TO: UVM Principal Investigators

FROM: Dr. John Evans, Interim Vice President for Research

DATE: April 17, 2014

RE: Support of Graduate Assistant Student Health Insurance and Workers’ Compensation Benefit on Grants; Tuition Payments on Grants

I am writing to all University PIs to inform you of an important change to the way health insurance and workers’ compensation benefits are paid for extramurally-supported graduate assistants. Currently those benefit costs are paid by the Graduate College. The information below applies only to predoctoral graduate assistants compensated by a sponsored grant or project for effort performed for the project. Predoctoral fellows or trainees supported on training grants or fellowships are not included.

Over the past six months, many discussions relating to instituting a fringe rate on graduate assistant salaries to support their health insurance and tuition benefits have taken place. Instituting a fringe rate to support health insurance and tuition costs was the unanimous recommendation of the Tuition on Grants Committee, and the Graduate Executive Committee in spring of 2012 and was endorsed by the Senate Research Scholarship and Graduate Education committee that year.

The consensus is to add a fringe rate to graduate student salaries for the health insurance and workers’ compensation benefits. A fringe rate on salaries for these benefits will be instituted July 1, 2014. As soon as the Federal response to the requested fringe rate (7.1%) has been received, new grant proposals will include the fringe rate in their budgets. Federal regulations mandate the change apply to current grants and those grants that have already been submitted. The Sponsored Project Administration team will work with grantees and applicants to ensure a smooth transition.

The expectation is that most grants will be able to absorb the additional charge. If there is significant hardship in meeting the new requirement, PIs should work with their chair, dean, and, if necessary, the Dean of the Graduate College.
Tuition Scholarship

Consensus on the mechanism and amount to charge tuition to grants and contracts was not achieved prior to the federal deadline for requesting a fringe rate for FY15, so that request will move to FY16. In the meantime, please be aware that the practice of paying tuition by increasing the stipend is not best practice and creates multiple problems for the student. Most funding agencies allow direct tuition payments. If you are not doing so already, please work with your business manager to pay your students’ tuition (minimum 6 credits per semester, but 9 for international students) directly. As needed, the Sponsored Project Administration office can work with you to re-budget. Please contact your grants management staff. The Graduate College can work with your business manager to ensure these funds are tracked as financial aid. Please contact Kathie Merchant.

In support of this transition, the Graduate College will modify its research credit policy to remove the limitation that only research credits be paid for extramurally supported doctoral students. Beginning Fall 2014, all doctoral students supported on extramural grants and contracts may request up to 9 credits of tuition scholarship per semester for course or research credits. Master students will still only be able to request tuition scholarship for research credits with the current limit of 15 total – and a new limit of 9 in any one semester. The Graduate College will continue to pay the out of state differential for course credits for masters students.

cc: Jen Gagnon, Interim Associate Vice President for Research Administration
    Dr. Cynthia Forehand, Interim Dean of the Graduate College