Academic Year Salary Recovery Guidelines

November 2019

Purpose

The purpose of this document is to provide the University’s guidance on the budgeting and charging of academic year faculty salary to externally funded sponsored programs, to outline the distribution and use of funds released by academic year salary recovery, and to provide parameters for the amount of faculty salary that may be charged to grants during a given period.

Rationale

Faculty members have academic appointments for teaching and mentoring students, university service obligations and research, scholarship, and creative activities during their appointment periods, usually the academic year. Faculty on nine-month, full-time academic appointments are normally permitted to obtain up to three months of summer salary and associated benefits from sponsored projects outside of the academic year, consistent with terms and conditions of the project award and effort devoted to the project.

Many sponsors also permit investigators to charge for effort that they devote to sponsored projects during the academic year. When this option is available, the University encourages faculty to exercise it in order to recover a portion of their academic year salary that otherwise would be covered by the University. The University encourages that faculty request sponsored funding that represents the full cost of the proposed research program, including salary, and discourages the cost sharing of faculty academic year salary unless required due to budgetary limitations or programmatic matching requirements. In all cases, the amount of effort charged to a sponsor must be commensurate with the amount of effort devoted to the sponsor’s
project. Academic year salary charged to externally sponsored projects is not considered additional compensation above the academic year institutional base salary.

**Release of Institutional Funds**

Institutional funds budgeted for faculty salary and fringe benefits during the academic year that are released as a result of charges to sponsored projects are available for return to the faculty member, their department and college. When a portion of academic year salary and fringe benefits is charged to sponsored projects, the University will place an amount equal to 60% of the non-recurring salary and benefits recovered in a special research account for use by the faculty member, 20% will be provided to the faculty member’s department, and 20% will be provided to the college. If a reduction in the departmental teaching load is requested by or granted to the faculty member, a different distribution of released funds may be agreed upon between the faculty member, department chair and dean, in order to cover the costs associated with replacing the teaching effort.

**Use of Released Funds**

Released funds may be used by faculty for bridge funding, to support new initiatives, or for research-related supplies and expenses not normally allowable as direct costs to sponsored projects, consistent with University policies. Any use for faculty summer salary is prohibited unless an exception is approved by the department chair and dean. Funds released to the department and college may be used to improve research infrastructure, purchase equipment, support start-up needs, replace teaching, or for other strategic expenditures at the discretion of the department or college. Funds will be allowed to carry-forward from one fiscal year to the next within the designated discretionary funds.
Maximum Level of Academic Year Salary Recovery

Because teaching, advising, mentoring, and departmental and University service are assumed to account for at least 60% of a faculty member’s effort during the academic year, leaving 40% of academic year effort available for research, the maximum amount of academic year salary and effort normally chargeable to grants and contracts will be 3.6 months. Exceptions to allow more than 3.6 months of academic year salary recovery from grants must be reviewed and approved by the department chair and dean. Notre Dame Research Administration should be consulted regarding any sponsor restrictions on or requirements for level of faculty effort. The department head and dean should be consulted for requests for academic year salary recovery for positions that have non-standard expectations for research, teaching, and service.

Percent of Effort on Sponsored Programs

Salaries charged to sponsored programs must be commensurate with effort committed to the project. Consistent with federal guidelines, during a month in which 100% of a faculty member’s time is charged to a grant or contract, whether during the academic year or summer, 100% of his/her time must be devoted only to research covered by the grant.

Some activities that are specifically not allowed when 100% effort is charged to a grant are:

- Vacation
- Teaching
- Academic administration
- Work on other research projects
- Proposal preparation
- Business or conference travel, except when exclusively related to work supported by the grant to which the salary is being charged.
It may be appropriate for certain research faculty and staff to be charged 100% to a sponsored project in cases where such teaching and service responsibilities do not exist.

**Additional Pay for Services from Sponsored Program Funds**

In no event will charges to sponsored agreements, irrespective of the basis of computation, exceed the proportionate share of the institutional base salary for that period. Intra-university consulting is assumed to be undertaken as a University obligation and thus requiring no compensation in addition to the full-time base salary. Furthermore, this applies to other faculty members who contribute to another’s sponsored agreement. Any requests for additional pay for services from grant funds should be reviewed and approved by the department chair, dean and Notre Dame Research Administration prior to the work being performed (1).

**Questions**

Questions regarding faculty responsibilities and effort, return of academic year salary, or use of released funds should be directed to your department head or associate dean for research. Questions regarding sponsor guidelines and requirements or allowability of costs on sponsored programs should be directed to Notre Dame Research Administration.

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(1) Additional pay for services from grant funds may be approved, in rare exceptions, whereby the consultation is across departmental lines or involves a separate or remote operation, and the work performed is in addition to the faculty member’s regular departmental load, additional compensation above the base salary may be allowed, provided that such arrangements are specifically provided for in the grant agreement or approved in writing by the sponsoring agency and are consistent with University policies.