

Getting Funds for Your Activities: Schar School Incentives and Support



This document is a revision and update to *Faculty Participation in Funded Activities* (August 2015, revised September 2017 and August 2019). Within this document information is updated, simplified, and/or added.

The Schar School of Policy and Government highly encourages faculty to become involved with sponsored activities. Specifically, we anticipate high levels of proposal writing for activities such as funded research and executive education. To emphasize our support, we provide proposal writers with the support and incentives described herein. While none of the incentives is large, we hope that they acknowledge faculty members' efforts.

Getting Funds is divided into five parts: (1) a brief statement of the support available to Schar School faculty members who plan to apply for external funding, (2) brief descriptions of the monetary incentives for a successful application, (3) notes on two added issues with regard to funding and research centers, (4) assistance for editors of journals, and (5) appendices providing further details on the incentives.

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Part I: A Summary of Support

The Schar School's Office of Sponsored Projects (Schar OSP) that can help you prepare applications for grants, contracts, and cooperative agreements that will be submitted to federal agencies, private foundations, or other potential funding entities both external and internal to the University.

Identifying potential funding opportunities. The Schar School's Office of Extramural Projects (Schar OEP) identifies potential sources for funding that are external to the university, and then forwards the information to appropriate Schar faculty. **Contact the director of the office, Tonya Neaves, to identify your specific interests and discuss potential funding entities.** Each potential funding agency may have different requirements, so be sure to review these before developing an application - with particular note of any budgeting (including whether they limit indirect cost rates) and formatting requirements.

In addition, the **Schar Office of Research (Schar OR)** works closely with the University's VP for Research. The director of this office, **Naoru Koizumi, can help with potential funding sources within the University.** For instance, the Office of the Provost has several small grants that are available throughout the year.

Beth Olchowski works with both the Schar OEP and the Schar OR; her focus is most specifically **to identify graduate research assistants (GRAs)** whom faculty might hire for research projects. In addition, the **senior grants administrator of the Schar OSP, Ryan Pryke**, can help you develop budgets for both internal and external funding opportunities. Finally, the Schar School Dean occasionally has funds for a short-term editor who may be able to help finalize the narrative portions of grant applications.

Creating budgets. Ryan Pryke can help develop budgets for both internal and external proposals. He will identify the appropriate indirect cost rate associated with particular activities and the fringe benefits cost rates; he will provide support to assure that budgets are correct. It is best to contact him quickly in order to schedule appointments and ascertain timelines for completing the work. **All proposals must be completed and submitted to the University's Office of Sponsored Programs at least 5 business days prior to the official due date.** Once a grant application has been awarded, the Schar Office of Fiscal Services, Syed Azam Salahuddin, will help to administer the grant, assuring that the monies are spent in accordance with the approved budget.

Direct and indirect costs. There generally are two categories of information included in a budget. The first category includes such things as personnel costs (salary and fringe benefits – social security, health insurance, workers' compensation, and so on) for regular faculty members and staff as well as for certain categories of students. There also may be costs for consultants, travel, supplies, materials, and other items; rarely will there be costs for major equipment purchases or construction. All of these are "direct costs," those elements that have a specific and known cost that can be attributed to, and paid for by, the project.

In addition, there are "indirect costs," those costs that cannot be attributed clearly to the project, but that include services the project needs. For instance, neither the University nor the Schar School will charge a project for office space, the cost of electricity or water, or for the services of supporting staff (e.g., the Schar OSP). On the other hand, these services are not completely

free. The University has several different rates for indirect costs, varying from 26% of the project's direct costs for most projects that will be housed off-campus to nearly 60% of the project's direct costs for Department of Defense-funded projects that will be housed on-campus. For further details on indirect cost rates, see Appendix A.

