

Incentive Program for Researchers

Revised 8-7-17

How Does it Pay Grant-Active Faculty an Incentive Payment?

A faculty member can write into a grant budget a portion of his/her Academic Year salary (as well as summer salary), as allowed by the funding agency. Depending on the funder, this could take the form of one or more course load reductions or a percentage of the other segments of your appointment (primarily your research appointment). The primary advantage of a course load reduction is buying yourself additional time to work on your grant funded project. The advantage of either a course load reduction or a “research buyout” during the Academic Year is the opportunity to participate in the Incentive Program for Researchers and receive an incentive payment in November of the AY following the year in which the grant paid a portion of your faculty appointment (i.e., a portion of your AY base salary). The incentive for a *research buyout* equals 75% of the equivalent amount of the buyout. So if you charge your grant for \$10,000 worth of the research portion of your appointment in AY18, in November of AY19 you will receive an incentive of \$7,500 added to your regular paycheck. The incentive for a *course load reduction* has to take into account the cost to the department of replacing you as an instructor. Note that EHHD policy is that for a one course reduction (per academic year) you’re expected to charge the grant 10% of your base salary. So if in AY18 you have an AY base salary of \$50,000 and you charge your grant for 2 courses worth of your appointment, equaling \$10,000, the department will first deduct the amount of the actual cost of offering those courses (let’s say \$8,800 in this example). Then, in November of AY19 you will receive an incentive of \$900, which is 75% of the net remaining ($\$10,000 - \$8,800 = \$1,200$).

Note that whatever part of your appointment the grant pays for, Payroll will charge your grant the proportional benefits. So if you charge the grant for 20% of your appointment, your grant must also be able to bear 20% of the benefits charge that goes along with your salary. Benefits are charged at a rate unique to you, but average about 37% of faculty salaries during the academic year. For budgeting purposes, find out your personal benefits rate from the College HR Representative.

Where does the other 25% go? OSP keeps those funds in a pool available to potentially reward the grant productivity of faculty whose funding agency does not allow payment of any portion of a researcher’s appointment.

What is the Procedure?

1. Determine if you’re taking funds from your federal or state grant to pay at least 10% of your base salary during at least one AY month. As stated in the OSP instructions, “Faculty must contribute a minimum of 10% effort to participate, and they can receive no more than 25% of their base salary in supplemental pay, regardless of the amount charged to their grants/projects.” You are strongly encouraged to read the policy, the FAQ and the form instructions on this program at the OSP webpage: <http://www.montana.edu/wwwvr/osp/index.html>. Please discuss your proposal with the Project Development and Grants Specialist (Elizabeth Bird), and Associate Dean for Research Development (Bill Ruff) when planning a grant proposal which includes course load reductions and/or IPR payment.

2. Meet with your Department Head to discuss IPR. Once the grant is awarded, work directly with the College HR Representative and Department Head to arrange your salary charges to the grant. If you've budgeted for course load reduction, fill out the EHHD Course Load Reduction Worksheet (below and at <http://www.montana.edu/ehhd/ord/>) and obtain your Department Head signature prior to meeting with the College HR Representative.
3. About **a month before** you want the grant to start being charged for your salary, take the "Intent to Participate Form" to College HR Representative for help filling it out properly, and if relevant, bring your signed Course Load Reduction Worksheet. The College HR Representative will figure out how your labor distribution will need to change in order to utilize the grant funds you are apportioning, and ultimately (after the form has routed for signatures) she will process the "EPAF" form that charges that grant for your salary. Sign, and submit the "Intent" form to your Department Head to continue routing for signatures. Note, OSP rules require that this form be submitted to your Department Head before the end of the first month your effort is to be charged to your grant(s).
4. Between May 15-August 15 as stated on the form, work with the College HR Representative to make sure you have the right gross numbers on the "IPR Lump Sum Request Form," then sign it and submit it to your Department Head to continue routing for signatures. If you used your grant funds for one or more course load reductions, your Department Head will fill in the ""Cost of Teaching Replacement" and "Less Buyout" lines on the form. This amount will be what the Department has paid for your teaching replacement, plus a 10% surcharge on top of those salary and benefits in order to support the department's overhead incurred in hiring replacement instructors. The example above assumes the departmental cost is \$8000, and \$800 (10%) is added to arrive at the "Cost of Teaching Replacement," in order to provide for the departmental overhead required to arrange your replacement.
5. Receive the payment as part of your November 11 paycheck in the new academic year.

NOTE: YOU WILL NOT RECEIVE YOUR INCENTIVE PAYMENT UNLESS BOTH FORMS ARE FILED IN GOOD TIME. THE *INTENT TO PARTICIPATE* FORM MUST BE FILLED OUT AT THE SAME TIME THAT YOU WORK WITH THE COLLEGE HR REPRESENTATIVE TO CHARGE THE GRANT FOR AY SALARY. THE *LUMP SUM REQUEST* FOR PAYMENT MUST BE FILED BETWEEN MAY 15 AND AUGUST 15 OF THE SUMMER FOLLOWING YOUR AY GRANT SALARY CHARGES.

EHHD Course Load Reduction Worksheet

This form is to be completed by the PI *after* a grant has been awarded. Provide the following information about the course load being reduced with grant funding.

Faculty requesting buyout:	
MSU GID:	
Grant Name:	
Grant index number:	
Grant end date:	
Course Rubric and Number:	
Course Title:	
# Credits:	
Semester:	
10% AY salary:	
Amount budgeted in your grant for this buyout:	
Proposed Instructor:	

Approval – Once signed please give to EHHD HR Officer

Dept. Head

Date