Overview of the Faculty Salary Research Exchange Program

Tsu-Jae King Liu
Associate Dean for Research, College of Engineering

Acknowledgements
Marcia Steinfeld (Executive Assistant Dean)
Darrell Erickson (Assistant Dean)
Cathy Jen (ERSO Deputy Director)
College of Engineering Department Chairs

April 2009
Executive Summary

• Under the Faculty Salary Research Exchange Program, a faculty member can direct-charge up to 30% of his/her monthly salary (i.e. 1/12 of annual salary) each month during the academic year to contracts/grants. In return, he/she receives 75% of the resultant salary savings in the form of a State general operating 19900 fund, which is
  – discretionary (subject to guidelines) and unlimited in term
  – not subject to overhead charges

• Example: A faculty member with an academic-year salary of $100K could direct charge up to $22.5K of this salary to contracts/grants within an academic year. (Benefits and indirect costs also would be charged to the contracts/grants.) He/she would then receive $16.875K in a 19900 fund at the beginning of the following academic year.
FSREP Rules/Conditions

- The percentage of effort charged to a contract/grant must be
  - allowable under sponsor guidelines,
  - reflected in a research title, and
  - no more than the total percentage of the investigator's effort on the project.

  **Note:** Since the maximum percentage of monthly salary (9/12 of annual salary) that can be direct-charged is 30%, the maximum percentage of effort is actually $30\% \times \frac{9}{12} = 22.5\%$.

- Under the FSREP, there is no release from teaching or service duties.

- State general operating 19900 funds cannot be used for alcohol, extravagant entertainment, or non-resident tuition.
Pre-Award Considerations

• Faculty wishing to participate in the FSREP must obtain approval from the Department Chair and Dean.
  – Approval is good for up to one academic year.
  – Renewal requests are to be submitted on an annual basis.

• Rebudgeting is dictated by allowability on specific projects.

• Total FSREP + cost-share research effort commitments should not exceed 30% during the academic year.
  – Additional restrictions may apply, e.g. 2/9ths maximum for NSF.

Note: Research Leave should be considered independently for financial management purposes. The combined total percentage of effort cannot exceed your academic department's allowed maximum leave.
Post-Award Process

• Research appointment
  – Must be in full month increments (i.e. start at the beginning of a month, and finish at the end of a month), during the academic year (September through May)

• Documentation and certification
  – Effort Reporting System

• Transfer of salary savings to the planned administering unit (Dept, ERSO, or other) designated by the faculty
  – Transfers will be made annually, subsequent to fiscal year end.
  – A 25% fee will be assessed by the College
    • 17.5% to be used by the faculty member’s home department,
    • 7.5% to be used by the Associate Dean for Research to support the research mission of the College (e.g. for cost-share/matching purposes).