MEMORANDUM

TO: College of Sciences NIH-Funded Faculty

FROM: George Perry, Dean

DATE: 10 July 2014

RE: Clarification for the Capturing of Costs Associated with NIH Salary Cap Cost-Share

The purpose of this memorandum is to provide clarification for faculty and key personnel within the College of Sciences on the available sources of university funds that may be accessible to them for meeting Cost-Share related to NIH Salary cap.

A population of our research active faculty who serve as key personnel on NIH funded research and sponsored projects are affected by a limitation in their ability to capture the full amount of their institutional base salary (IBS) on their grants. Due to the sponsor’s cap on salary that is chargeable to their grant(s), currently at $181,500 for FY 2014 and because the IBS may exceed the compensable amount allowed by NIH, an additional funding source would be needed to meet salary costs. An additional funding source is needed for the period in which salary is concurrently drawn from an NIH funded project in order for an affected faculty member to be compensated at her or his full IBS rate. It follows that this amount is cost-shared and that consistent with UTSA policies contained in the H.O.P. (10.07 Cost Sharing on Sponsored Programs) this portion of the salary may stem from institutional or third-party sources.

Our college addresses meeting the NIH Salary Cap Cost-share in the following manner:
The College will fund the cost share resulting from the NIH Salary Cap for the period of time in which salary is concurrently drawn from both academic faculty salary accounts and the NIH sponsored project. This means that for the academic year, the period between September 1 and May 31, the college covers the cost-share resulting from the NIH Salary Cap. The college funds the cost-share through the budgeted faculty salary amounts already allocated to each academic department and includes salary support for every tenured and tenure track faculty member who are in the population of research active faculty with NIH funded projects and whose IBS exceeds the NIH Salary Cap.
Funds, other than those provided by the college to support academic year activities are needed for meeting cost-share for the period of time outside of the academic year in which faculty draw salary from their NIH grant. Other sources should be considered for supporting cost-share needs.

For College of Sciences faculty who have been awarded Endowed Chairs, it is anticipated that the cost-share will be drawn from the holder's account for the period of time outside of the academic year and when salary is concurrently charged to their NIH grant. This source of cost-share allows for full IBS rate recovery for affected faculty assuring compensation proportional to the salary assigned to their NIH grant.

An additional source for meeting the cost-share resulting from the NIH Salary Cap for the period outside of the September through May Academic year may be from F&A accounts that are held at the individual P.I. level or, Center, Institute, and Academic Department levels. It is requested that affected faculty first look to their own accessible resources before elevating requests for funding support to the next level in the organization.

In summary, COS will support cost-share resulting from the NIH Salary Cap when salary charged to the grant is concurrent to the academic year period. Alternate sources are needed for the cost-share for periods outside of the academic year and include: Endowed Chair accounts; and F&A accounts.

Cc: Associate Deans
    Department Chairs
    Center Directors