



Edward J. Bloustein School
of Planning and Public Policy

Budget Policies for Salaries 4/1/2022

Charging Salaries to Grants:

Proposal budgets for externally funded/sponsored grants and contracts should reflect realistic regular or institutional base salary (IBS) charges for all personnel expected to be working on the project, including the principal investigator. Once awarded, regular salary should be charged according to the actual level of effort of each person working on the project during the course of the academic year.

This includes the regular salary of the principal investigator. This is particularly important in the case of state-funded employees, whose salaries should not be used to subsidize their work done on sponsored research projects.

Summer Salary:

University policy states that faculty may receive summer compensation when permitted by funding sponsor policy, and when approved by the University. Full time (summer) compensation obligates the faculty member to work full time on the sponsored program for the entire period for which compensation is paid. Part time summer compensation obligates the faculty member to work according to the percentage of time appointed. Full time summer compensation will not be approved by the University if the faculty member did not work full time on the sponsored program during that time period. If a faculty member works on a project both during the academic year and during the summer, an appropriate amount of salary should be charged for both time periods. It is not appropriate to work on a sponsored program during the academic year, not charge for the work during that period, and charge the entire amount of salary as summer salary. In the instance of a 1/11 (calendar year faculty) or 3/9 (academic year faculty) payment, faculty must forego vacation entirely during that fiscal year.

School's Use of Salary Savings:

In order to adhere to the University's budget policies, 'salary savings' realized from charging a state-funded employee's regular salary against a sponsored program go back to the school for allocation to instructional and general school administration uses and cannot go back to centers for supporting externally funded research.

Charging Administrative Salaries on grants:

Administrative and clerical salaries may be treated as direct costs, if all of the following criteria are met.

- The project/proposal must require an extensive amount of administrative services that is significantly greater than the routine level of such services provided by academic departments,
- The costs must be identifiable, specifically with a particular project with a high degree of accuracy.
- The costs must be explicitly budgeted and justified in the grant application or proposal.

For more information see <https://postaward.rutgers.edu/policies-resources/administrative-and-clerical-costs> .

Other Salary and Compensation Expenses on Sponsored Programs (RFS Procedure)

Sabbatical Leave: Faculty are eligible for sabbatical leave per RBHS Faculty Affairs and the Office of Academic Labor Relations. As such, faculty may elect to take a sabbatical leave with an associated reduction in salary. In these cases, faculty may choose to supplement their salary during this period by expending effort on a sponsored award and receiving payment accordingly. In no circumstances may a faculty member receive payments above and beyond their standard IBS.

- Severance Pay: Severance pay should never be charged to a sponsored award. These expenses are charged to a central University account.
- Intra-Institution Consulting: Faculty and staff are not eligible for additional compensation for consulting work performed for other Rutgers units that is charged to sponsored awards. These types of expenses expose the University to significant audit, reputational and compliance risk. Instead, this effort should be captured via a salary distribution change tied to the employee's IBS.
- Fringe Expenses: Fringe expenses charged to sponsored awards must align with the rates as documented in the University's NICRA, as well as the employee's actual effort and associated salary expenses. Unless otherwise specifically prohibited by sponsor requirements, the University applies these fringe rates to all sponsored awards.
- Emeritus Faculty: In the scenario that an Emeritus faculty member elects to commit effort to a sponsored award, the University must issue an offer letter to establish an employee relationship. Salary can then be charged per the details in that offer letter.
- Postdoctoral Associates: Salaries and stipends that are issued by payroll for these "employee-like" individuals may be charged to sponsored awards based on actual effort expended.
- Graduate Students and Teaching Assistants: Salaries and stipends issued by payroll for these "employee-like" individuals may be charged to sponsored awards based on actual effort expended. Please note that stipends issued by procurement are not considered a salary expense. Procurement typically issues stipends for students on Institutional Training Grants, such as T32s, as these students are not "employee-like." Rather, 100% of their effort is dedicated to learning and research.