Some funding agencies limit the percentage that may be charged for indirect costs, a few will not allow any indirect costs to be charged to the project. Be sure to read the application materials carefully and to work with the Schar OSP to assure that indirect costs are indicated appropriately. *Schar administration must approve any indirect costs that are less than those listed in Appendix A.*

Approvals for applications. All applications must be approved through the Schar OSP and the University's Office of Sponsored Programs (OSP); no applications may be submitted directly by a faculty or staff member. Schar OSP will help you with a budget as well as the "boilerplate" information; will interact with the University's OSP to assure that all requirements are met; and will help negotiate with the funding agency should that be necessary.

Part II: Summary of Incentives for Funded Projects. Described here are the incentives that are directly beneficial to individual(s) whose proposals are funded by a source outside both the Schar School and George Mason University. These incentives are divided into two groups – those for sponsored programs (e.g., grants, contracts, and cooperative agreements) and those for executive education. Also see the *Note on Extra Compensation within Federally-funded Programs* in Part III.

Sponsored programs. Those who receive external funding for a project may choose either to receive a portion of the indirect costs *or* to request release time. The choice should be made as the proposal is written, not after funding. The Schar School dean must support the choice and appropriate paperwork must be submitted to the provost and any other applicable offices within the University, as needed, for approvals.

Indirect cost incentives. If the funding agency allows the full indirect cost rate (as described in Appendix A), the Principal Investigator (PI) may choose to receive a portion of those funds (referred to as "indirect cost recovery funds"). The indirect cost recovery funds are divided into two "chunks:" first, a division among the University, the provost, and the Biometrics Research Lab (just less than two-thirds of the cost recovery); and second, the School (just more than one-third of the indirect cost recovery).

The Schar School further divides its share of the indirect cost recovery funds between the dean's office and the PI(s). Each PI will receive their share of these funds in an org account. For further details, see Appendix B regarding how indirect costs are shared and Appendix C for supplemental compensation information.

In addition, the Schar School highly encourages supporting graduate research assistants (GRAs) and graduate professional assistants (GPAs). If the funding agency will not cover the cost of tuition, the Schar School will contribute full tuition (up to 12 credit-hours each semester) during the regular academic year, *pending availability of funds*. The identified PI (one person

only, even if there are multiple co-PIs) will receive an additional percentage of the indirect cost recovery for each GRA/GPA funded by the project.

In accordance with University policy, indirect cost recovery funds allocated to a PI/faculty member may be used for any authorized purpose other than direct salary support. Specifically, indirect cost recovery funds may *not* be used for release time, supplemental compensation, or summer salary - these costs should be built into the project's budget, as submitted with the project proposal.

The indirect funds may be used for travel (e.g., to a conference), professional association membership(s) and/or journals, purchase of databases or needed software licenses, or other education-related activities not covered by the project.

Release time. For those who choose course buyout rather than a portion of the indirect cost recovery funds, the project's budget must include this in the personnel section; the cost is 20% of the faculty member's salary and benefits for each course that will not be taught. (This release time may be aggregated among multiple smaller projects, as appropriate.)

Per University policy, instructional faculty members cannot buyout their full teaching loads; all must teach at least one course per year. The buyout funds will be used to cover the cost of an adjunct faculty member to teach each course. Adjunct costs are a maximum of \$6,400 per course for AY2019-20. For further caveats and details, see Appendix D.

Executive education. Faculty with a full teaching load, as defined within their contract or School guidelines, may choose either release time or supplemental compensation for participating in executive education activities.

Supplemental Compensation. According to GMU policy, **faculty members may receive no more than 15% of their academic year salary, per semester, as supplemental income.** The Schar School will parse this to differentiate between teaching faculty and teaching faculty with administrative duties for executive education. There are restrictions on the percentage of any faculty member's salary that can be paid through supplemental compensation; see Appendix C for further details.

In addition, any request for supplemental compensation requires multiple approvals. Within the Schar School, requests must be recommended by the director of the faculty member's Program Faculty, authorized by the Dean, and approved by the Provost. In some cases, the approval of the Office of Sponsored Programs and/or Vice President for Human Resources may be required. For further information, please see Appendix C.

