

Procedure to Monitor National Science Foundation Funded Summer Salary Expenses for Faculty

The National Science Foundation (NSF) Award and Administration Guide (AAG) Chapter V.B.1.a. (ii)(b) addresses NSF's policy on funding for periods outside of the academic year. The procedure outlined below will be utilized by Sponsored Program Services (SPS) to monitor compliance of NSF's policy on funding of summer salaries (known as NSF's **Two-Ninths Rule**). This rule includes summer salary received from all NSF-funded grants and does not apply to cost share accounts.

A report will be generated twice annually (at the end of August and at the end of December) to compare the amount of pay received by faculty members on all NSF-funded sponsored programs during the prior summer period. Departments will be notified if any faculty has charged over their maximum allowable summer salary. The department (business manager) is responsible for monitoring this maximum allowable amount during the project period.

The maximum number of days allowable during the summer period will never exceed 44.44. It is recommended to advise faculty to limit summer pay on NSF-funded projects to 44 days.

The maximum allowable summer salary will be calculated as follows:

$$\textit{Maximum Allowable Summer Salary} = ((SS1/TSS \times AR1) + (SS2/TSS \times AR2)) \times 2/9$$

Definitions:

- Summer Salary 1 (SS1) – The number of NSF-funded days paid on summer salary during the first fiscal period (through June 30th).
- Summer Salary 2 (SS2) – The number of NSF-funded days paid on summer salary during the second fiscal period (after July 1st).
- Total Summer Salary (TSS) – The total of NSF-funded days paid on summer salary to the faculty member during the entire summer period.
- Academic Rate 1 (AR1) – The applicable Academic Year Salary received by the faculty member during the fiscal period ending in the prior spring semester.
- Academic Rate 2 (AR2) – The applicable Academic Year Salary received by the faculty member during the fall semester following the summer period.

Awards will also be monitored at project close-out to ensure any faculty receiving summer salary on that project did not exceed the two-ninths rule.

Any total summer salary identified which exceeds the maximum allowable NSF-funded summer salary will be the responsibility of the charging department(s) to remove from the NSF-funded account.