Incentive for New Grants/Contracts with Full Indirect Costs

Although the School of Public Health research portfolio is growing, for the past several years indirect cost revenue as a percentage of direct costs has declined from 37.5% in FY15 to 33.4% in FY17. With the goal of increasing indirect cost revenue, Dean Marcus is launching a new incentive program that will reward Principal Investigators who receive new grants or contracts with full indirect costs. The University’s indirect cost rate is 62.5% in FY 18. The Dean is funding this incentive program with her startup funds for 3 years. If the incentive program achieves its goal of increasing our research portfolio and indirect cost revenue, it will be extended.

Effective Date

New awards with a start date (listed on official notice of grant award) of 7/1/17 or later

Eligibility

- All faculty with a primary appointment in the School of Public Health
- New grants/contracts or competing renewals
- Full indirect costs on new grants/contracts/competing renewals
- New awards with Year 1 direct costs of at least $125,000.

Financial Incentive Options

Faculty may elect to receive the new grant 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.

<table>
<thead>
<tr>
<th>Direct Costs - Year 1</th>
<th>Incentive Amount</th>
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</thead>
<tbody>
<tr>
<td>$125,000 - $249,999</td>
<td>$1,000</td>
</tr>
<tr>
<td>$250,000 - $349,999</td>
<td>$2,000</td>
</tr>
<tr>
<td>$350,000 - $499,999</td>
<td>$3,000</td>
</tr>
<tr>
<td>$500,000 +</td>
<td>$4,000</td>
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</tbody>
</table>

The incentive will be issued to the principal investigator (PI) of the eligible new grant/new contract/competing continuation. If the new award has multiple PI’s, they will share the incentive. Recognizing that significant contributions are often made by other faculty, the PI may share the incentive with other faculty who have a primary appointment in the School of Public Health.

Process/Timeline

Staff in Research Centers and Institutes will submit a copy of the official notice of grant award or executed contract to Pamela DeSimone, who will contact the faculty to confirm details of payment(s).
Frequently Asked Questions

Q: Are Co-Investigators eligible for the new grant incentive in addition to Principal Investigators?

A: Principal Investigators are eligible for the new grant incentive, but the language in the policy gives the PI discretion to share the incentive with other faculty.

“Recognizing that significant contributions to proposals are often made by other faculty, the PI may share the incentive with other faculty who have a primary or secondary appointment in departments in the School of Public Health.”

Q: Does the direct cost amount for Year 1 reflect the total for the award or only directs received by Brown?

A: Total Year 1 directs for the award are the direct costs reported in the NOGA as Federal Direct Costs. This may include subcontracts to other institutions.

Q: Does the incentive have to be shared with MPIs from other institutions?

A: No.

Q: In a MPI award, if the prime award is to another institution and the Brown MPI receives a subcontract from that institution for the project, what is the new award for purposes of determining eligibility for the incentive? Brown subcontract direct costs or prime direct costs, which include the Brown subcontract directs?

A: The new award to the PI at Brown is the subcontract received from the prime institution. These are the only funds coming to Brown and reported as research funding.