Release Time. Faculty engaged in executive education activities **supported by federal funds MUST select this option.** The course buyout rate for executive education activities is 20% of salary and benefits, with a maximum of one course release per semester. For each fully funded course buyout, the faculty member will receive credit for one-half of the salary savings after the adjunct costs, currently a maximum of \$6,400, have been paid. For further caveats and details, see Appendix D.

Part III: Additional Notes. There are two additional areas of which those seeking external funding should be aware. The first is the federal restriction on extra compensation and the second is the development of centers within the Schar School.

Extra compensation within federally funded projects. Federal guidelines restrict the total compensation that an individual can earn when working on a federally funded project, including grants, contracts, and cooperative agreements. The maximum FTE for any individual's total workload is 1.0 – and as such, no individual can earn more than his/her regular salary. If there is a need for a person to work more than 1.0 FTE, written approvals from the dean, provost, and funding agency are required. Federal approval also requires that the work be outside the individual's organizational unit and not be related to normal work responsibilities.

In addition, there are both federal and university regulations/policies that govern supplemental compensation.

- For all practical purposes, supplemental compensation cannot be paid from federal funds—either direct or pass-through funding. The relevant reference is: http://www.ecfr.gov/cgi-bin/text-idx?SID=c38e961d75864bac67249d9a5f2eed3e&mc=true&node=se2.1.200_1430&rgn=div8
The University applies these restrictions to all sponsored program activities.
- The University's policies and procedures regarding supplemental compensation may be found at: <http://universitypolicy.gmu.edu/policies/supplemental-pay/>
- Any request for supplemental compensation requires multiple approvals. Within the Schar School, requests must be recommended by the respective PF director, authorized by the Dean, and approved by the Provost. In some cases, the approval of the Office of Sponsored Programs and/or Vice President for Human Resources may be required.

Schar School Centers. Faculty writing proposals may want to affiliate with one of the centers located within the Schar School. Each of these centers has a specific focus that may be helpful to proposal authors; for a list of current centers, see the School's website (<https://schar.gmu.edu/research/research-centers>). In addition to the indirect cost recovery that is given to PIs, a chartered center that is included in a funded project will receive a percentage of the indirect cost recovery (with the dean's portion reduced by that amount).

Currently, the Schar OSP has responsibility for assuring that centers are re/chartered appropriately, with final sign-off by the dean. The process for requesting charters and renewing charters, as described within the 2018 Faculty Handbook §1.3.10 is provided below. For our purposes, review will be by the directors of Schar OSP, Schar OR, and Beth Olchowski, with final approval by the dean or senior associate dean.

A center is a unit of the University intended to advance the University's mission of research and/or public service. Normally housed within a department or college/school, a center does not develop or administer academic degree programs, nor does it possess instructional faculty appointed to primary affiliation with it. ... Faculty appointed to a center under externally funded grants or contracts may not receive tenure-track or tenured appointments through the center. A center is chartered for a specific period of time by the Provost on the recommendation of appropriate faculty and Dean(s). Renewal of a charter, when called for, is subject to favorable review of a center's performance and accomplishments.

A center is administered by a director who serves at will and who is appointed by the local unit administrator of the unit within which the center is housed. Whenever possible, centers are expected to derive most of their operating budgets from a source or sources other than state appropriations. (Emphasis added.)

Chartered research centers are subject to periodic review and renewal ... [C]harters are issued for a fixed period of time (typically three years). Approximately one to three months prior to the end of the chartered term, the local academic unit dean or director should initiate a process of review and assessment of an existing center, leading to a decision and recommendation on renewal, including any revisions, of its charter.

