

SIU School of Medicine
Faculty Achievement Award in Research
(FAAR)
(Effective for FY2010, FY2011 and FY2012)
(approved by Executive Committee on 1-10-11)

Background

To achieve its goals, the SIU School of Medicine (SIUSM) must substantially expand faculty research productivity. Growth in non-state research revenue can support the hiring and retention of additional qualified faculty, as well as procurement of new equipment and renovation of research space. In addition, the School seeks to implement strategies that will contribute positively toward retention of productive faculty.

- To promote achievement of these goals, SIUSM has developed the Faculty Achievement Award in Research (FAAR) program. The goals of this program are to:
 - a. recognize faculty who obtain external research funding in support of the mission of the School
 - b. increase the total external research funding generated within SIUSM
- Faculty can elect to receive awards as either salary or program support.
- Awards must be entirely funded and sustained through faculty productivity in obtaining external research funding that returns F&A dollars or salary recovery to the SIUSM.
- The FAAR program is not intended to address or impact issues related to faculty salary parity, as it does not impact base salary.

1. General Features of the FAAR Program

- a. The program applies to all SIUSM faculty members who hold the rank of Assistant Professor or higher, regardless of tenure status.
- b. In order to receive an award based on a specific research grant or contract, the faculty member must be the Principal Investigator (PI) on that grant or contract.
 1. Multiple PD/PI: For purposes of FAAR, multiple PD/Pis are recognized only if so recognized formally by the external funding agency. Multiple Pis will receive a salary-based award based on their salary recovery from the grant. Awards derived based on 10% of the F&A earned by the grant for SIUSM will be allocated according to the same ratio as % effort. For example, if one PI is assigned to the grant at 30% effort and another at 10% effort, the F&A-based portion of the award (i.e., 10% of the total F&A that comes to SIUSM) will be allocated as 7.5% to the first and 2.5% to the second.
 2. Program project grants: Participating faculty who are PI of individual projects or cores will be eligible for a FAAR payment based on salary and F&A/IDC as related to the budget of the individual core or project.
 3. Subcontracts from other institutions: These will be treated as equivalent to primary in-house grants, with awards paid based on salary recovery and F&A/IDC.
- c. If a faculty member's base salary is funded from two sources (e.g., two departments, or a Department and a separately-budgeted Institute or other account), the Department Chair, Institute Director and other responsible individuals must be involved in the award process and must agree to appropriate award funding distribution. A similar shared allocation of funding awards between two departments will be observed should a faculty member change departments in the middle of a fiscal year, based on the time of the transition.
- d. The program applies to all external research funding that generates either indirect cost recovery or recovery of salary dollars that return to the SIUSM. Such funding will be designated as research (A-21 code 040 Organized Research) in the AIS accounting system. External funding that is not so classified (i.e., other sponsored activities) will not be eligible for a FAAR award, even if research constitutes one component of that funding.
 1. The award amount is based only on F&A and salary recovery that actually return to SIUSM, as opposed to the University or other entities. Because of the different algorithm for distribution of F&A/IDC at Carbondale versus Springfield, Carbondale faculty awards are based on only 30%

of the total earned by a grant. Chairs of each Carbondale department individually have the option of funding the difference from other departmental resources with the approval of the Dean.

- e. The F&A portion of the awards will be paid by the ADRFA and the department/institute based on the relative amounts of F&A that each received during that fiscal year. The salary portion of the award will be paid by the department.
- f. Awards are not paid using federal grants, state appropriations, or other state or federal monies.
- g. FAAR payments are allocated annually as either salary or support (OTS = other than salary). This choice rests solely with the faculty member but requires a one-time irrevocable decision that must be made before an award is earned.
- h. The program is and must remain in compliance with relevant NIH policies and guidelines related to salary caps and consistency of policy application. Awards are not included in the determination of Institutional Base Salary.
- i. The program is and must continue to be feasible within the limits of funds currently available to support departmental/institute salaries and other relevant programs.
- j. This revised version of the FAAR program will be implemented on a pilot basis for three years (FY10, FY11 and FY12). At the end of each fiscal year after implementation, the program will be evaluated in conjunction with FY08 and FY09 with regard to overall functioning and attainment of goals.
- k. Taxability of awards: Faculty members are advised to consult a tax advisor to evaluate the impact on their tax liability of accepting or waiving awards. However, according to sources consulted in developing this document:
 1. An award paid in cash to a faculty member is taxable to the individual as additional wage income in the calendar year that the payment is made. Appropriate amounts for taxes and SURS contributions will be deducted from the award.
 2. If the faculty member retains the option to have the award distributed as salary, yet elects to receive it as research support, the amount will also be taxable because the faculty member had the right to take the payment in cash. In that case, the faculty member could donate the amount to the lab through the SIU Foundation and claim a tax deduction as a charitable contribution.
 3. If the faculty member elects to irrevocably have the amount of the award used for research support, the amount will be allocated directly to the department/institute for that purpose. In that case, neither a taxable event nor the opportunity for a charitable donation will occur, and deductions will not be taken for taxes or SURS contributions.

