

# Author's Commentary on "Salary Offsets"

## Commentary On Salary Offsets

The purpose of this case is to highlight the issues surrounding the misuse of grant funds by academic institutions. The misuse in this case causes an unfair teaching burden on the research professor that is intended to be alleviated by this particular line item in her grant.

Federal funding agencies vary in terms of providing salary offsets: The National Science Foundation does not; the National Institutes of Health does. Salary offsets are generally larger for medical center personnel than for university faculty. It is generally assumed that faculty members in medical schools are expected to bring in all of their salary via offset. Offsets for medical school faculty are usually spread over two to four different grants, and they can total 50 percent or more of salary while being "unnoticed" by accounting departments. Considering that physicians have other obligations besides teaching and research, the large percentage of salary offset is something of an ethical conflict; without it, however, most medical schools would struggle financially.

The usual offset for university research is roughly 25 percent. The 25 percent figure, if anything, somewhat underestimates faculty members' research load, but the funding agency applies subtle pressure to keep this figure low. Another point to consider is that university faculty can bring in summer salary from a grant, which actually contributes *more* money into a professor's annual salary. Summer salary goes some distance toward normalizing university and medical school research costs since medical schools do not offer summer salaries. Medical school faculty members are on a twelve-month contract; university professors' contracts cover a nine- to ten-month period. The rule of thumb at some universities is that professors can budget for a month of summer salary for each 10 percent of offset their grants contribute.

Carolyn finds herself in a familiar professional situation as a university professor, bringing in adequate funding for her research yet overloaded in terms of teaching responsibility. The department appears to be taking advantage of Carolyn's work ethic by assigning her more classes than the required load while not hiring a sufficient number of adjunct faculty members. In such a situation, the department is misusing the grant funds to support interests that are outside the grant's scope. Consequently, the professor labors excessively for the benefit of the department, not the grant project. Moreover, the research to be explored by the grant is not receiving adequate time and energy. In this case, the public funds that contribute to the governmental grant are sustaining a private university's special interests. Herein lies the ethical dilemma. The case focuses on the injustice of spending money for purposes other than those for which it was allocated.

Administratively, tracking the source and amount of each professor's salary offset would require time and paper work. Maintaining the current system is more beneficial for the administration since it need not be concerned with tabulating this income. If the faculty were to become more adamant about the inconsistency between their work load and their salary offsets, they could demand that their teaching and research responsibilities match their funding income. The department would then: 1) need to train someone to handle the accounting of salary offsets; 2) be required to hire and train more adjunct faculty members, and 3) lose income that supports some other ME interests.

Although changing the present system would "pain" the administration, it is the just action to take. After all, the administration has an ethical responsibility to treat its faculty fairly and to respect their time expenditures. University departments' policies and practices related to salary offsets should be examined from an ethical perspective.

## References

- National Institutes of Health web site: <http://grants.nih.gov/grants/index.cfm>.
- National Science Foundation web site: <http://www.nsf.gov/home/grants/awards.htm>.
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