School of Public Health Indirect Cost Incentive Program – December 2017

Indirect costs are an important source of revenue for the School of Public Health. With the goal of increasing indirect cost revenue, this new incentive program will reward Principal Investigators whose indirect costs are among the highest in the School. Dean Marcus is funding this incentive program with her startup funds for 2 years. If the incentive program achieves its goal of increasing our research portfolio and indirect cost revenue, it will be extended.

Effective Date: Indirect costs earned 7/1/17 or later

Eligibility

- Non-tenure track faculty who have primary or secondary appointments in the School of Public Health (most of these faculty are not eligible for the grant incentive program (GIP)).
- Earned indirect costs of at least $100,000 across all research grants and contracts. If there are multiple principal investigators (MPI) for a grant, the indirects for that grant will be split equally among the MPIs when calculating the earned indirect costs to determine eligibility for this incentive.

Financial Incentive

- 2% of total indirect costs to the University, earned by faculty in the current fiscal year
- Faculty may elect to receive the indirect cost incentive as an allocation to a research incentive fund or a bonus.
  - The bonus is taxable income. This incentive will be adjusted to cover fringe benefits. The fringe rate for bonus payments is 7.5%. For example, a $1,000 incentive under the bonus option equals $930 bonus payment plus $70 payment to the University for fringe benefits.

Process/Timeline

- University will finalize total indirect costs for all principal investigators for the period July 1 – June 30 by September 15.
- The report with grant level detail on indirects by PI will be shared with center financial managers to identify grants with MPIs.
- Incentive recipients will be notified by email before October 15.
- Recipients must choose the bonus or research incentive option by November 1. If no option is specified, recipients will receive the research incentive option.
- Bonuses will be processed by December 1 and received in the recipient’s December paycheck.
- Research incentives will be allocated to the faculty member’s existing research incentive account if one exists, or to a new research incentive account by December 1. Recipients will receive email confirmation.