Tenets of Faculty Research Productivity-Based Incentive Plans
School of Medicine

Objective: Define principles to support the reasonableness, consistency, and allowability of faculty research productivity-based incentive plans from a federal compliance perspective

IBS AND CONSISTENCY
1. Per federal regulations, departments should have a clear definition of IBS (definition below) to ensure that any incremental payments are appropriate with regard to documented institutional responsibilities

2. Research incentive payments based on productivity are not considered institutional base salary and should not be directly charged to sponsored projects either as a supplemental payment or as a component of IBS (may establish specific g/l account to segregate from federal cost study)

3. Incentive payments of this nature are for research productivity above and beyond IBS and are NOT additional responsibilities

4. Research incentive plans should comply with the School of Medicine Extraordinary Pay Policy and applicable University policies. Plans should be pre-determined and specify how research incentive payment will be made; election by faculty members to receive as personal payment or put in discretionary fund not permissible.

FACULTY ELIGIBILITY
5. Payment of research incentives is tied to overall research performance and therefore, research incentive plans must minimally include the following qualifying criteria:
   a) timely submission of programmatic and financial reports
   b) adequate programmatic progress
   c) no significant findings resulting from internal and/or external human subject or compliance research reviews
   d) faculty member is in good standing

Other qualifying criteria could include adequate oversight of sub-awards and no grants considered Unacceptable Institutional Risk. In sum, the incentive payment should not be solely focused on criteria related to attainment of federal awards as federal regulations do not allow grantees to receive a compensation increase simply for receiving additional funding.

Definition of Institutional Base Salary (IBS) from the Uniform Guidance
"IBS is defined as the annual compensation paid by an IHE for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE. Unless there is prior approval by the Federal awarding agency, charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member worked on the award."
“The non-Federal entity establishes a consistent written definition of work covered by IBS which is specific enough to determine conclusively when work beyond that level has occurred. This may be described in appointment letters or other documentations.”

Considerations
1. Should not be structured in a manner that creates a perverse incentive for the faculty member to structure the budget, receipt of funds, timing of funds, effort allocation, etc. other than what is best for the objectives of the award.
2. Plan should not be structured to further exacerbate the G90 population by incenting greater levels of sponsored funding which jeopardize available time for other institutional responsibilities (admin, academic roles, grant writing, service, etc.)
3. Incenting proposals development without a review process can adversely impact operations in the pre-award offices if the quality of the proposal is poor