



At-Risk Salary for Faculty	
Responsible Official(s): Provost	Responsible Office: Vice President for Academic Affairs/ Vice President for Health Affairs

### Policy Purpose

The purpose of this policy is to formalize ETSU's at-risk or soft money practices, allowing ETSU to provide more nationally competitive salaries and incentives for faculty to seek external funding to support research and scholarship.

### Policy Statement

- I. Faculty may have an institutional base salary (IBS) that comprises both a base-budgeted component and an at-risk (or soft money) component (calculated as either a percentage or as a fixed amount of total salary). The at-risk component will be covered by the college for an agreed upon period of time and/or by the faculty member's external sources.<sup>1</sup> Such an agreement shall be in writing with approval of appropriate parties.
- II. Following the agreed-upon time, it is expected that the faculty member will cover the at-risk component with external sources or from other sources as agreed upon with the department chair and college dean. A faculty member hired with an existing source of external funding would use this funding to cover the at-risk salary component, as negotiated at the time of hire.
- III. If the faculty member is unable to cover all, or a portion of, the at-risk salary component, he/she will not be paid the at-risk component of the IBS (either on a month-by-month basis or through an annual adjustment), until such time as the faculty member is successful in securing the funds with which to cover it.
- IV. The department chair and college dean may choose to offer an individual faculty member bridge funding to cover some or all of the at-risk component for an agreed upon period beyond the initial period described in I, above.

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<sup>1</sup> For example: A faculty member's contract could identify an Institutional Base Salary of \$72,000. This could be composed of a) an base-budgeted component of \$60,000 and b) an at-risk component of \$12,000. In the absence of funding from an external source, the institution might agree to cover the \$12,000 for three years. At the end of the three years, the faculty member would not be paid whatever portion of the \$12,000 he/she is not covering with funding from external sources. The Department or College might choose to "bridge" some or all of this unfunded portion for one or more years.

- V. The at-risk component is eligible for the same benefits and state-approved cost of living increases as the base-budgeted component. Furthermore, in the event that the at-risk component goes unfunded, in part or in full, the faculty member will retain full ETSU-paid benefits based on the base-budgeted component, and neither they nor the department will be responsible for covering the portion of benefits that otherwise would accrue to the at-risk component.
- VI. When the faculty member secures funding to cover all or a portion of the at-risk component of IBS, the faculty member will be eligible to receive any state-approved cost of living increases and associated benefits that were given over the time period when all, or a portion of, the faculty member's at risk component was unfunded. The amount of such increases shall be in proportion to the percentage of the at risk component that has been secured, up to one hundred percent of the then-current amount. Furthermore, in the event that funds for the at risk component are recovered in part or in full at a future time, irrespective of the length of time the at risk component has gone unfunded, the faculty member's IBS and corresponding benefits will be calculated at the level they would have reached had the at-risk component remained funded throughout.
- VII. Details of the mixed nature of funding for the IBS, specifically the at-risk component, shall be included in the ETSU employment contract and the agreement with the college. An at-risk portion could be added to the salary of an existing faculty member through the normal process of contract renegotiation.
- VIII. The faculty member receiving an at-risk salary component is eligible for other stipends, incentives, or awards.

**Definitions**

At-risk component	The portion of the institutional base salary that will be covered by the university for a previously agreed-upon time frame and/or by the faculty member's externally generated resources.
Base-budgeted component	Institutional base salary minus the at risk component.
Bridge Funding	Coverage for the at risk or soft money component of the salary beyond the initially agreed-upon time
External sources	Non-university financial resources for the faculty member's time and effort on a given project.
Institutional base salary	The total salary to be paid to a faculty member.
Soft money	Another term for at risk

**Policy History**

Approved by University Council: 14 January 2019

Effective Date:

Revision Date:

Procedure (s)

N/A

Procedure History

Effective Date:

Revision Date:

Related Form(s)

NA

Scope and Applicability

Primary:       Academics  
Secondary:     Employment