



I. Policy Title

Sponsored Funding Incentive Policy

II. Policy Purpose and Statement

The purpose of this Sponsored Funding Incentive Policy (SFIP) is to encourage and recognize grantsmanship by members of the Fort Valley State University (FVSU) community. Research funding is essential to promote creativity and innovation at FVSU that can be utilized for public good.

III. Policy Application and Effective Date

- a. This policy applies to all members of the FVSU Community.
- b. This policy is effective January 3, 2022

IV. Definitions

- a. “Sponsored Funding” shall include funding from any external agency, including federal, state, industry, foundations, and other sources. Funding must have been received as a result of the Principal Investigator (PI) authoring a competitive grant proposal, contract, or cooperative agreement. For the purpose of SFIP, sponsored funding does not include formula funds and other federal and state funds FVSU receives due to its status as an 1890 land-grant institution, Historically Black University, University System of Georgia institution (ex. Evans-Allen, 1890 Extension, land-grant state match, Title III, and other non-competitive funding).
- b. “Principal Investigator” means the lead author of the competitive proposal that resulted in funding to FVSU. For the purpose of SFIP, only the lead author will receive financial incentive.
- c. “Competitive funding” is a process of proposal selection by the funding agency based on the evaluation of a reviewer or team of reviewers. Funding is based on the merits of the application, and recipients are not pre-determined.
- d. “Incentive” refers to the monetary reward paid to the PI based on a formula the PI is entitled to receive for securing an external funding that comes to FVSU.

- e. “Indirect Cost” means the amount FVSU recovers from sponsored funding for administering the project. The indirect cost rate varies according to the funding agency and can range from 0% to 40%.
- f. “Base Salary” refers to the annual salary of an employee not including any supplements for additional responsibilities assigned administratively.

V. Policy

Financial incentives for Principal Investigators for successful grantsmanship will be according to the following guidelines:

- a. Only the FVSU lead investigator / lead author of the proposal is entitled to receive incentive for successfully securing sponsored funding. In order to encourage every faculty and eligible staff member to take lead in pursuing external funding, Co-Principal Investigators and Collaborators are not entitled to financial incentives.
- b. Financial incentive for a PI for a specific funded project will be calculated based on the formula as shown below:

If a Principal Investigator receives a competitive award >\$50,000, the incentive will be 1% of base salary
 For competitive award amount >\$100,000,
 multiply award amount by 0.000001 = x
 Total incentive amount the PI is entitled for this award = 1+x% per year.

Example 1:
 If the award amount is \$450,000
 $450,000 \times 0.000001 = 0.45\%$
 Total incentive the PI is entitled to is 1.45% of base salary per year.

Example 2:
 If the award amount is \$1,200,000
 $1,200,000 \times 0.000001 = 1.2\%$
 Total incentive the PI is entitled to is 2.2% of base salary per year.

- c. If a PI has multiple funded projects, the total incentive amount cannot exceed 10% of base salary. This upper limit is set so that the PI’s other job responsibilities are not affected. However, there is no limit to the number of projects a PI can be involved in as long as the PI’s time and efforts are justified as deemed by the supervisor. While the financial incentive for grantsmanship cannot exceed 10% of the PI base salary, continued successful grantsmanship will still count for performance-based increases whenever the institution is able to implement merit increases.
- d. The incentive amount for each eligible funded project will be divided by the number of months per year the PI is employed (10 or 12 months) and added to the monthly salary.

- e. The financial incentive for an eligible funded project will cover only the original project period. Incentives will not be paid during no-cost extension period of the project.
- f. Faculty PI with nine-month contracts may add summer salaries to the grant budget, and still be entitled to the sponsored funding incentive. However, under no circumstance can a twelve-month employee add salary supplement to the grant budget. This policy does not cover circumstances where employees are being assigned additional responsibilities administratively.
- g. The incentives will be paid from the pool of indirect costs recovered from all sponsored projects. Application of this policy is contingent upon the general financial status of the institution and recovery of indirect costs enough to continue the program as deemed by the leadership.

VI. Procedure

- a. When the notification of funding is received from a competitive program, the PI will complete and submit the Sponsored Funding Incentive Form to the Director of the Office of Sponsored Program after securing approvals from the respective College Dean or the division Vice President.
- b. The Director of OSP will determine eligibility of incentive. If eligible, the OSP Director will calculate the incentive amount based on the guidelines, secure approval of the Vice President for Economic Development and Land-Grant Affairs and forward the worksheet to the Budget Director. The Budget Director will verify, calculate the amount added to the monthly salary, and seek approval from the Vice President for Business and Finance.
- c. The Director of OSP and the Budget Director will collaboratively maintain records of sponsored funding incentives received by each PI and continue to check the total incentive amount for all projects combined does not exceed 10% of the PI's base salary in a given year.

VII. Forms

Sponsored Funding Incentive Form (see Appendix I)

VIII. Responsible Party

Questions regarding this policy should be directed to:

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