

## Incentive Program for Researchers (IPRs)

Revised 3.21.18

What is the Incentive Program for Researchers (IPR)?

- A program to provide tenured and tenure-track faculty, who are successful in obtaining federal sponsored research or federal pass-through grants from the state, with financial incentives to encourage their extramural funding activity to continue to grow the research program at MSU.
- IPRs will serve as a reward for faculty who bring in sponsored research dollars and will encourage others to participate in competing for sponsored research.
- IPR replaces the additional compensation process for federally sponsored grants and state (pass-through) grants.

Who is eligible to participate in the research incentive program?

- Tenured or tenure-track faculty who successfully obtain a federal grant or state (pass through) grants are eligible if they charge at least 10% of their effort and the related 10% of their Institutional Base Salary and fringe benefits to the grant(s).
- Participation in IPR is not mandatory for grant awardees.

How does the IPR program work?

1. A faculty member chooses to write a portion of his/her Academic Year (AY) salary (as well as summer salary), into the grant application, as allowed by the funding agency.
  - a. To qualify for the IPR, the grant/contract must have funds which are budgeted specifically for at least 10% of AY salary.
  - b. Incentive payments will be 75%\* of the net amount recovered and available for distribution (i.e. if you charge your grant \$10,000 for the research portion of your appointment in AY18, you will receive an incentive of \$7,500 added to your regular paycheck in November of AY2019). Note that if you're using grant funds for a course release, the cost of course coverage will be subtracted from the total charged to the grant to determine the net recovered for IPR.
  - c. Faculty may receive incentive pay up to 25% of their MSU base salary (this includes IPR and any additional compensation from private sponsored grants).
2. The grant is funded (yay!) and the faculty member is given the opportunity to participate in the IPR program.
3. 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 IPR payment, whether or not you intend to use grant funds for course release(s) (see [course release policy](#)).
4. One month before you want the grant to start being charged for your salary, complete the "[Intent to Participate in IPR](#)" form and submit to the appropriate departmental accountant. This form can be found on the EHHD Office of Research Development website. Note that payroll will also charge your grant the proportional benefits (i.e. if you charge the grant 20% of your appointment, your grant must also be able to bear 20% of the benefits of your salary). Benefits are typically around 37% of faculty salaries; however, to determine your individual benefit rate, please email [jobsehhd@montana.edu](mailto:jobsehhd@montana.edu).
5. Around April 15<sup>th</sup>, you will receive the "[IPR Lump Sum Request](#)" from your college accountant. Ensure the numbers are correct, sign and return.
6. Receive payment as part of your November paycheck in the following academic year.

Note: If you are considering a course buyout, please discuss the IPR process with the Project Development and Grants Specialist (Elizabeth Bird) and/or Associate Dean for Research Development (Bill Ruff) when planning a grant proposal which includes course load reductions and/or IPR payment. See page 2 for more information and example calculations.

## **Incentive Program for Researchers Example Calculations**

### **No course release example; grant effort at 16.67%:**

AY base salary = \$60,000

\$10,000 in salary charged to the Grant in FY2018.

This equals \$10,000 in State salary savings.

25% held by Office of Sponsored Programs to offer alternative incentives.

75% (\$7,500) returned to you in November 2018.

### **Course release example; grant effort at 20%, equivalent to 2 course releases:**

AY base salary = \$60,000

One course release = 10% of base (EHHD policy, applicable to external grants), so you budget \$6000 each because in this instance you want and have permission for 2 course releases.

\$12,000 in salary charged to the Grant in FY2018.

This equals \$12,000 in State salary savings.

Department deducts the cost of a replacement instructor, for example at \$10,000 for 2 courses (in reality may be more, or less).

	\$12,000
-	<u>\$10,000</u>
	\$ 2,000

25% held by Office of Sponsored Programs to offer alternative incentives.

75% of the Net (\$1,500) returned to you in November 2018.

### **No course release example; maximum benefit allowed requires grant effort at 33.333%:**

Maximum allowed salary bump under IPR rules is 25% of your base.

AY base salary = \$60,000

\$20,000 in salary charged to the Grant in FY2018.

This equals \$20,000 in State salary savings.

25% held by Office of Sponsored Programs to offer alternative incentives.

75% (\$15,000) returned to you in November 2018

\$15,000 equals 25% of your base of \$60,000, the maximum allowed return to you under IPR.