Contact the senior associate dean, or go to the Schar website for further information:
<https://schar.gmu.edu/faculty-and-research/resources-for-faculty-and-staff>

Part IV: Journal Editors. Faculty members are encouraged to serve as editors of journals within their field(s) of expertise. As a general rule, this is expected as part of the professional life of an academic. However, there may be reasons for the School to provide some additional support for those taking on particular editing duties. This section provides information on when the School will provide support, and the type of support that might be provided.

Faculty who have a major editing role (e.g., editor-in-chief, managing editor) may request a one-course-per-year reduction in teaching load. There are two caveats to this request. First, the journal must be a highly ranked, acknowledged journal. As an example, the SJR (Scimago Journal Ranking (<https://www.scimagojr.com/index.php>) ranks journals in quartiles; a journal in the top quartile would be accepted as a highly ranked, acknowledged journal.* A journal in the second quartile may be acceptable, but the reasoning for the request must be especially strong. Second, the journal, or another external source (*not* the faculty member), must provide funding to cover all costs including, but not limited to, an adjunct faculty member to teach the faculty member's course, a part-time GRA (if one is required), and any other costs associated with the editorship.

This support is solely for editing journals. The School will not provide such support for editing a book or book series; authoring or co-authoring articles, books, or chapters in books; or other similar ventures.

Requests for this support should be in the form of a formal letter to the appropriate PF director and the Associate Dean for Academic Affairs. These individuals will review the request and provide both the original letter of request and their own letter of support (or non-support) to the Dean. The Dean will determine whether the support will be provided.

* A few example top-quartile journals include *Public Administration Review*, *Public Administration*, *Educational Administration Quarterly*, *American Journal of Political Science*, *International Security*, *International Studies Quarterly*, *American Economic Journal: Economic Policy*, and *Economy and Society*.

Part V: Appendices. Four appendices follow. The first and second appendices focus on indirect cost rates, with the first providing more details and the second providing examples of how the indirect cost rates are apportioned across University and School offices, departments, and PIs. The third appendix provides further information on supplemental income for those involved in sponsored programs and executive education, respectively, and the fourth describes release time for those involved in sponsored programs and/or executive education.

Appendix A: Indirect cost rates. Indirect costs vary based on (1) type of activity and (2) location of work and may be limited by the funding agency (e.g., some agencies limit indirect costs to 8%, or do not pay any at all). “Full indirect cost recovery” is defined as the university receiving either its regular rate or, in cases where the agency limits the indirect costs, the maximum indirect cost allowed by that agency. On occasion, an agency may enter into budget negotiations before award notification. If these negotiations lower the indirect cost rate (e.g., Mason’s regular rate is 57% but the funding agency negotiates down to 45%), “full indirect cost recovery” has not occurred. Indirect cost rates, for FY19 and FY20, are provided in the table below.

Approved indirect cost rates, FY19 and FY20

Type of activity	Location		
	On-campus	Near (adjacent to) campus	Off-campus
Research	57.0%	27.7%	26.0%
Instruction	57.2%	39.6%	26.0%
Other sponsored activities	40.0%	27.3%	26.0%
All DOD research projects	59.7%	31.0%	28.7%
Intergovernmental Personnel Act (IPA)	All awards: 9.0%		

Definitions of terms.

Research includes all research and development activities that are sponsored by Federal and non-Federal agencies and organizations. This involves systematic study directed toward fuller knowledge or understanding of the subject and includes activities involving the training of individuals in research techniques (research training) if the activities take place in the same facilities as other research and development activities and are not included in the instruction function. Sponsored Research generally includes hypothesis testing and has a defined scope of work, a work plan, time frame, and reporting requirements to the sponsor.

Instruction is defined as teaching and training activities funded by grants, contracts, or cooperative agreements from Federal or non-Federal sponsors. Sponsored Instruction includes agreements that support teaching/training activities, whether offered through regular academic departments or separate divisions.

