

Policy for Charging Administrative Stipends to Federal Grants and Contracts

The following policy addresses charging administrative stipends to federal grants and contracts in accordance with federal rules contained in OMB Circular A-21. Administrative stipends are provided to faculty as compensation for additional duties and responsibilities in accordance with institutional policy. The amount of administrative stipend is determined by the dean or supervisor as negotiated with the faculty member and approved by the provost. *The amount of the administrative stipend cannot be dependent upon, nor fluctuate as a direct result of funding from federal grants and contracts.* Administrative stipends are considered increases in annual base salary and are allowable as charges to grants as follows:

During the period of appointment (nine or twelve month faculty appointments)

1. The total annual salary containing an administrative stipend component may be allocated to grants and contracts as a direct charge based upon the percentage of effort committed to and expended on the grant during the faculty member's period of appointment.
2. An administrative stipend may not be separately or solely charged to a grant or contract but must be allocated as part of annual base salary to all funding sources of the faculty member during the appointment period. A portion of funding for the faculty during the period of appointment must be from non-federal sources.

During the summer period (nine month faculty appointments)

3. Including the administrative stipend in the annual salary for purposes of computing summer additional compensation is allowed if the duties for which the administrative stipend was provided continue during the summer. The percentage of time devoted to these duties during the summer cannot be funded by federal sources.