minute changes to proposals.

Institutional Base Salary

A Randolph College faculty member is compensated for teaching, service, and scholarship for the nine-month academic year via the employee's Institutional Base Salary (IBS). According to the Office of Management and Budget Uniform Guidance, §200.430(h)(2), "IBS (Institutional Base Salary) is defined as the annual compensation paid by an IHE (Institution of Higher Education) for an individual's appointment, whether that individual's time is spent on research, instruction, administration, of other activities.

IBS excludes any income that an individual earns outside of duties performed for the IHE. Responsibilities and duties comprising IBS are outlined in appointment letters, job descriptions, and the *Faculty Handbook* and/or *Employee Handbook*. Occasionally, a faculty member assumes other roles and duties that fall outside of his or her IBS, for which s/he is compensated by the College. Such undertakings comprise incidentals, stipends, and other extra service pay that may not be included in IBS calculations for Federal awards.

The Office of Sponsored Programs will help you determine your current IBS and fringe benefit rates.

Salary Calculation

Per Federal regulations, "unless there is prior approval by the Federal awarding agency, charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member works on the award."

To calculate salary for a grant, the faculty member's IBS is divided by the number of months or weeks of work to be performed on the grant project. Faculty members must adhere to funding agency thresholds when calculating salary.

Example:

Institutional Base Salary = \$45,000

One month = \$45,000 / 9 months = \$5,000 (otherwise expressed as 1/9th salary)

One week = \$45,000 / 36 weeks (9 months x 4 weeks) = \$1,250

Compensation for Grant Work

Unless there is prior approval by the awarding agency, faculty time dedicated to external grants shall not exceed the proportionate share of IBS for actual work performed on the grant for which the salary is paid. Non-exempt employees engaged in work on Federal or non-Federal awards may be compensated to the extent that it is comparable to compensation paid for similar work in the labor market.

All employees who receive compensation from a Federal or Federal flow-through grant or who have included salary match as part of a Federal grant award are required to track effort spent on grant work and complete an Effort Reporting form for each period of work (fall semester, spring semester, or summer).

All faculty and staff receiving external awards are responsible for understanding the principles of accurate and timely time and effort reporting. The percentage of an individual's salary charged to a sponsored project cannot exceed the percentage of an individual's total effort expended on the project during each reporting period. When actual effort dedicated to the project is less than the percent of salary charged to the award during the same period, the salary charged to the award must be reduced to match the actual effort. Effort beyond the awarded amount is generally considered voluntary uncommitted effort.

Certified effort must be reasonably justified and able to be documented.

Academic Year Grant Compensation

Per Federal regulations, faculty may not supplement their academic year 9/9ths salary with grant funds. Additional pay for grant work during the academic year is allowable only in specific instances that qualify for extra service pay and with the signed permission of the Provost and Vice President for Academic Affairs.

Federal regulations and College policy stipulate that faculty may earn a maximum of the 12-month equivalent of their IBS in a year. Many Federal agencies have additional stipulations.

Compensation earned from entities not associated with the College as well as compensation earned during the academic year as extra service are exceptions to this rule; however, no effort

for these activities should be charged or budgeted to any federal, federal pass-through, or state sponsors.

Some Federal sources limit the amount of IBS a faculty member can earn, and this supersedes Randolph College policy. The National Science Foundation limits a PI's salary to 2/9ths of IBS per year, whether effort is performed during the academic year or summer. Additionally, the NSF limit of 2/9ths IBS applies across **all** NSF-funded agreements unless otherwise negotiated.

Buyout Procedures for Sponsored Funds

For the purposes of grant proposal preparation and grant awards, a tenure-line faculty member may utilize sponsored funds for a course release to buy out teaching effort. The amount of effort to be bought out is based on the following breakdown of a faculty member's responsibilities per academic year:

6/9 = teaching, or approximately 66% of effort in a 9-month academic year

1.5/9 = scholarship, or approximately 17% of effort in a 9-month academic year

1.5/9 = service, or approximately 17% of effort in a 9-month academic year

One course equals 1/9 of a faculty member's effort. Faculty are expected to teach three courses per semester as part of employment at the College. A faculty member may buy out no more than one course per semester. The buyout must be approved by the department chair and the Provost and Vice President for Academic Affairs **prior to proposal submission**.

For purposes of tenure and promotion, the *Faculty Handbook* should be consulted for expectations about teaching, scholarship, and service.

Maximum Summer Pay

During the summer, a faculty member is allowed to earn a maximum 3/9 of her or his current IBS from the College, including all funding sources routed through the College (e.g. a grant). This does not include work paid from sources that are not routed through the College, such as external training sessions that include a payment for attendance, endowed Fellowships, salary earned for academic year work, or outside consulting. The *Randolph College Faculty Handbook* addresses this in the Outside Employment, Grants, and Contracts section.

Summer compensation is issued for the pay period worked. The charging of summer salary to sponsored funds must be in direct proportion to the effort spent on the project during the same period. Research PIs are responsible for complying with additional limitations from awarding agencies. If a faculty member charges an entire 1/9th of their academic salary to a grant, they must expend 100% of their effort for that month on grant work.

Some Federal sources (e.g. federal and federal flow-through grants) can comprise 2 ½ months of the 3 months IBS summer maximum pay unless otherwise approved by the Provost and Vice President for Academic Affairs. A faculty member may request a full 3/9 summer pay by completing a Request to Exceed 2 ½ Months of Summer Salary form, available from the

Sponsored Programs Officer. Certain conditions must be agreed upon by the faculty member as noted in the form, and a plan of work and a list of deliverables need to be attached.

If the Provost and Vice President for Academic Affairs approves the request, the faculty member can receive up to 3/9 IBS from Federal sources during the summer for the year requested assuming there are no additional sources of income from the College and the faculty's sponsored work will be the sole and full time activity throughout the entire period. No vacation is allowed.

Some federal sources limit the amount of IBS a faculty member can earn, and this supersedes Randolph College policy.

Begin and end dates for calculating the 3/9ths total: Summer begins the day after spring grades are due and lasts 90 consecutive days.

Additional Compensation

In limited circumstances, faculty may receive compensation for professional responsibilities in addition to and beyond the scope of their full-time appointment. These secondary activities may not conflict with IBS-compensated activities and are administered at the discretion of the Provost and Vice President for Academic Affairs. Additional compensation is in addition to IBS and does not affect IBS calculations for external awards.

Choosing a stipend instead of a course release for an additional appointment (e.g. division head) is also considered extra service pay. If a faculty member chooses a course release instead of stipend for an additional appointment, the associated work would be considered part of his or her IBS.

Incidental Activities

Incidental activities are considered infrequent, irregular activity that is not part of the employee's regularly compensated activities. Examples of incidental activities could be a stipend for participation in a faculty development workshop, an honorarium for delivering a special lecture in an area outside the employee's normal field of study, or undertaking a one-time project for a brief period (<90 days).

Compensation for incidental activities may be charged to Federal awards only if specifically provided for in the Federal award budget or with prior written approval by the Federal awarding agency.

Stipends and Adjustments

Stipends may be administered to compensate for services above and beyond a faculty member's 9-month IBS scope of work. Examples of these activities include administrative stipends (for Division Heads), online teaching, overload teaching, and awards. This compensation is in addition to IBS and does not affect IBS calculations for external awards.