

**UNIVERSITY OF CENTRAL ARKANSAS
BOARD POLICY**

Policy Number: 408

Subject: Extramural Funding Incentive Program ~~Grant Incentive Program~~

Date Adopted: 5/05 Revised: 7/09

1 **Definitions:**

2 Department Head - The “department head” for purposes of this policy shall be the chair, dean, or
3 other administrator responsible for direct supervision of the recipient.

4 Recipient - The “recipient” for purposes of this policy shall be a faculty member, professional
5 staff member, or other eligible recipient as determined by the department head. “Faculty
6 member” shall include those with administrative reassignment below the level of dean.

7 Extramural Funding – “Extramural funding” for purposes of this policy is funding received from
8 a non-university entity for a specific program with specific deliverables.

9 Purpose:

10 ~~The purpose of the Grant Incentive Funding is to encourage faculty and professional staff to seek~~
11 ~~external funding, which will enhance research and scholarship, enhance best practices in~~
12 ~~teaching/learning outcomes, and advance the mission of the university. The mechanism for doing~~
13 ~~so is to provide an annual incentive payment to faculty and staff who are effective in securing~~
14 ~~extramural funding that pays for a portion of their salaries.~~

15 The purpose of the Extramural Incentive Funding Program is to encourage recipients to seek
16 external funding to enhance research, scholarship, and creativity; promote best practices in
17 teaching/learning outcomes; and implement other program improvements that advance the
18 mission of the university. The mechanism will provide quarterly incentive payments to recipients
19 who are effective in securing extramural funding.

20 Associated Benefits:

- 21 ~~▪ recruitment and job satisfaction of faculty and professional staff who can effectively~~
22 ~~compete for extramural funding~~
- 23 ~~▪ stimulation of scholarly activity associated with becoming grant competitive~~
- 24 ~~▪ salary incentives for successfully receiving a grant award~~
- 25 ~~▪ salary savings and facilities/administrative (formerly known as indirect) costs in~~
26 ~~departmental budgets through increased grant activity~~

- 27 ■ Recruitment and job satisfaction of faculty and professional staff who can effectively
- 28 compete for extramural funding
- 29 ■ Stimulation of scholarly activity by securing extramural funds.
- 30 ■ Monetary incentives for successfully receiving a extramural awards.

31 Provisions:

32 ~~To participate in the program, a faculty/professional staff member will include all or a part of~~
 33 ~~his/her base UCA salary and fringe benefits in a new or renewal grant or contract budget. The~~
 34 ~~incentive payment will be made to the faculty/professional staff member in accordance with the~~
 35 ~~following policy criteria. Such payment(s) will be made either in a lump sum or in multiple~~
 36 ~~payments over consecutive months in such a manner as to assure adherence to all prevailing laws~~
 37 ~~and policies. The payment(s) will be subject to applicable withholding.~~

38 To participate in the program, a recipient must apply for and win extramural funds that reimburse
 39 the recipient for time and effort spent on extramurally sponsored projects. Incentives shall be
 40 paid from state monies in accordance with existing processes used to determine merit pay for
 41 recipients. Such payment(s) will be distributed quarterly in adherence to all prevailing laws and
 42 policies. The payment(s) will be subject to applicable withholding.

43 Program Criteria:

- 44 1. ~~An eligible recipient may be a faculty member (including those with administrative~~
 45 ~~reassignment below the level of dean) or professional staff.~~
- 46 2. ~~The extramural funded salary must be for at least one month during the fiscal year for both~~
 47 ~~9 and 12 month appointments.~~
- 48 3. ~~The incentive payment will be calculated as 50% of the salary paid by grants during the~~
 49 ~~fiscal year just ending, up to a maximum of 25% of the faculty/professional staff member's~~
 50 ~~annual salary for 12-month appointments or academic year salary for 9-month appointments.~~
 51 ~~Legislated line item maximum salaries may further limit the incentive payment. Such a limit~~
 52 ~~will be identified at the time of the original request (see #5). Calculation of any incentive~~
 53 ~~payment shall exclude the value of any fringe benefits. Any incentive payment made shall~~
 54 ~~not modify the employee's base salary.~~
- 55 4. ~~The salary support must be derived from either (a) federally funded competitive research or~~
 56 ~~training grants or contracts with facilities and administrative costs (also called indirect costs)~~
 57 ~~or (b) grants from industry or foundations that pay appropriate facilities and administrative~~
 58 ~~(indirect) costs. Only grants and contracts generating salary savings and the full amount of~~
 59 ~~facilities and administrative costs allowable by the grant program qualify.~~