2. Award basis

- a. Faculty members whose external research funding brings either F&A dollars and/or recovery of salary dollars to SIUSM will be eligible to receive a FAAR payment of an amount not to exceed the combined total of 10% of the total F&A payments generated for the School and 10% of the total salary recovery dollars.
- b. The maximum amount of the award can be no more than 20% of the base salary of the faculty member.
- c. Standard fringe benefits at the approved negotiated rate will be charged against the earned award. The net result will be the gross award for payroll purposes.
- d. The PI of a grant that obtains shared instrumentation or facility improvement grants that benefit the SIUSM yet do not carry IDC or salary will be eligible to receive a FAAR payment through the ADRFA. This amount will be no more than 1% of the total direct costs of the grant, subject to the upper limit of 20% of the base pay for a total earned award during any fiscal year.
- e. Awards will be made only to faculty who are employed by and on the SIUSM payroll during the entire fiscal year for which an award is paid and who have met performance standards set prior to the beginning of the fiscal year in which the award will be made. Faculty must be employed at SIUSM at the time the awards are paid.
- f. Award distributions are paid in the FY after they are generated. However, payment of awards during any given fiscal year may be canceled at the discretion of the Dean as warranted due to unforeseen budget shortfall or rescission, cash flow constraint, or another emergency situation.

However, in the event that payments must be canceled, the RPC and Faculty Council should be informed of the rationale in association with the development of this decision.

3. Departmental Chairs/Institute Directors

- a. A department may review its participation in the FAAR Program annually and may elect to discontinue departmental participation based on a simple majority vote of department faculty members that is conducted in a manner consistent with the departmental operating paper. This decision can be changed annually, but for participation in a given year, the decision must be made in time to allow forms to be properly completed by scheduled deadlines.
- b. Among participating departments/institutes, Chairs/Directors are authorized to confer or withhold achievement awards according to the following criteria:
 1. Receiving an achievement award signifies that the faculty member
 - a. Has generated external research funding that supports the mission of SIUSM, and
 - b. Has made appropriate contributions to the educational and service missions of the department/institute, as defined in the position description.
 2. Before the beginning of the fiscal year for which an award is made, the Department Chairs/Institute Directors will complete a FAAR participation form for each faculty member. This form establishes a basis for participation in the FAAR program and specifies that performance expectations are established in the position description.
 3. The Chair will affirm that the faculty member has achieved the performance standards required for an award.
 4. After the close of the fiscal year, the Department Chairs/Institute Directors will receive an accounting from the Comptroller listing the award payments due each faculty member based on the criteria delineated above.
 5. The burden of proof will reside with the Chair/Institute Director to document to the satisfaction of the Dean why an earned award should not be given. Appropriate reasons could include, but are not limited to, a situation in which payment of all or part of the FAAR award to the individual faculty member will result in a net loss to the department relative to return generated for the department by that individual. The Dean must approve the withholding of earned awards.
 6. To withhold an award to an individual, the Chair/ Institute Director must either
 - a. Document failure by the faculty member to carry out in a competent and conscientious manner the responsibilities delineated in the position description, or
 - b. Describe other circumstances that warrant withholding an award. Such circumstances must be raised in writing by the Chair for discussion with the faculty member and the Dean and for approval by the Dean.
 - c. A faculty member whose Chair wishes to withhold an award has the option of writing a countering statement to present to the Dean.
 - d. Appeals of withheld awards should be processed through the Grievance Committee.
4. The Dean determines the allocation of achievement awards for Chairs and Institute Directors based on their roles as both a faculty member and a Chair or Institute Director.
5. The Chair, Institute Director, and/or other appropriate parties jointly determine FAAR payments for faculty with cross appointments or dual affiliations. Funds for the award will be prorated to each participant department/institute/other based on existing distribution policies for F&A/IDC and grant release of salary dollars. If involved parties cannot achieve consensus on the amount or distribution of an individual's award prior to October 1 after the close of the fiscal year, the Dean will make the decision in consultation with the Associate Dean for Research and Faculty Affairs.
6. The program is funded through F&A allocations to the SIUSM and salary recovery to the departments. Payments to faculty based on F&A will be derived from both the individual departments/institutes and the ADRFA, as determined by the proportion of F&A received by each during that preceding fiscal year. For example, based on F&A payments accrued during FY2009, the departments/institutes provided

60% of the earned amount, and the ADRFA 40%. This proportion will be adjusted annually based on relative allocations of F&A receipts for that year.

7. This policy is subject to annual review at the discretion of the Dean.

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