School of Veterinary Medicine
SFT Cost Recovery Guidelines

I. Concept

A. Each faculty member who is a member of the Strict Full-Time (SFT) Salary Plan of the School receives an annual salary differential, which is approximately 15% above the regular faculty 11 month appointment. Funding of this additional salary (with few exceptions) is generated from two sources for tenure track faculty:

1. 7.5% State matching contribution

2. 7.5% School matching contribution.

B. In order for the School to meet its target of matching funds each eligible faculty member, whose salary is funded in whole or in part from SVM funds, is required to contribute a minimum targeted amount to the SFT Plan each year.

II. Eligibility - Faculty Participants in the SFT Plan

A. The following academic staff members are eligible for appointment to the Veterinary Medicine School Strict Full-Time Salary Plan:

1. Appointees with titles in the Professorial series, including Acting status, provided their appointments are budgeted entirely in the School of Veterinary Medicine or jointly in the School, and its Agricultural Experiment Station component. An appointment in the Agricultural Experiment Station does not itself confer eligibility for Strict Full-Time status.

2. Appointees with titles in the In-Residence series provided their appointments are funded solely from resources administered by the School of Veterinary Medicine.

3. Appointees with titles in the Professor of Clinical___ Series.

B. Appointees with joint appointments in the School of Veterinary Medicine and the School of Medicine, Davis (health sciences), are eligible for Strict Full-Time salary.

C. Appointees who are otherwise eligible for the Veterinary Medicine School Strict Full-Time Salary Plan will maintain their eligibility even though partly funded under a research title (e.g. Professional Research___) if they are compensated at least 50% time under an eligible title (regular ranks, with or without equivalent Experiment Station title, In-Residence, Professor of Clinical__).
D. This provision does not apply to appointees who serve less than full-time either in the School or jointly in the Schools of Veterinary Medicine and Medicine (i.e., part-time appointments or joint appointments in other schools and colleges).

E. The requirement for at least 50% compensation under an eligible faculty title refers to compensation under the Strict Full-Time salary.

III. Participation

A. For those faculty members who are eligible for inclusion in the SFT Plan, based on the above definition, and whose salary is partially or completely funded by the SVM, participation in the SFT Plan Cost Recovery is mandatory.

B. Each faculty member has an annual Target contribution which is $10,000 for a 100% appointment and may be adjusted proportionately to reflect a partial percentage appointment or prorated to reflect a mid-year appointment. The first $10,000 (or Target) collected per faculty will remain in the SFT Plan. Once a faculty member contributes greater than the designated Target, the incentive aspect of the Plan begins.

C. Faculty funded 100% by the VMTH are not required to participate in the SFT Plan Cost Recovery.

D. Faculty in the School of Veterinary Medicine whose appointments do not require contributions to the SFT Plan have no designated minimum Target. However, all faculty are expected to charge their actual effort to grants. All funds contributed qualify for the incentive aspect of the Plan.

E. Faculty effort reporting will be limited as follows: Faculty with 100% state funded appointments may not charge more than 90% of their effort to research activities. Faculty with 50% state funded appointments may not charge more than 95% of their total effort to research activities, or 45% of effort on the state funded portion of their salary.

IV. Contributing to the SFT Plan

A. $10,000 has been determined to be the Target amount for each faculty to contribute to the SFT Plan per fiscal year (July 1-June 30). The Target amount will be adjusted on a pro-rata basis to reflect appointment of less than one year, or at less than 100% time.

B. Individual faculty contribute to the SFT Plan in the following ways:

1. Extramural Grants

   a. Budget Preparation:
All faculty serving as a Principal Investigator, Co-Principal Investigator or Co-Investigator is expected to charge salary on contract and grant proposals, and research agreements according to their true effort on these activities.

b. Award Processing

1. Recovery will be based on the percentage effort listed for PI on the proposal budget page. In instances when the amount awarded is less than the amount proposed: If a revised budget has been submitted to and accepted by the Agency, the salary recovered will be based on the PI percentage effort listed on the revised budget page.

2. When there is no revised budget, the PI must obtain, in writing, approval from the Office of Research and Graduate Education to reduce the amount of SFT recovered.

3. When a PI has met the Target required and when the Agency has funded the project at a reduced amount, the percent that the direct costs were reduced will be used to reduce the faculty salary by the same percentage, without need for written approval.

