Guidelines on F&A, Salary Savings, and Other Reserves in the School of Natural Resources

Presented to SNR Faculty: 15 February 2022; Finalized: 08 June 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, also known as ‘return in funds’ (RIF).

As of this writing, the College will retain 5%, and pass the remaining 15% on to the School. Of this 15% figure, the School will retain 9% and return 6% to the faculty member, in keeping with our historical 60:40 division of RIF. Faculty with RIF or other unused reserves above the SNR median 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 RIF to the faculty member for the ensuing fiscal year.

Salary Savings

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

Salary Savings Plan

The Salary Savings Plan applies to all full-time, tenure-track faculty. 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 faculty member 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 faculty member will be calculated.

The distribution of salary savings is dependent on faculty appointments (9-month versus 12-month). The formulations to determine salary savings are shown in the following paragraphs.

All faculty, regardless of appointment type, must include salary on grants if the funding agency permits. Smaller grants (under ~$50,000) where the inclusion of salary may make the effort cost-prohibitive may be allowed with prior approval of the Director.

Faculty with 9-Month Appointment

Summer month salary is not considered a salary savings because these faculty members 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.
A tiered approach will be utilized to distribute the salary savings as shown in Table 1, which displays the break down in salary savings over 9 months between the faculty and the School. Up to the first 4 months, a 25:75 split will be used between the faculty member and the School. For salary savings 4 months and beyond, a 40:60 split will be used between the faculty member and the School.

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<th>Months</th>
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<td>&lt;4</td>
<td>25%</td>
<td>75%</td>
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<td>4 - 9</td>
<td>40%</td>
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Table 1. SNR salary savings for the faculty on 9-month appointment.

**Faculty with 12-Month Appointment**

A tiered approached will be implemented for 12-month appointment faculty. Table 2 displays the break down in salary savings over 12 months between the faculty and their unit (college/school). If faculty are successful in acquiring funding that provides up to the first 4 months of salary, it is recommended to provide an up to 25:75 split between the faculty member and the unit. For salary savings 4 months and beyond, it is recommended to provide an up to 40:60 split.

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Table 2. SNR salary savings for the faculty on 12-month appointment.

**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 startup funds of junior faculty in the School, more than 10% may be pulled back from balances held for lower priorities.

**Unused Resources of Faculty after Resignation or Retirement from Mizzou**

Upon deciding to resign or retire from the university, faculty members should submit either a letter or email to the SNR Director stating their intent to resign or retire with an effective date (60 to 90 days prior to the planned resignation or retirement date). According to CRR 310.030 Notice of Appointment or Resignation, a faculty member may resign at the end of an academic year by giving notice in writing at the earliest possible opportunity, but not later than March 15. Faculty may properly request a waiver of this requirement of notice in case of hardship or in a situation where otherwise substantial professional advancement or other opportunities would be denied.

After a faculty member has expressed the intent to resign or retire from the School, faculty members should provide a budget for the expected expenses (for example for graduate student support, material and supplies for ongoing research projects, travel expenses or financial commitments) during their remaining time in the Division. Remaining funds beyond these expenses in:

- Gift accounts and unused startup reserves will be transferred to the School,
- Institutional grants will be transferred to a Mizzou Co-PI or transferred back to the grant origin (for
example CAFNR, Mizzou Vice Chancellor for Research and Economic Development),

- Grants from commodity groups or otherwise non-transferable grants will be transferred to another faculty member after consultation with the School Director,
- Transferable grants will be relinquished contingent on approval from the Office of Sponsored Programs and the respective funding agency.

Laboratory equipment that was purchased from startup funds, gift accounts, or expired grants will remain in the School. Laboratory equipment that was purchased from ongoing, transferable grants can be moved to a new institution after consultation with the School Director.

Unrestricted Gifts

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