

# UNIVERSITY OF MISSOURI GRANT AND CONTRACT INCENTIVE PROGRAM

## PURPOSE

The University of Missouri's Strategic Plan provides that a key element to build strong, nationally recognized academic programs is the faculty's ability "to attract external funding." The University would implement this Grant and Contract Incentive Program to recognize, reward and encourage faculty who successfully compete for external grants and contracts that contribute to the University's mission. The Grant and Contract Incentive Program would provide a mechanism to acknowledge and reward faculty success in indirect cost recovery and in faculty salary compensation coverage from grants and contracts.

## PARTICIPATION

The Grant and Contract Incentive Program would be System-wide. All campuses, colleges, schools, department, and units would be participating in this program. All full-time regular or non-regular faculty members, who act as principal investigator or co-investigator on qualifying competitive grants and contracts, would be included in the program.

**Grant and Contract Qualifying Criteria:** The Chief Research Officers or other individuals designated by the Chancellor will determine grant and contract eligibility for this program. These individuals have the authority to determine a grant or contract to be non-competitive and therefore ineligible for inclusion in the program.

1. The grant or contract must recover 100% of the campus indirect cost (F & A) rate from the granting or contracting organization or 100% of the maximal indirect cost rate allowable by the granting or contracting organization.
2. The grant or contract must provide a reasonable portion of the faculty member's salary compensation during the fiscal year as allowed by the granting or contracting organization and other salary coverage on existing grants and contracts will be considered.

## INCENTIVE CALCULATION

### Guiding Principles Used In Calculating Incentive

1. A faculty member's incentive would be calculated using their entire portfolio of qualifying grants and contracts active during the fiscal year.
2. Indirect costs generated by the qualifying grant or contract would be divided between the principal investigator and co-investigator(s) in proportion to the shared credit stated for the grant or contract.
3. The compensation (salary) recovery used in calculating the grant and contract incentive for principal and co-investigator(s) would be the actual dollar amount of funds provided

by the qualifying grant(s) or contract(s) that offset GO funding. The cumulative compensation coverage from all qualifying grants and contracts used in calculating the grant and contract incentive would be capped at 60% of the faculty member's total compensation.

### **Incentive Formula**

The faculty member would be entitled to a grant and contract incentive payment equal to 5% of the sum of total indirect cost received from qualifying grants and contracts during the fiscal year and the total dollar amount of compensation covered that offsets GO funding by qualifying grants and contracts during the fiscal year times a weighting factor of 3.

$$[(\text{Total indirect cost dollars}) + (3) (\text{Total compensation dollars offset from GO})] \times 5\% = \text{Incentive Payment}$$

The program will be reviewed annually by Vice Presidents of Academic Affairs and Human Resources with consultation from the Chief Research and General Officers and modified as necessary to achieve the goals of the program.

### **Incentive Payment Cap**

The maximum grant and contract incentive payment that could be paid directly to the faculty member would be the greater of \$30,000 or 30% of their base salary for the fiscal year. If the grant and contract incentive exceeds the maximum payable to the faculty member all additional grant and contract incentive funds would be placed into an appropriate research account to be used in accordance with campus policy by the faculty member to support their research program.

### **PAYMENT**

The grant and contract incentive would be payable as a lump sum during the next the fiscal year. The faculty member would have the discretion to determine the grant and contract incentive payment plan. The faculty member may choose to split the payment between the two payment plans and they may determine the proportion of funds to go to each of the plans. Payment plan options would be (1) to that faculty member or (2) to a research account which could be used for one time payment to staff, equipment, supplies, travel, etc.

The grant and contract incentive payment would be a supplement to the recipient's regular annual compensation. It would not be included in the retirement base salary. The grant and contract incentive payment would be subject to the applicable federal and state taxes and FICA withholdings. The grant and contract incentive payment should not affect a recipient's eligibility for merit or other salary increases.

### **DISPUTE RESOLUTION**

The department chair or unit head would resolve any disputes between faculty members in the same department or unit. The dean would resolve any disputes between faculty members in different departments or units in the same college or school. The dean would resolve any

disputes between faculty members and the department chair or unit head. The chief academic officer or chief research officer as determined by each Chancellor would resolve any disputes between chairs or unit heads, faculty members, or deans of different colleges or schools. An appeal can be made directly to the Chancellor or the Chief Academic Officer in the event that a grant or contract was designated to be non-competitive and ineligible for the program.

### **CHANGE IN CONDITIONS**

Faculty who die or who transfer within the University into a position that would not entail securing extramural research funding would be entitled to a grant and contract incentive payment accrued to the date of death or transfer. A faculty member who leaves the University during the term of an agreement would forfeit all grant and contract incentive payments.

April 15, 2003  
Peter A. Wilden  
Faculty Fellow