A. **Background of Policy**

UNCG maintains systems and procedures documenting the distribution of activity to individual sponsored agreements in compliance with federal regulations as defined by the Office of Management and Budget Circular A-21, *Principles for Determining Costs Applicable to Grants, Contracts, and Other Agreements with Educational Institutions*.

The School of Education research policies presented here follow the same regulations and provide details about how the unit supports accountability efforts.

B. **Goals/Objectives**

The goal of this policy is to encourage and support research and scholarship in the School of Education. In addition, the policy is designed to:

1. Be consistent and equally applicable across all School of Education departments, yet flexible enough to include diverse research activities;
2. Provide sufficient resources for the School to cover the cost of replacement instruction when necessary;
3. Provide a source of financial support for the PI and/or department and School to assist with infrastructure costs associated with school-wide research support and programs, as well as departmental research activities.

C. **Budgeting Effort in Grant and Contract Proposals**

All decisions made regarding the budgeting of effort on extramural projects must first be in accordance with the policies of the funding agency, the grant program to which the PI is applying, and UNCG.

**Options for Budgeting Faculty Effort**

As a first step, the PI and research team should start the budgeting process by considering the real amount of time they will spend working on the project.* The School of Education options for budgeting effort are as follows:

- **Assignment of Faculty Research Time.** It is expected that faculty on the research team will devote some amount of time, or “effort”, to the project during the academic year. Effort is written into the budget as a percentage of the faculty member’s academic year salary to reflect faculty research time devoted to the sponsored project. In general terms, this is called “buyout”, regardless of whether a course release is requested, because the grant is paying for the faculty time devoted to the project.

- **Course Release.** Faculty on the research team may request a course release or other workload reduction from their department chair in order to devote time on a sponsored project. On the proposal budget, each course release is calculated at 12.5% of the faculty’s academic year salary (see Example 1). When routing the proposal through...
Ramses electronic routing system, the “course release” box should be checked if requesting a course release. Department chair approval of the Ramses file is verification that the request has been discussed and approved.

*When smaller grants and contracts cannot support a course release or research assignment time, faculty may negotiate with their department chair to satisfy budget limitations. Departmental approval for exceptions should be documented in Ramses when routing the proposal.

- **Summer Salary.** Faculty on the research team who will be devoting additional time to a project over the summer months may budget “add-pay” that is paid in addition to academic year salary. Summer salary from a contract or grant is calculated at 3/9 of academic year salary for 9-month positions, which is the monthly “cap” on what can be received for add-pay (see Example 3). Faculty who are teaching summer courses should consider the cap when budgeting for summer salary from external sources. When faculty are one of the “key personnel” on any given project, it is expected that 5-10% of academic year salary be included (when there is room on the budget) in addition to summer salary to more accurately reflect time devoted to the project throughout the year. Departmental approval for exceptions should be documented in Ramses when routing the proposal.

**Budgeting GRA Support**

The PI should consider inclusion of GRA support to assist on the project, and/or tuition costs if allowable by the sponsor.

**Budgeting Effort for Programmatic Support**

For larger projects that will require high-volume processing of purchases, participant payments, travel and scheduling, the proposal budget should include support for staff who would handle those day-to-day tasks. While the post-award coordinator in the SOE provides support for smaller projects, large projects are expected to have staff (either full or percentage of a position) devoted to handling a majority of expenditures.

**Budgeting Fringe**

Fringe is applied to any and all personnel salaries at the University composite rate per position type, regardless of whether it is academic year effort or summer add pay. Rates are listed here: [http://sponsoredprograms.uncg.edu/institutional-profile-information/](http://sponsoredprograms.uncg.edu/institutional-profile-information/)

**D. Applying Budgeted Effort upon Award**

When personnel effort is included in a proposal budget, budget justification or narrative section, it is considered to be a binding commitment upon award. Generally, salary will be applied, or charged, as it was written in the proposal or as adjusted by award negotiations, as long as the actual effort devoted is at least equal to the committed effort. Processing of budgeted salary is done by the Research Office post-award coordinator, typically at the beginning of each Fall semester for each academic year, depending on when the project starts.
E. Research Incentives
When budgeted effort is charged to the grant fund, “salary savings” or Research Incentives are generated by releasing a portion of salary in that position back to the School. The amount goes back as a “return” to the PI and research team, department, and School.

Distribution of Salary Savings
At the beginning of each Fall semester (if the project has started and funds are available), EPAFs are done to reallocate salaries charged to a contract or grant for the academic year.

Research Incentives are distributed (see Example 2 and Figure 1) by the Dean’s office as such:
- 50% transferred to the home department to hire adjunct faculty (if a course release is requested to release faculty on the grant) and for use in other scholarly activities,
- 20% will be held in the Dean’s office and made available to the faculty member,
- 20% is transferred to the SOE Research Office for targeted internal research activities and support, and
- 10% to the Dean’s office to fund school-wide research support.

Starting in October of each year, the SOE business office will communicate with departments and faculty members when Research Incentive returns are available. The departmental share is transferred to a departmental state fund. Funds for the research team are held in a Dean’s office account. Faculty can inquire at any time about the balance and make spending requests through the business office. Faculty can use funds for travel, supplies, GA support, etc. Research Incentive funds are state funds and must follow applicable guidelines. These funds must be spent by the end of each fiscal year.

Departmental funding for Course Releases:
With SOE’s new Budget Officer in place, the process for distributing course release funds used to hire adjuncts is currently being developed.

F. Effort Certification
Awarded projects include an inherent obligation to the sponsor to track, certify and report the effort as salary charged to the sponsor. Department chairs and faculty are required to certify effort reports for their department; each PI is responsible for certifying staff on their respective project(s).
Example 1: Course Release
In the case of a faculty member with a salary of $70,000 and 12.5% effort charged to a research grant or contract with a requested course release:

Base salary of $70,000 for a 9-month position
$70,000 x 12.5% course release = $8,750 plus 33% fringe in the budget

Example 2: Distribution of Research Incentives
From Example 1, release of $8,750 from the position would be returned to the department and the PI as follows:

50% is distributed to the Department $4,375*
20% is made available to Faculty member $1,750
20% is made available to SOE Office of Research $1,750
10% is retained by the SOE Office of the Dean $875

*When course release is applied and the department hires an adjunct (say at $4,000 for adjunct replacement) then the department would have $375 to spend on supplies, travel, etc.

Example 3: Summer Add-Pay
For faculty with base salary of $70,000 for a 9-month position requesting summer add-pay:

$70,000 / 9 * 3 months = $23,333 plus 33% fringe in the budget
This is the total 3-month summer cap (minus any pay for teaching or other payments)

$23,333 / 3 = $7,777 per month cap plus 33% fringe in the budget
This is the monthly cap for the 3 summer months (minus any pay for teaching or other payments)

Figure 1