

**University of Arkansas
Faculty Salary Funding Incentive Plan**

Faculty of the University of Arkansas have the opportunity to participate in a Faculty Salary Funding Incentive Plan (FSFI Plan) which allows cash incentives to faculty who secure funding for their salary from extramural sources.

Purpose

The purpose of the FSFI Plan is to enhance the research and scholarship of faculty by increasing the level of extramural funding. The mechanism for doing so is to provide an annual incentive payment to faculty who are effective in securing extramural funding for their salary. Associated benefits will include 1) retention and employment of faculty who can compete effectively for extramural funding, and 2) stimulation of scholarly activity associated with becoming grant competitive.

Provisions

To participate in the Plan, a faculty member will include all or a part of his/her base UA salary and fringe benefits in a new or competitive renewal grant or contract budget. At the end of each fiscal year, June 30, the salary support for each faculty member will be evaluated to determine eligibility for an incentive payment. If eligible, this incentive payment will be made to the faculty member in accordance with the policy criteria. Such payment will be made in a lump sum in such a manner as to assure adherence to all prevailing laws and policies. The payment will be subject to applicable withholding.

Criteria

1. The faculty member must hold a tenured or tenure-track state-funded appointment.
2. The extramural funded salary must be for at least 0.1 FTE in the fiscal year for 12-month appointments. For 9-month appointments, the expectation is that the investigator would first want to use grant funds to pay summer salary. This incentive plan would only apply to extramural funded salary during the academic year for 9-month appointees. The academic year funding must be for at least one month to be considered for this program. This program applies only to salary paid for research and scholarly efforts. It is expected that faculty will not be relieved completely from teaching responsibilities through this program.
3. The incentive payment will be calculated as 50% of the salary paid by grants, up to a maximum of 25% of the faculty member's annual salary for 12-month appointments or academic year salary for 9-month appointments. Calculation of any incentive payment shall exclude the value of any benefits. Any incentive payment made shall not modify the faculty member's base salary, and therefore shall not be subject to Academic Policy Series 1435.60 pertaining to line item maximum salary levels.
4. The salary support must be derived from either (a) federally funded competitive research or training grants or contracts or (b) grants from industry or foundations that pay appropriate indirect costs (also called overhead or facilities and administration costs). Certain other national funding agencies will be considered on a case-by-case basis. External funds from gifts, in-state commodity organizations and state agencies will not apply. Exceptions will be considered on a case-by-case basis starting with the department/unit head/chair. Grants and contracts must include authorization to use funds for faculty salaries.
5. A request by a faculty member to seek an incentive payment under the Plan must be submitted on the Request form (Academic Policy 1435.70A) early in the fiscal year in which the grant or contract will pay salary. This request must be submitted each year for which an incentive is anticipated. Approval by the department/program chair or head and appropriate dean will be contingent upon meeting the criteria and purpose of the Plan and upon the faculty member maintaining a high level of productivity. Final approval for participation in this Plan will be by the provost. Faculty whose primary appointment is in the

Experiment Station must have final approval by the vice president for Agriculture. Deans will forward requests for participation to the vice provost for research for review. Requests will then be forwarded to the provost for final approval.

The faculty member must confirm in June of each year that salary was paid by completing the Confirmation form (Academic Policy 1435.70B) and submitting the form to the vice provost for research.

6. Salary support derived from extramural funds must fully pay all direct cost and appropriate federally negotiated facilities and administrative cost (commonly referred to as indirect cost or overhead).
7. The faculty member must exhibit satisfactory performance in all assigned duties as determined by his or her chair (or head) and dean. Included is the responsibility of providing good fiscal and administrative management of all extramural funds for which he/she is principal investigator and completion of necessary reports in a timely and effective manner.
8. Participation in the Program is voluntary and is not mandated upon either the faculty member or the University. Participation is not an entitlement but may be made available to eligible faculty members when both the University and the faculty member determine that it is in their mutual best interests to do so. Furthermore, the University reserves the right to suspend or terminate this Program or the participation of any faculty member at any time.
9. Faculty who wish to take part in this Plan must seek written approval in advance of participation, as described above. In addition, availability of any payments under the Plan is subject to the availability of state appropriations, and to any applicable State or Federal laws, regulations or policies.
10. Modifications to any aspect of this Plan may be implemented at any time, as determined by the chancellor or provost. Such modification may occur through amendment of this plan or through written notice to the deans of affected academic units.

Units may use some of the salary savings for non-bonus awards and other support for outstanding teaching.