

DATE: March 27, 2000

MEMO TO: Deans, Directors, Department Chairmen, Administrators

FROM: William O. Berndt, Ph.D.
Vice Chancellor for Academic Affairs

**SUBJECT: CAMPUS POLICY REGARDING BUDGET PREPARATION FOR
GRANTS AND CONTRACTS**

Based on recent fiscal recommendations from the Chancellor's office, as well as updated information from DHHS, the following policies are effective immediately.

- 1) The projected fringe benefit rate to be used on all grant applications and contract proposals is 28%.
- 2) The overall percentage to be used in budgeting future projected salaries and other expenditures shall be between 3.5-4.5% for each fiscal year of the grant budget.
- 3) Total UNMC annualized compensation is defined as the total of the UNMC base salary plus salary transferred to UNMC from some clinical component.
- 4) To maintain consistency, the same total UNMC annualized compensation for an individual must be used for all grant and contract proposals, regardless of sponsor.
- 5) All proposed salary figures must be supported by the UNMC financial and administrative system (i.e., documented via the institutional payroll and personnel records).
- 6) NIH has initiated a new salary cap of \$141,300, effective for awards issued on or after January 1, 2000.
- 7) A faculty member's total UNMC annualized compensation must be included in all grant and contract proposals, regardless of sponsor, to the extent that it does not exceed the \$141,300 cap.
- 8) For full-time clinical faculty members whose UNMC base salary is less than \$141,300, the total UNMC annualized compensation as defined in 3) above, should be requested on the grant up to the cap of \$141,300.

- 9) **Most part-time faculty members are unlikely to have salaries which reach or exceed this cap figure. For these individuals who hold a part-time appointment, the grant may include only the total UNMC annualized compensation related to their partial UNMC FTE % when calculating grant budgets.**
- 10) For individuals who have a joint appointment with the Veterans Administration Medical Center, the grant may not include the VA portion of their FTE or that amount of salary support in calculating their compensation. Only the total UNMC annualized compensation and the UNMC FTE % may be used in calculating grant salary support.
- 11) **In support of the Chancellor's strategic plan to increase the amount of external research support at UNMC, faculty members must request their salary support on grants and contracts, rather than indicating it as match. In those instances where sponsors prohibit reimbursement of salary and a match is required, the total UNMC annualized compensation at the capped amount will be used as the base for this calculation.**

These policies are effective immediately on all grant applications and contract proposals. They will be evaluated periodically, and you will be notified of any changes. If you have any questions concerning these policies, please direct them to your dean's or director's offices or to the Office of Sponsored Programs Administration, 559-7456.