

**Plan of Governance
Appendix H**

**Department of Environmental Science and Technology
University of Maryland**

**Policy on Revenue Sharing for Faculty Salary Savings
Generated from External Grant Awards**

Approved September 03, 2010

Revised August 27, 2014

By vote of the ENST faculty (18 yes, 1 no, 0 abstain) the following addition to the ENST Plan of Governance (dated February 5, 2009) was adopted.

- Faculty salary expenditures may be charged against an external grant award's budget, as specifically designated and allowed by the grant's budget, to create "salary savings" in the department's State budget accounts from which the faculty member's salary is budgeted.
- An amount equal to 100% of the *realized* "salary savings" shall be reflected as an available balance in the faculty member's individual departmental program sub-account to be used as operational funds by the individual faculty member. *Realized "salary savings" shall be defined as the amount credited back to the Department by the College after any holdbacks taken by the College.*
- Salary savings generated from external grant awards will be held in a departmental revolving account. Sub-account balances may be carried forward from year to year and expenditures are not constrained by annual State budget cycles or annual State budget allocations. Departmental revolving accounts are potentially subject to external management by University financial officers and sub-account balances cannot be guaranteed, especially when revolving account balances become very large.
- Salary savings can only be generated by applying salary charges against appropriate external grant budgets to offset salary charges that were originally budgeted against departmental State budget accounts.
- This policy does not apply to any portion of a faculty member's salary budgeted against Federal funds accounts. This policy does not apply to any portion of a faculty member's salary budgeted against external grant awards.
- Faculty members with 12-month appointments may accrue dedicated operational funds from salary savings generated from external grants. Upon specific written direction from the faculty member to the ENST Director of Administrative Services, faculty members with 9-month appointments may accrue dedicated operational funds from salary savings generated from external grants in addition to allowable "summer salary" and/or in lieu of "summer salary".