

Budget Using the Base Salary for UWG Employees

Base Salary-Calculate salaries and wages for grant budgets using each person's institutional base salary and time / effort committed to the project.

Raises-If the planned start date is after July 1; you must include a 3% pay increase for year one of your project. An additional 3% should be calculated for each subsequent project year. Also include promotion if applicable.

Budgeting for 9-Month Faculty

Many projects will involve the effort of UWG faculty. Most faculty are on 9-month appointments, and their effort and compensation on a grant program can be calculated using the methods below:

Academic Year Course Release -With the approval of the Department Chair and Dean, faculty can be released from academic year teaching duties to work on grant-funded activities. The grant will pay for that portion of the faculty member's time, creating "salary savings" to the department. For faculty members teaching four courses per semester (8 courses per year), each course equals 12.5% of their total academic year effort. To budget for academic year course release, multiply 12.5% x the number of courses from which the faculty member will be released during the academic year x the faculty member's base salary.

EXAMPLE: Dr. Z is on a 9-month appointment @ a salary of \$50,000. Dr. Z will be released from one course each semester to work on grant activities during the academic year. $12.5\% \times \$50,000 = \$6,250$ x 2 semesters = \$12,500.

If effort is less than a course release, multiply the percent effort by the salary amount for the period spent on the grant.

EXAMPLE: Dr. R is on a 9-month appointment @ a salary of \$50,000. Dr. R will spend 5% effort on the grant for the academic year. $5\% \times \$50,000 = \$2,500$.

Or if Dr. R is only working on the grant for 1 semester: Dr. R is on a 9-month appointment @ a salary of \$50,000. Dr. R will spend 5% effort on the grant for fall semester. $5\% \times \$25,000$ (one semester of Dr. R's salary) = \$1,250.

"Person Months" for Academic Year (9-month appointment) faculty

Many funding agencies (including the National Science Foundation) require budgets to reflect effort in terms of "person months" committed to the project. Contact the ORSP for assistance converting percent effort to person months, or use the "Effort Conversion" tab on the Grant Budget template.

Remember: UWG certifies effort each semester. When certifying effort 1 courses release = 25% of each semester.

Summer Salary - UWG allows 9-month faculty to earn up to 33.3% of their salary during the summer. When all summer pay, including teaching, is combined, the total cannot exceed 33.3% of the faculty member's academic-year salary. Faculty should work with their Department Chair to ensure summer teaching commitments and grant work do not exceed the 33.3% rule.

To budget for summer effort, divide the academic year base salary by 9 (not monthly pay which is paid over 10 months) to calculate the monthly rate of pay, then multiply that figure by the number of summer months (up to 3).

EXAMPLE: Dr. Y's academic year base salary is \$45,000. Dr. Y will work on her grant project for 2.5 summer months. $\$45,000 / 9 = \$5,000 \times 2.5 \text{ months} = \$12,500$.

Please note: multiplying academic year salary by 11.1% per summer month gives an approximate, but not accurate summer salary figure.

EX: $\$45,000 / 9 = \$5,000$ monthly pay vs. $\$45,000 \times 11.1\% = \$4,995$.

Remember: Some funding agencies (including the National Science Foundation) limit summer compensation to 2 months – be sure to check the program guidelines carefully for these restrictions.

Hourly Rate of Pay- In some cases it may be appropriate to budget for faculty effort by the day. To calculate an hourly rate of pay, first divide the faculty member's base salary by .75 to determine a 12-month rate of pay, then divide that figure by 2080 (standard hours in a work year). This will give an hourly rate of pay. This rate will then be multiplied by the number of hours to be spent on the project.

EXAMPLE: Dr. X is on a 9-month appointment @ a salary of \$60,000. Dr. Y. will spend 3 hours per week during spring semester on the grant project. $\$60,000 / .75 = \$80,000$. $\$80,000 / 2080 = \38.46 per hour. Dr. X will work (3 hours per week * 15 weeks) 45 hours in spring on the project. The grant should pay 45 hours * $\$38.46 = \$1,730.70$.

For effort reporting, these small hourly/daily efforts must be converted to percent effort for the semester. The ORSP can assist in this calculation.

Budgeting for 12-month Faculty and Exempt Staff

Projects may involve the effort of 12-month faculty and exempt staff. Typically, 12-month faculty and staff will be released from other duties to work on grant-funded activities. The following computation methods provide examples of how to budget for 12-month faculty and exempt staff.

Percentage of Effort Assigned to Grant-With the approval of appropriate administrators, 12-month faculty members and/or exempt staff members can have a portion of their effort reassigned to grant activities. The budget should include the portion of effort that will be assigned to the grant.

