Faculty Time Allocation Policy

Federal agencies have audited a number of universities over the last several years to determine compliance with federal contract regulations. Those audits identified several common practices at universities that have been determined to be non-compliant with federal contracting regulations, resulting in significant fines and penalties for the targeted institutions. The practice of charging summer salary to sponsored grants and contracts for academic year faculty members is one area where policy and practices at Virginia Tech need modification to assure compliance with recently clarified regulations.

Faculty members need to charge an appropriate share of their summer effort to institutional funds, reflecting their involvement in university-related activities, such as working with graduate students, preparing for fall courses, or writing new grant proposals, that are not directly related to the sponsored project and are therefore not an allocable expense to that project. Additionally salary charges must reflect actual effort on the project as it occurs throughout the year and faculty researchers must assure that only effort directly related to a project is charged to that project.

Faculty allocation of time can be managed in a variety of ways. SOE faculty may choose from one of the following options:

1. Convert to a CY 10, 11, or 12-month research extended appt.
   - Revision of Policy 6200, Research Extended Appointments
   - Salary charges throughout the year, not just concentrated in summer.
   - The percent of time charged should be an accurate reflection of effort (Policy 3105)
   - Charges spread throughout the year are generally a more accurate representation of actual faculty effort

2. Course buyout
   - For each 11.11% of time assigned to a funded project, faculty may be “bought out” one course per year.
   - Such buyouts must be communicated to the employee’s Program Leader, Department Unit Chair, and SOE.
   - The annual standard salary savings distribution shall be:
     Salary savings total amount less any expenses incurred (adjunct costs)
     Remainder distributed as follows:
     ** 50% of total salary savings (after costs associated with course buyout are encumbered) allocated to the project employee up to a single or combined project maximum of $10,000 with remainder divided between SOE (37.5%) and OERO (12.5%).

SOE faculty are encouraged to work with Paul Zvonkovic (paulz@vt.edu) and Lori Berry (loberry@vt.edu) at the time of proposal to determine which option best suits their needs.