- 60 5. ~~A request by a faculty/professional staff member to seek an incentive payment under the~~
61 ~~policy must be submitted to the department chair or unit head during the same fiscal year~~
62 ~~that the salary savings occur. Approval by the department chair/unit head and next higher~~
63 ~~administrative level will be contingent upon meeting the criteria and purpose of the policy.~~
64 ~~The provost or appropriate vice president is responsible for the final approval.~~
- 65 6. ~~Salary support derived from extramural funds must fully pay all direct costs and the grant~~
66 ~~budget must include federally negotiated facilities and administrative (indirect) costs as~~
67 ~~allowed by the grant guidelines.~~
- 68 7. ~~The faculty/professional staff member must exhibit satisfactory performance in all assigned~~
69 ~~duties as determined by his or her chair/unit head and dean/vice president. Included is the~~
70 ~~responsibility of providing good fiscal and administrative management of all extramural~~
71 ~~funds for which he/she is principal investigator and completion of necessary reports in a~~
72 ~~timely and effective manner.~~
- 73 8. ~~Faculty/professional staff members who wish to take part in this incentive program must~~
74 ~~seek written approval in advance, as described above in #5. In addition, availability of any~~
75 ~~payments under this policy is subject to the availability of state appropriations, and to any~~
76 ~~applicable state or federal laws, regulations or policies.~~
- 77 9. ~~Modifications to any aspect of this policy may be implemented at any time, as determined~~
78 ~~by the provost. Such modification may occur through amendment of this policy or through~~
79 ~~written notice to the deans/heads of affected units.~~
- 80 10. ~~Participation in the program is voluntary and is not mandated upon either the~~
81 ~~faculty/professional staff member or the university. Participation is contingent on available~~
82 ~~funding. The university reserves the right to suspend or terminate this program or the~~
83 ~~participation of any faculty/professional staff member at any time.~~
- 84 1. The provost and the vice president for administration shall together have the authority to
85 implement the extramural incentive program in accordance with all applicable university
86 policies and to make such changes to the implementation of the policy as may be necessary.
- 87 2. Recipients may request an amount equal to up to 25% of their state salary from available
88 state funds as an incentive payment. The incentive payment is not part of regular pay from
89 the 100% effort on all activities. The incentive is a University incentive paid in accordance
90 with existing processes used to determine merit pay for recipients. State legislated line item
91 maximum (LIM) limits on salaries may limit the incentive payment, so it is important that
92 the Department ensure incentive calculations fall within state legislated LIM in all cases. An
93 incentive payment shall not modify the employee's base salary.
- 94 3. Recipients who wish to take part in the incentive program must meet with their department
95 head to examine the processes in place at UCA for merit payments . The recipient and the
96 department head will agree on performance measures and submit the request and pay

97 percentages in writing to the next higher level administrator. Department heads will ensure
98 that UCA funds are available for agreed-upon performance measures. In addition,
99 availability of any payments under this policy is subject to the availability of state
100 appropriations, and to any applicable state or federal laws, regulations, or policies.

101 4. A request by a recipient to seek an incentive payment under the policy must be submitted to
102 the department head during the same fiscal year that the salary savings occur or when other
103 sources of merit pay are available. Approval by the department head and next higher
104 administrative level will be contingent upon meeting the criteria and purpose of the policy.

105 5. The provost and vice president for administration are responsible for final approval of any
106 agreement under this policy. Approval must be obtained prior to completing personnel
107 action forms (PAFs).

108 6. The recipient must exhibit satisfactory performance in all assigned duties as determined by
109 his/her department head and next higher administrator. Included is the responsibility of
110 providing good fiscal and administrative management of all extramural funds for which
111 he/she is principal investigator or project director and completion of necessary reports in a
112 timely and effective manner.

113 7. Participation in the program is voluntary and is not mandated upon either the recipient or the
114 university. Participation is always contingent on available state funding and the financial
115 climate at the University. The university reserves the right to suspend or terminate this
116 program or the participation of any recipient at any time.