EXAMPLE: Assistant Director V is an exempt staff member at 100% effort with a base salary of \$35,000. Ms. V will be re-assigned to the grant for 50% of her effort. $\$35,000 \times 50\% = \$17,500$.

Monthly Rate of Pay- It may be necessary to budget for 12-month faculty and exempt staff at a monthly rate of pay. To determine monthly rate of pay divide the base salary by 12.

EXAMPLE: Mr. U is an exempt staff member at 100% effort with a base salary of \$39,000. Mr. U will be re-assigned to spend two months conducting grantfunded activities. $\$39,000 / 12 = \$3,250$ monthly rate of pay x 2 months = $\$6,500$.

Hourly Rate of Pay-Sometimes it may be appropriate to budget for 12-month faculty and exempt staff at an hourly rate of pay. To determine hourly rate of pay, divide the base salary by 2,088.

EXAMPLE: Ms. S is an exempt staff member at 100% effort with a base salary of \$42,000. Ms. S will work on grant activities a total of 125 hours. $\$42,000 / 2,088 \text{ hours} = \$20.11 / \text{hr} \times 125 \text{ hours} = \$2,514.$

“Person Months” for 12-Month Faculty and Exempt Staff

Many funding agencies (including the National Science Foundation) require budgets to reflect effort in terms of “person months” committed to the project. Contact the ORSP for assistance converting percent effort to person months, or use the “Effort Conversion” tab on the Grant Budget template.

Budgeting for Non-Exempt Staff and students

Some projects will require the support of non-exempt staff. Non-exempt staff will either be hired specifically to work on grant projects, or currently-employed staff may be released from other duties to work on grant-funded activities. They will be paid at their standard University rate of pay. New employees will be classified by HR and paid at their classification rate.

Since some clerical assistance is routinely provided to faculty/staff, salaries for departmental administrative and clerical staff are typically included in UWG's Facilities and Administration charge, and should not be charged to grant budgets. However, direct charging of these costs may be appropriate if the following circumstances apply:

The sponsored program is a major project or activity. "Major project" is defined as a project that requires an extensive amount of administrative or clerical support, which is significantly greater than the routine level of such services provided by academic departments.

The individuals performing the administrative / clerical support can be specifically identified with the project or activity. See 2 CFR 200 or contact OSRP for information and guidance regarding the role of non-exempt staff.

Budgeting for Students-Grants often include undergraduate or graduate students as personnel because research is an important part of the student experience and campus employment keeps students engaged and on track for RPG. Students often are in a unique position to make contributions to a project and benefit from the experience. There are two primary options to budget for students:

Student Workers at an Hourly Rate-Undergraduate and graduate students can be paid with grant funds at an hourly rate. There is no set hourly rate for student workers. Generally, undergraduates are paid between \$8.00 and \$10.00 per hour, and graduate students are generally paid between \$10.00 and \$15.00 per hour, depending upon their level of responsibility, the skill involved in their assigned duties, and other factors.

EXAMPLE: Two graduate students will be identified to assist with general operations for the XYZ project. Each student will work approximately 100 hours per semester during the Fall and Spring semesters of two-year project period and be compensated at an hourly rate of \$12.00/hour. $2 \text{ students} \times 100 \text{ hours} \times 2 \text{ semesters} \times \$12.00 \text{ per hour semesters} = \$4,800$ for year one. Consider an increase in the hourly rate of pay if you have the same students continue into year two.

Graduate Research Assistantships-Graduate Research Assistantships (GRAs) can be included in grant proposals. To budget for an assistantship, include the costs of tuition and fees as well as a salary the student will receive each semester. Budget for the current rate of tuition + a 5% – 8% increase (unless the actual increase is known) to ensure that sufficient funds will be available to fund the tuition component of the assistantship. For a multi-year project, include a 5% – 8% tuition increase for each year of the project.

Graduate students are considered “full time” if working 20 hours per week. Typically these students are paid \$3,000 a semester in monthly amounts.

Graduates students working less than 20 hours are considered “part time” and their wage should be adjusted accordingly.

If allowable by the sponsor, tuition and fees should always be requested as part of the grant budget.

Fringe Benefits

Whenever grant funds are used to pay salaries and wages, associated fringe benefits must also be charged to the grant. UWG has established an average fringe benefit rate that should be used to calculate fringe benefits for UWG Faculty & Staff on grant proposals.

Budgeting for Fringe Benefits The fringe benefit rate and percentage includes social security, unemployment / worker’s compensation, retirement, and health insurance.

The fringe rate for 12 month employees (monthly and hourly) is 35%. Faculty fringe during the academic year is also calculated at 35% (this number includes 12 months’ worth of health insurance).

Faculty fringe during the summer should be calculated at 21%.

Fringe benefits are not currently paid for student labor.