



**UAR NUMBER:**

**TITLE:**

**ORIGINATOR(S):**

**INITIAL ADOPTION:**

**REVISION DATE(S):**

**AUDIENCE: (SELECT ALL THAT APPLY)**

FACULTY

STAFF

STUDENTS

VENDORS

OTHER (SPECIFY):

**PURPOSE:**

**SCOPE:**

**DESCRIPTION (INCLUDE DEFINITIONS):**

The University is obligated to comply with all federal policies related to the fiscal management of grants and contracts under guidelines established by the Code of Federal Regulations (CFR), Title 2—specifically Part 200—Cost Principles for Educational Institutions (formerly OMB Circular A-21). As required under 2 CFR 200, compensation costs must be charged to externally funded projects in a consistent manner, irrespective of funding source.

Definitions of terms:

Academic Year—The fall and spring semesters.

Administrative Supplement—Additional compensation paid from internal university funds, including but not limited to, deans or department chairs for administrative assignment.

Externally Sponsored Agreement—External funds provided to MSU as a result of a funded grant or contract for services.

Extra Service Pay—A term used by the Federal government that is synonymous with supplemental salary.

Facilities and Administrative Costs (F&A)—Verifiable indirect costs related to externally funded projects that are not easily attributable to individual projects. If salary is included in the F&A rate negotiation proposal, the recipient is not eligible to receive supplemental salary. These positions include, but are not limited to, President, Provost, Vice Presidents, Associate/Assistant Vice Presidents, Deans/Associate Deans, Department Chairs, Human Resources staff, Accounting and Financial Services staff, Procurement Services staff, Research and Sponsored Programs staff, and clerical staff.

Institutional Base Salary (IBS)—The annual salary of the employee as it appears in the employment contract.

Intra-Institution of Higher Education (IHE) Consulting—Serving as a consultant or otherwise contributing to an externally sponsored agreement conducted by another faculty member of the same institution. Intra-IHE consulting by faculty is assumed to be undertaken as an IHE obligation requiring no compensation in addition to IBS.

Normal Workload—Includes instruction, research/scholarship, and service. Tenured and tenure-track faculty are expected to be engaged in scholarship (as defined in PAc-11) and service consistent with the normal workload expectations as defined in the Department/School/College Faculty Evaluation Plan (FEP: PAc-35).

Overload—Negotiated financial compensation paid for a full or equivalent course load for assistant professors, associate professors, or professors, and more than 27 hours/year for instructors.

Principal Investigator (PI)/Project Director (PD) —An individual who has primary responsibility for the design, execution, and management of a research, training, or public service project and who will be involved in the project in a significant manner.

Release Time/Course Reduction—When a faculty member is permitted to have a reduced teaching load under their normal academic year appointment. In other words, the person is “released” from part of their teaching obligation while still being paid their regular full time salary. This may be done to allow time for scholarship, research activities and grant work.

**APPROVED BY:**

VICE PRESIDENT:



DATE: 7/20/18

APPROPRIATE INSTITUTIONAL REVIEW:



DATE: \_\_\_\_\_

PRESIDENT:

DATE: 7/20/18

**DESCRIPTION (CONTINUED):**

**DESCRIPTION (CONTINUED):**