1. A “grant” is defined here as an extramurally funded grant, contract, or subcontract or subunit thereof that is resident in the Harrison School of Pharmacy.

2. For each GRA supported by a grant, the grant will include annual tuition recovery for that GRA equal to 40% of the annual stipend paid to that GRA. Automatic exceptions will be given for grants made by sponsors who have an explicit, written, general (not ad hoc) policy to pay a smaller (even zero) amount of tuition recovery. In the absence of such a policy, exceptions to this level of recovery must be negotiated on an ad hoc basis prior to submission of the application for the grant; but in such cases no exception will be made to recover less than an amount equal to 10% of the annual stipend paid to that GRA. Note that should the tuition costs incurred by a given GRA exceed the amount of tuition recovered from the grant, the HSOP Dean’s Office will be responsible for the deficit.

3. Each grant will include indirect cost recovery at the AU-mandated rate for the type and location of the activity being supported by that grant. The table listing the indirect cost recovery rates can be found at [https://cws.auburn.edu/shared/files?id=159&filename=AU%20Fact%20Sheet.pdf](https://cws.auburn.edu/shared/files?id=159&filename=AU%20Fact%20Sheet.pdf). Automatic exceptions to the mandated rates will be given for grants made by sponsors who have an explicit, written, general (not ad hoc) policy to pay a lower percentage of indirect costs. Other exceptions must be negotiated on an ad hoc basis prior to submission of the application for the grant.

4. Indirect costs recovered from an extramural grant will be divided according to the following formula: 13.3% of the total indirect costs to the faculty investigator(s); 13.3% of the total indirect costs to the appropriate HSOP academic department(s); 73.3% of the total indirect costs to the HSOP Dean’s Office. Exceptions to this distribution formula must be negotiated on an ad hoc basis prior to submission of the application for the grant. An exception to this distribution formula may be a condition set by the Dean’s Office for permitting an indirect cost recovery rate that is less than the mandated rate. Note that the aforementioned standard distribution formula preserves the faculty investigator and department share of indirect costs recovery at the historical rates. However, the HSOP Dean’s Office is solely responsible for any Auburn University Mission Enhancement Fund payments or other Auburn University central administration costs levied against the grant.

5. Faculty salary recovered from an extramural grant or contract will be divided according to the following formula: one-third to the particular faculty investigator; one-third to the particular HSOP academic department; and one-third to the HSOP Dean’s Office. The portion allocated to the faculty investigator can be held in a discretionary spending account or may be used to pay the faculty member a salary supplement at the end of the fiscal year. However, a salary supplement paid to a faculty member on the basis of that particular faculty member’s salary recovery is limited to 20% of that particular faculty member’s base salary. The fraction of salary recovery allocated to a particular faculty member may be reduced to partially offset direct cost sharing, non-standard GRA tuition recovery, or an indirect cost
recovery rate that is less than the mandated rate. In any event, exceptions to the faculty salary recovery distribution formula will be negotiated on an *ad hoc* basis prior to submission of the application for the grant.