2. Intramural Grants

All faculty receiving SVM intramural funding from the Center for Companion Animal Health (CCAH) and the Center for Equine Health (CEH) will receive a variable contribution (credit) to their differential salary fund by the Center. Five percent of the money available for funding Center grants will be distributed equally among the total grants funded. On an individual grant basis the contribution will be divided at 75% per Principal Investigator and 25% per Co-Investigators (e.g., if the CEH has $500,000 available for funding with 5% or $25,000 distributed among 10 grants each grant will receive $2,500 credit. On a per grant basis $1,875 is contributed per PI and $625 is distributed among the Co-PIs).

3. Business Contracts

a. Budget Preparation:
All faculty serving as a Principal Investigator, Co-Principal Investigator or Co-Investigator is expected to charge salary on contract and grant proposals and research agreements according to their true effort on these activities.
b. Award Processing:
Business contracts and research agreements are treated in the same manner as extramural grants in that recovery will be based on the percentage of effort listed for PI, co-PI and co-investigator salaries on the proposal budget page.

4. **Professional Services**

a. Faculty with VMTH/VMTRC appointments will receive a contribution of $10,000 for each clinical appointment based on series as follows:

1. 50% clinical appointment for Professional series.

2. 70% clinical appointment for Professor of Clinical ___.

b. The contribution will be reduced (or increased) on a pro-rata basis to reflect clinical appointments less than (or greater than) as shown above, based on appointment.

5. **Consulting Fees**

a. Credit will be given for the full dollar amount earned and submitted to the SFT Plan. Payments (checks) for consulting services must be turned over to the Office of Research and Graduate Education, at which time a receipt will be issued to the faculty member.

V. **Incentive Aspects of Revised SFT Plan**

A. For 100% I&R Faculty

1. The first $10,000 collected per faculty will remain in the SFT Plan. Once a faculty member contributes greater than $10,000 the incentive aspect of the Plan begins.

2. The amount contributed over the Target, referred to as Overage, will be distributed as follows:
<table>
<thead>
<tr>
<th>Faculty with a clinical component to their appointment</th>
<th>Faculty without a clinical component to their appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td>25%</td>
<td>Faculty Investigator</td>
</tr>
<tr>
<td>25%</td>
<td>Department/Unit</td>
</tr>
<tr>
<td>40%</td>
<td>SFT Salary Plan</td>
</tr>
<tr>
<td>10%</td>
<td>VMTH/VMTRC</td>
</tr>
</tbody>
</table>

3. Overage accrued by designated faculty in the Center for Comparative Medicine (CCM) faculty will be distributed as follows:
   - 0% to Faculty Investigator
   - 75% to the CCM
   - 25% to SFT Salary Plan

4. If there are funds remaining after the initial Overage distribution, and if the current year commitment to the SFT Plan has been met, remaining funds called Bonus funds may be returned to eligible faculty or department chairs at a rate of up to 50%, at the discretion of the Dean. The amount returned to each PI will be based on individual contributions. CCM Faculty is excluded from receiving Bonus funds as per agreement with the CCM Director.

B. For 50% I&R Faculty (Excluding CCM)

1. This component of the incentive Plan allows faculty with an appointment that is split (50% I&R with the other 50% being generated through other sources) to use the SFT Plan to accumulate funds which can be used to supplement unanticipated loss of funding.

2. Annually, after the self-generated 50% of the salary has been secured, additional generated income will be credited to the SFT Plan.

3. The first $5,000 contributed to the SFT Plan will be used to meet the annual Target. Any additional salary recovery beyond the annual Target will be referred to as Self-generated Overage and will be held in the SFT fund and allowed to accumulate.

4. Up to 3 years worth of 50% of salary (rolling average) will be held in the SFT fund.
5. The 3 year rolling average plus the annual Target must be met prior to any release of funds relating to the incentive aspect of the Plan. Incentive funds will be distributed as described for 100% I&R faculty.

VI. Return of Overage and Bonus Funds

A. The Office of Research and Graduate Education will prepare reports on the status of individual faculty for departments bi-annually, or as required. Overage and Bonus funds will be returned once annually, after the close of each fiscal year.

B. Departmental Overage funds will be returned to the academic department which administered the individual grants. The amount returned for each grant will be determined by the faculty member’s overage total and by the percent which each individual grant contributed to the total.

C. Departmental funds for designated CCM faculty will be returned to the CCM, regardless of which unit or department administers the grant.

D. Departmental Overage funds will only be returned to an academic department or to the CCM. Overage funds for grants administered by other Units, Schools or Colleges will return to the SFT account.

Revised March 12, 2009