Other Sponsored Activities include programs and projects financed by Federal and non-Federal agencies and organizations which involve performance of work other than instruction and organized research. Other Sponsored Activities are established primarily to provide non instructional services (e.g., travel, conferences, community service) beneficial to individuals and groups external to the institution.

Appendix B: Portioning indirect cost recovery funds for sponsored programs. The indirect cost recovery funds are divided among the University (29.4%), the provost (34.3%), the GMU Biometric Research Lab (BRL) (2%), and the faculty member's unit (34.3%). The Schar School further divides its share of the indirect cost recovery funds between the dean's office (24.01%) and the principal investigator(s) (10.29%). Each principal investigator (PI) will receive their share in an org account. If the director of a chartered center located within the School is a PI, that center will receive 6.86% of the cost recovery funds and the dean's office portion will be reduced to 17.15%. In addition, the dean's office will give a single PI (regardless of how many "PIs" are identified within the funded proposal) an additional 1% of the indirect cost recovery funds for each GRA and/or GPA supported by the project.

The funds received by a PI will be put into an org account that the faculty member may access for approved purchases (e.g., professional membership, travel, journals, books). Upon completing the appropriate forms, the request will be approved by the Office of Fiscal Services and the Senior Associate Dean or Dean.

Caveats: *The percentages listed below assume a full indirect cost recovery rate. With the dean's approval, projects with lower indirect cost rates may have pro-rated incentives, not the percentages listed below. Projects that carry no indirect costs will not receive these benefits. Note that when there are no indirect cost funds returned to the School, the project will receive minimal support from the School. As an example, even if a website is listed as an activity for the project, unless there are funds allocated specifically for that task, the School will not provide support for building a website.*

The School receives 34.3% of the indirect costs recovered, regardless of the indirect cost rate applied to the project (i.e., regardless of the type of activity or the location of the project). The School will divide thusly: 24.01% for the School, 10.29% for the principal investigators (PIs).

- **An individual PI** will receive the full 10.29% of indirect cost recovery funds in an org fund.
- **Co-PIs** in multidisciplinary projects within the School, each will receive an equal portion of the 10.29% indirect cost recovery funds. In addition, the identified lead PI will receive an additional 6.86%, which is equivalent to the "department" share of the distribution. Each of any other PIs within the School will receive an indirect cost distribution equal to 10.29% of the indirect costs associated with their salaries, inclusive of summer work - if summer is part of the project - but not fringe benefits.
 - ✓ As a simple example, assume that a project is funded for \$4.5M/year and assume that the indirect cost rate is 50% (i.e., the budget is \$3M, with a 50% indirect cost added to that); this project will generate \$1.5M in overhead each year. There is one PI whose AY salary is \$80,000; she is working on the project during the academic year at .5 FTE; \$40,000 of her salary is paid by the project, which generates \$20,000 in overhead funds (50% of \$40,000). The PI will receive an additional \$2,058 (10.29% of \$20,000). If working during the summer, the PI will receive additional overhead funds through this same formula.
- **For Chartered Centers**, the identified lead PI and any co-PIs will receive equal portions of the 10.29% of indirect cost recovery funds. The center will receive 6.86%, which is the equivalent to the department share of the distribution. If summer is part of the project, any PIs working on the project will receive equal portions of the 10.29% of the indirect costs associated with their salaries, but not fringe benefits.

- For each **Graduate Research Assistant** or **Graduate Professional Assistant** (GRA or GPA) with a full stipend supported by sponsored program activities, and where GRA tuition is not an allowable cost by the sponsor, the Schar School will contribute full tuition (up to 12 credit-hours each semester) during the regular academic year, excluding summer pending availability of funds. In addition, the identified lead PI will receive an additional 1% of the indirect cost recovery distribution.

Appendix C: Supplemental compensation for faculty in executive education.

