**Policy on Sponsored Grants/Contracts Pay for CEAS Faculty**

Sponsored grants and contracts that include CEAS faculty salaries and benefits must demonstrate an appropriate commitment to the activity over the entire calendar year. At a minimum, 20% of the faculty’s salary and benefits budgeted to the grant must be charged during the 9 month academic year. The remainder can be charged during intersession periods. This applies to all grants and contracts unless sponsor guidelines prohibit or an exception is approved by the Dean.

This policy goes into effect 1/1/11.

The policy applies to all awards and proposals, including those where the PI is from another college at UC or from another university.

The policy applies to all AAUP represented faculty with 9-month appointments.

The amount charged during the academic year does not count towards the maximum extra compensation allowable (14/32nds of the faculty’s adjusted annual base salary).

As an example, a grant that runs from 10/1/10 – 9/30/11 includes $10,000 of salary for Dr Smith. A minimum of $2,000 of the salary for Dr. Smith would be applied to his academic year salary; the remainder would be charged during intersession periods as extra compensation.

I recognize that this policy represents a change from past practice. The rationale for this change is twofold. First, to accomplish the purposes of the grant, faculty time/effort is necessary throughout the year on most grants, not just during the recess periods. The college can no longer afford to fully subsidize grant activity during the academic year. Second, this budgeting change will allow CEAS to better meet its financial obligations now and into the future.