

## **Principal Investigator Incentive (PIN) Fund Guidelines and Information**

Research & Graduate Studies (RGS) is pleased to offer the PIN program in recognition of the research, training, creative work, and scholarly work conducted by investigators at PSU. This document provides information on how the PIN program works and it also contains information about allowable PIN fund expenditures.

### **Fund Earnings**

RGS returns 2% of F&A (Facilities & Administrative) funds to the principal investigator (PI) or co-investigator (Co-I). PI and Co-I credit splits (including any subsequent changes) are recorded and authorized on the proposal PIAF form as documented through Sponsored Projects Administration (SPA).

### **Fund Use**

The purpose of this rebate program is to support investigators and advance their research, scholarly, or creative activity agendas. Generally speaking, funds may be used for any allowable related expense, which can be interpreted broadly. For example, funds may be used to cover expenses that cannot be directly charged to sponsored projects; travel to meet with program officers or collaborators; student payroll; professional development; professional organization membership fees; software; grant cost overruns, etc.

Important: Please see the section below, “**Person-specific Index Use Allowability**,” for special circumstances related to payroll and benefits, which have certain restrictions based on guidance from PSU’s legal counsel.

### **Fund Distribution**

PIN earnings are distributed live and are automatically credited to the PI’s index. Each PI has their own PIN index code generally following the naming convention of “PIN” + PI’s initials (e.g., PINABC). PIN funds accumulate to this index for the PI’s use, and the index is managed by the PI’s department.

### **Fund Balance Information**

Senior Fiscal Officers will be notified of PIN earnings and balances each fiscal quarter by RGS. The department should share the information with PIs and other staff as appropriate. PIs may ask about PIN fund balances from their fiscal officer, RGS’s Fiscal Manager, Asli Berhane, [asli@pdx.edu](mailto:asli@pdx.edu), or RGS’s Senior Fiscal Officer, Margaret Rea, [mrea@pdx.edu](mailto:mrea@pdx.edu). In addition, PIs can look up their PIN balance by following instructions found on this webpage:

<https://www.pdx.edu/research/fa-and-pin>

Any funds remaining in an individual’s index code at fiscal year-end will carryforward into the next fiscal year. It is the responsibility of the PI and the Department, School, or College to not overspend any PIN index. If a PIN index is overspent at year-end, it is the department’s responsibility to eliminate the deficit.

### **Spending PIN Funds**

PIs should work with their departmental staff to spend PIN funds and follow any departmental fiscal protocols for approvals. There is no need to involve SPA staff in the PIN process. SPA staff do not manage, track, or approve PIN fund expenses. RGS approval of expenditures is not required.

### **Changes to PIN Indexes**

When a PI moves to a new department, RGS creates a new PIN index for that PI such that the index org code matches the new department. This way, the new department staff have the authority to help the PI spend the funds. The existing PIN fund dollars follow the PI to the new department (nothing is swept by RGS).

### **PIN Fund Transfers**

PIN funds are not transferrable from one PI's account to another PI's account.

### **Emeritus Faculty**

Research-active (inclusive of scholarly or creative activities) Emeritus faculty may keep their PIN account active generally for a period of up to five years. Non-research-active Emeritus faculty may not keep their PIN account active and the funds will be dispositioned. For exceptions, please contact the RGS Senior Fiscal Officer.

### **Fund Disposition**

If there is a balance in a PI's PIN index code when that PI separates from the University, the funds will revert to RGS. PIs are encouraged to spend out their PIN funds prior to separation. For extenuating circumstances or exceptions, please contact the RGS Senior Fiscal Officer.

### **Person-specific Index Use Allowability – Guidance from PSU's General Counsel**

PSU uses Banner index codes to allocate internal PSU funding to be used as determined by specific individuals to support their research or other scholarly activities. Indexes included in this category are Principal Investigator Incentive funds (PIN) indexes and Converted Fixed Price (CFP) indexes. These funds are not part of an employee's official compensation for work performed at PSU. Rather, they are funds allocated to support activities associated with scholarly work. While PIs may direct the use of these funds, they remain PSU funds and must be expended in compliance with PSU rules and policies.

PIN indexes are used to capture a portion of the F&A costs recovered by the University distributed for use by PIs or Co-Is. Converted Fixed Price indexes are used to capture funds associated with a portion of residual balances of fixed-price awards that are allocated for use by the principal investigator. By point of comparison, this does not include restricted sponsored project funds (e.g., grant funds) awarded to PSU from external sponsors. These funds are governed by a set of terms and conditions to which PSU is held accountable. Staff in Sponsored Projects Administration and principal investigators share responsibility for administering the funds and adhering to the requirements of the awards.

Oregon's ethics law prohibits public employees from obtaining financial gain due to their position. For details please visit the following web page: <https://www.pdx.edu/human-resources/coe-policy-public-employees>.

It is important to note that this law applies to individuals and thus each employee is responsible for adhering to the law. As outlined in this law, PSU employees may not benefit financially through use of funds that are in their control. In terms of PIN funds and CFP indexes, this means that a PSU employee cannot use these funds to increase their compensation (i.e., give themselves a raise). We realize that there are many ways that PIs are using PIN funds and/or CFP indexes to support their work, and this message is intended to help illustrate how these funds can and cannot be used.

**Regular pay.** PIN or CFP funds may **not** be used by a PI to pay for the PI's regular pay either as part of base pay or any type of overload pay at any time.

**Summer pay.** PIN or CFP funds may **not** be used by a PI to pay additional salary to themselves for any reason.

**Course buyouts.** PIN or CFP funds **may** be used for course buyouts, as long as the PI can show that their total effort (FTE) has not changed and their compensation is not increased as a result.

**Vacation payout.** PIN or CFP funds **may** be used to pay for vacation payout when an employee separates from PSU. This money is owed to the employee, and thus using this money would not increase their total compensation.

**Inversion, compression and equity adjustments (ICE).** PIN or CFP funds **may** be used for this as long as HR and RGS are making the decision.

**Salary caps.** PIN or CFP funds may **not** be used to pay a PI above the NIH cap, or any similar type of salary cap.

**Sick leave bank (SLB).** PIN or CFP funds may **not** be used for sick leave bank donations for the PI or another employee.

**Paying others to work on a project.** PIN or CFP funds **may** be used to pay for a student or staff member to work on a project under the PI's supervision

### Questions?

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