A-State Faculty Research Incentive Plan

Approved March 20, 2026. To go into effect July 1, 2026, with first incentive payments eligible in Fall 2027.

Purpose

To support a thriving research culture and recognize faculty who secure external funding, Arkansas State University (A-State) is launching a new initiative called the Faculty Research Incentive Plan. This program is designed to reward faculty who contribute to university research growth by generating external grant support that offsets a portion of their university-funded salary.

Why a Faculty Research Incentive?

External research funding plays a vital role in advancing the university's mission and priorities. Faculty Research Incentive recognizes that attracting grant support often requires extraordinary time, leadership, and scholarly excellence. This incentive plan aims to:

- Provide recognition and financial reward for faculty who drive research forward
- Increase grant submissions and awards
- Expand A-State's research enterprise and external funding portfolio
- Reinforce sustainable salary recovery practices that benefit both faculty and the institution

Who Is Eligible?

Faculty must meet all the following criteria to be eligible for a Faculty Research Incentive payment:

- Appointment Type: Full-time faculty members with base salary supported by E&G (Education & General) funds.
- Role: Must be listed as a Principal Investigator (PI) or Co-Principal Investigator (Co-PI) on an externally sponsored project.
- Salary Recovery: The external grant must fund at least 10% of the faculty member's E&G-supported base salary. The PI or Co-PI must also budget at least one month of summer support to be eligible for the Faculty Research Incentive.
- F&A (Indirect Costs): The grant must include either the full federally negotiated indirect cost rate or the maximum allowable rate, with a minimum of 8% F&A. Projects with waived or significantly reduced indirect costs are not eligible.

- Student Engagement: If the funding sponsor permits, the project should support graduate or undergraduate students meaningfully involved in the scope of work.
- Buyout Limit: Faculty members whose entire (100%) academic-year salary is charged to grants are not eligible for this program.

What Is the Incentive?

Eligible faculty will receive a supplemental payment equal to 40% of their recovered salary, subject to the following limits:

- Individual Cap: Each eligible faculty member may receive up to $15,000 annually in total incentive payments.
- Grant Cap: No more than $15,000 per grant may be distributed through this program, even if multiple investigators are involved. In such cases, funds are distributed proportionally based on each investigator's salary recovery.
- Multiple Grants: Faculty may participate in multiple qualifying projects during the year, provided their total incentive payment does not exceed the individual cap.

All payments will be made as one-time, lump-sum supplements in the fall semester following the end of the fiscal year (i.e., after June 30). These payments are taxable and subject to standard withholdings, but they will not be added to retirement base salary or affect merit increases, promotion, or summer teaching eligibility.

How It Works: Step-by-Step

1. Process is Automatic: RTT will conduct an annual audit of all faculty grant buyout. RTT will notify colleges with names of those earning the research incentive and the amount to pay.
2. Payment Approval and Distribution: Approved participants will receive their incentive during the fall semester following their buyout from the previous fiscal year. College fiscal administrators will issue payments from Education and General (E&G) or carryforward accounts.

Specific Examples

Example 1: Single Faculty Salary Recovery
Professor A has an $82,000 university-funded base salary. She has a research grant that covers 30% of her salary.

- Salary charged to grant: 30% × $82,000 = $24,600
- Minimum university-funded portion to qualify: 10% × $82,000 = $8,200 (she qualifies)
- Incentive: 40% × $24,600 = $9,840

Final payment: Professor A will receive a $9,840 incentive.

Example 2: Salary Recovery Split Between PI and Co-PI
Professor B is the PI on a grant, charging 25% of his $82,000 salary to the grant.

- Salary charged: 25% × $82,000 = $20,500
- Minimum university-funded portion qualify: 10% × $82,000 = $8,200 (he qualifies)
- Incentive: 40% × $20,500 = $8,200
  Professor A (from example 1) is the Co-PI, also charging 25% of her $82,000 salary to the same grant.
- Salary charged: 25% × $82,000 = $20,500
- Incentive: 40% × $20,500 = $8,200

Potential incentives: Professor B: $8,200 and Professor A: $8,200 = $16,400, which exceeds grant cap of $15,000. Since Professor A has already received $9,840 from another grant, she can only receive an additional $5,160 to stay within her $15,000 individual cap. Therefore, she will receive her maximum of $15,000 in incentive total across these two awards.

Final payments: Professor B receives $8,200 and Professor A receives $5,160 from this grant = $13,360 from this grant, which is below the grant cap and below the individual cap for both Professors.

Example 3: Proportional Incentive Distribution for PI and Co-PI
Professor C and Professor D are PI and Co-PI on an industry grant. Both have $80,000 salaries.

- Professor C charges 50% of salary: 50% × $80,000 = $40,000
- Professor D charges 30% of salary: 30% × $80,000 = $24,000
  Total salary charged: $40,000 + $24,000 = $64,000
- Minimum university-funded portion qualify: 10% × $80,000 = $8,000 (both professors qualify)
- Incentives: Professor C: 40% × $40,000 = $16,000; Professor D: 40% x $24,000 = $9,600; Combined incentive = $25,600, which exceeds the grant cap.
- Proportional shares:
  Professor C: $40,000 ÷ $64,000 = 62.5% and Professor D: $24,000 ÷ $64,000 = 37.5%
- Total incentive pool following grant cap: $15,000
  Professor C’s incentive: 62.5% × $15,000 = $9,375
  Professor D’s incentive: 37.5% × $15,000 = $5,625

Final payments: Professor C receives $9,375 and Professor D receives $5,625

Additional Guidelines

- **Payments are made** from university funds. Grant funds may not be used to pay faculty incentive bonuses.
- Faculty must remain employed at A-State at the time of disbursement to receive payment.
- Participation in Faculty Research Incentive does not impact eligibility for summer teaching, future merit raises, or promotion.

- Program eligibility and terms are subject to annual review and potential revision.
- At A-State, 20% of faculty buyout stays in the Academic Affairs and Research office, and 80% of the buyout goes to the College where the PI holds the tenure-track appointment. It is the College's responsibility to cover the teaching load through temporary, adjunct, or overload pay and then use remaining recovered buyout funds or carryforward funds to support the Faculty Research Incentive pay.

Need Help or Have Questions?

Please contact Research & Technology Transfer at research@astate.edu for clarification or questions about eligibility.

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