Applied Social Sciences Guidelines on F&A, Salary Savings, and Reserves

March 2022

(Following guidance from Campus - Approved and effective December 1, 2021)

Return of F&A

Facilities and Administrative (F&A) costs, also known as indirect costs, are those costs associated with sponsored projects that are incurred by the University which cannot be readily identified nor specifically attributed with a particular sponsored project yet support research endeavors. Going forward, campus plans to return an equivalent of 20% F&A to the colleges/schools.

The College will retain 5% and pass the remaining 15% on to the Division. Of this 15%, the Division will retain 5%, return 5% to the PI should the distribution exceed $1,000 otherwise no F&A returned, and 5% will go into a fund to be allocated for competitive investments within the Division. The competitive investments will be decided by an appointed faculty committee.

Salary Savings

A campus wide salary savings plan is proposed with the goal of creating a uniform, transparent blueprint that the units can follow.

All employees, regardless of appointment type, must include salary on grants if the funding agency permits.

Salary Savings Plan

The Salary Savings Plan applies to all full-time, rate-backed employees. The salary savings is directly determined by institutional base salary recovered from grants, not percent effort – salary that is cost-shared (for example because of the NIH cap) does not count. Additionally, salary savings only includes institutional base salary, it does not include fringe benefits. All fringe benefits will stay at the unit level.

The amount of salary savings will be determined for each employee after the close of the fiscal year. The total salary paid by grants during the previous fiscal year (July 1 – June 30) will be determined and the amount of salary savings to the employee will be calculated.

A tiered approach will be utilized to distribute the salary savings as shown in Table 1, which displays the break down in salary savings between the employees and the Division. Up to the first 4 months, a 25:75 split will be used between the employees and the Division. For salary savings 4 months and beyond, a 40:60 split will be used between the employees and the Division.

Table 1. DASS (base) salary savings.

Months	Employees	Division
< 4	25%	75%
4 - 9	40%	60%

Employees with 9-Month Appointment

The distribution of salary savings is dependent on employees' appointments (9-month versus 12-month). Summer month salary is not considered a salary savings because these employees are not paid in the summer unless they bring in their own funding and/or are paid to teach. Therefore, salary savings will be based on 9-month, academic year.

Additional incentive for salary savings when meeting assigned teaching load and overall workload

Incentive to request (base) salary release in grant applications will be the following:

Table 2. DASS salary savings incentives.

Employees
For each 1.5 months of salary release = 1 (3 SCH) prep reduction

Employees
Assumes this to be aligned with Extension Workload; but in cases in which funding is tied to non-extension research the employee may work with the Director to buy out of Extension duties

Unused Reserves

At the end of the fiscal year, 10% of unused reserves will be pulled back by campus for reinvestments. For every unit, these calculations will be based on their fund 0000 reserves. In order to protect the faculty startup funds in the Division, more than 10% may be pulled back from balances.

Employees with unused reserves above $10,000 shall submit a plan with their annual evaluation materials on how those funds will be invested in their research enterprise. Failure to submit a viable plan may result in no return of F&A to the employee for the ensuing fiscal year.

Unrestricted Gifts

The Division shall retain 5% of unrestricted gift funding. DASS employees may benefit from strong relationships with industry, and those connections can yield financial contributions to support employee programs. The Division shares the responsibility with its employees for the benefits and costs associated with these gift funds, and therefore requires a portion of the funds.

Retiring Faculty Reserves

Upon retirement, a faculty member's accounts will role back into the Divisional accounts, unless an MOU is signed creating an exemption. The exemption must have a definite end date specified in the MOU.