According to GMU policy, *faculty members may receive no more than 15% of their academic year salary, per semester, as supplemental income.* The Schar School will parse this to differentiate between *teaching faculty* and *teaching faculty with administrative duties for executive education.*

- The School will calculate the rates for each faculty member, based on their individual salaries, converted to an hourly basis. For 9-month faculty, the hourly basis is their academic-year salary divided by 1,560 hours. For 12-month faculty, the hourly basis is their annual salary divided by 2,080 hours. Three hours will be charged for each hour of instruction—one contact hour and two preparation hours.
- Each semester (excluding summer), based on the approved budget, faculty may receive up to 10% of their semester salary as supplemental compensation for teaching in executive education activities.
- Any charges for management will be based on actual hours worked and must be recommended by the PF Director and approved by the Dean. In no case can a faculty member receive more than 15% of their academic year salary per semester as supplemental compensation (i.e., a teaching faculty member with administrative duties for executive education may earn up to an additional 5% each semester).
- No supplemental compensation is permitted for federally funded executive education activities.
- Faculty participating in executive education activities taking place during the summer will receive summer salary in accordance with the approved level of total effort and may not exceed 33.33%, from any/all sources, of their academic year salary.
- There are both federal and university regulations/policies that govern supplemental compensation.
 - For all practical purposes, supplemental compensation cannot be paid from federal funds—either direct or pass-through funding. The relevant reference is:
https://www.ecfr.gov/cgi-bin/text-idx?SID=c38e961d75864bac67249d9a5f2eed3e&mc=true&node=se2.1.200_1430&rgn=div8
The university applies these restrictions to all sponsored program activities.
- The University also has policy and procedures regarding supplemental compensation. These may be found at:
<https://universitypolicy.gmu.edu/policies/supplemental-pay/>
- Any request for supplemental compensation requires multiple approvals. Within the Schar School, requests must be recommended by the appropriate PF Director and

authorized by the Dean. This does not constitute the approval of the University; the Provost must approve the request. In some cases, the approval of the Office of Sponsored Programs and/or Vice President for Human Resources may be required as well.

Appendix D: Faculty release time for sponsored programs or executive education.

The course buyout rate is 20% of salary and benefits (release time may be aggregated among multiple smaller projects, as appropriate).

For faculty involved in sponsored programs: As per university policy, instructional faculty must teach at least one course per year. For each fully funded course buyout, which recovers full indirect costs, the faculty member will receive credit for one-half of the salary savings after the adjunct costs have been deducted.

For faculty involved in executive education: Faculty engaged in executive education activities supported by federal funds MUST select this option, there is no option for supplemental income. Further, only faculty with a full teaching load, as defined within the Schar School (see *Faculty Workloads*), may participate in this incentive program.

Currently, the cost of an adjunct is \$6,400 per 3-unit graduate course; adjuncts hired to teach undergraduate courses generally will receive payment according the University matrix, based on the course taught and the experience and background of the instructor. If a faculty member's buyout is greater than the cost of the adjunct professor, and the indirect costs have been funded fully by the supporting agency, the faculty member will receive one-half of the remaining funds in her/his org account. Additional requirements for all faculty members, both those involved in sponsored programs and those involved in executive education, include the following.

- Faculty will not have direct control over these funds. The Schar School Director of Fiscal Affairs will maintain an internal ledger.
- These funds must be used in the fiscal year in which they are generated and cannot be carried forward. These funds may be used for any authorized purpose excluding release time and supplemental compensation.
- Faculty may use these funds for summer research support—not to exceed 20% of their academic year salary—provided that they submit a written request no later than April 1 of the previous spring (e.g., April 1, 2020 for summer 2020 requests) along with a description of the activities to be undertaken. This request must be recommended by their respective PF Ddirector and approved by the Dean.
 - ✓ The percentage is based on current regulations that allow a faculty member to teach a maximum of two courses/summer, with each course paid at a rate of 10% of the faculty member's academic year salary.
- In no case can total summer compensation, from any/all sources, exceed 33.33% of a faculty member's academic year salary.