



POLICY STATEMENT

NO. 2 13.00

COORDINATED BY Office of Academic Affairs

EFFECTIVE December 14, 1992

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REVISED

SUBJECT Allocation of Salary Savings from University Grants and Contracts

I. PURPOSE

To set forth a policy for distribution of salary savings resulting from grants or contracts that replace full-time personnel with lower salaried, temporary personnel.

II. DEFINITION

Salary savings are the result of some external agency temporarily reimbursing the University for some portion of a full-time employee's salary. When the University's budget already includes the employee's full salary, the portion of the unit's budget which is unencumbered is termed salary savings.

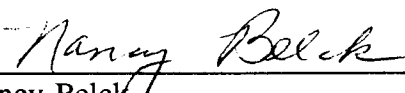
II. GENERAL POLICY

On occasion it may be decided by a Dean and the Provost that the mission of the University is enhanced through the short-term participation of an employee in an externally funded project. While the employee is engaged in this alternative activity, the employee's normal duties may be carried out by a substitute employee or held in abeyance. If the costs which are shifted to the external sponsor exceed the costs associated in accommodating for the employee's absence, the difference will be divided **25% to the Office of Sponsored Research and 75% to the employee's college or division, to be allocated after consultation with the appropriate chair(s) or director(s).**

IV. PROCEDURE

Before the University accepts a grant or contract which redirects an employee's effort, the supervising Dean or Director will work with the Office of Sponsored Research to itemize the costs associated with releasing the employee to work on the project. The Office of Sponsored Research will also identify any additional direct costs which the University is asked to contribute in order to obtain the external funding (for example, unfunded downloads or future retraining expense to return the employee to regular duties). These costs will be added to the employee replacement costs in determining if there are salary savings to distribute. When salary savings are documented, they may be expended prior to the receipt of corresponding external funds only with the Provost's approval.

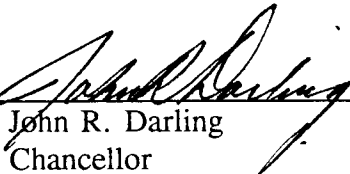
AUTHORIZED



Nancy Belck
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APPROVED



John R. Darling
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