

Policy & Procedures on Prestigious Scholarships and Fellowships

In some cases faculty members must submit a proposal through the Office of Research Services to the funding entity. In such cases, the funding for these awards and fellowships is processed through the Office of Research Services to the University. In other cases, the faculty member submits a proposal directly to the funding agency and the award is sent directly to the individual faculty member.

A. When a fellowship or scholarship award is directly processed through the Office of Research Services to the University:

As long as the amount of the award allocated towards a stipend is \$40,000/9 months (\$20,000/semester) or greater **and** as long as that amount is sufficient to cover the instructional cost of replacement instructors, the amount of the award when received in ORS will be used to cover a portion of the faculty member's base salary. Faculty members continue to receive their full benefits through the University. They remain appointed at 1.00 FTE within the university.

The released funds in the budgeted faculty salary line within their academic unit must first be used to cover the complete costs for replacement instruction. Residual funds, after covering the cost of such instruction, may be used, at the discretion of the Chair/Director and Dean, to further assist faculty with allowable travel expenses, etc. related to accepting the fellowship or scholarship.

B. When a fellowship or scholarship award is sent directly to the faculty member there are two options, with differing consequences for the faculty member's taxable income and benefits. It is advisable to consult the Benefits Office and a financial advisor to discuss the consequences of each of these options.

Option 1. The faculty member remains at 1.0 FTE, keeps the award, and requests a temporary salary reduction (regular base salary minus the amount of the award which is specifically designated as stipend) for the duration of the fellowship.

The residual funds in their budgeted faculty line within their academic unit must first be used to cover the costs for replacement instructors. Residual funds, after covering the cost of such instruction, may be used, at the discretion of the Chair/Director and Dean, to further assist the faculty member with allowable travel expenses, etc. related to accepting the fellowship or scholarship.

There are implications for a faculty member's benefits including contributions to retirement plans when this option is elected. Their taxable income from OU will be

reduced and the faculty member assumes the responsibility for reporting any taxable income from the award.

Option 2. The faculty member remains at 1.0 FTE, continues at full OU salary, and agrees to pay to the University the full stipend amount of their award. The faculty member's base salary will continue to be paid entirely by the unit using the award stipend plus whatever additional is necessary from their budgeted faculty line.. The residual funds in their budgeted faculty line within their academic unit must first be used to cover the costs for replacement instructors. Residual funds, after covering the cost of such instruction, may be used, at the discretion of the Chair/Director and Dean, to further assist the faculty member with allowable travel expenses, etc. related to accepting the fellowship or scholarship.

Faculty are counseled to consider carefully:

possible travel costs (covered by some fellowships and awards but not by others),

cost of living at the location of the fellowship or scholarship,

whether or not they will continue paying full costs for housing in Norman/vicinity (or seek to reduce that cost via subleasing or renting their local housing)

whether or not their family will be traveling with them to the location of the fellowship or scholarship

availability and cost of child care at the location of the fellowship or scholarship

health care availability and health care coverage at the location of the fellowship

Early planning and consulting with the appropriate University offices is essential to this application process.