



Applies to: LSA Tenure Track Faculty
 Related Policies: Salary on Sponsored Funds Guidelines for Tenure Track Faculty; Instructional Budget Model Policy and Procedures; Salary Cap Management Guidelines; Summer Salary in Excess of Two Months
 Date Issued: May 1, 2016
 Date Revised: N/A
 Owner: LSA Finance
 Primary Contact: LSA Finance Director

LIREG Program Information

What is LIREG?

The College of LSA funds regular academic year salaries for tenure-track faculty on program LIREG. The foundation for the LIREG budget is the unit's authorized faculty strength, as allocated by the LSA Executive Committee (EC). The LIREG worksheet details the LIREG budget for each unit. Units' LIREG worksheets are available in the LSA Management Reporting System (MRS) at <https://webapps.lsa.umich.edu/data/mrsframe.asp> (on the Budget tab, under Supporting Documents, click on LIREG Worksheet).

The unit appoints authorized faculty on the LIREG shortcode(s) in the unit's department ID. LIREG is a revenue offset program, so salary and benefits expenses are funded in the month they occur via automatic LSA allocations at month end. The LSA business analysts review LIREG to help ensure that appointed individuals are authorized and that the actual salary aligns with the LIREG budget.

LIREG Budget Adjustments

The LIREG budget is based on the faculty member's Full Time Rate (FTR) multiplied by the percentage authorized for that unit by the EC. However, several situations require adjustments to the LIREG budget, including:

Circumstance	Effect on LIREG budget
Full university year Sabbatical or Duty Off Campus (DOC)	The LIREG budget is reduced 50%.
Calendar year Sabbatical or Duty Off Campus (DOC)	The LIREG budget is reduced to 75% for the fiscal year (50% effort in one term and 100% effort in one term) in each of the two fiscal years that are impacted.
One-term Sabbatical or Duty Off Campus (DOC)	No adjustment to LIREG budget.
Scholarly Activity Leave (SAL)	Faculty member receives funding from other sources and may request a Topping-Off Award (TOA) if the award does not support their current FTR. If the faculty member is approved for a TOA, the LIREG budget is adjusted so that the LIREG and funding from other sources together achieve the academic year FTR.
Full university year Leave Without Salary (LWOS)	The LIREG budget is reduced to zero.
One-term Leave Without Salary (LWOS)	The LIREG budget is reduced by 50%.
Change in distributed percentage (for joint appointments)	The unit's LIREG budget is adjusted to the percent effort in that unit.

Circumstance	Effect on LIREG budget
LSA Associate Deans - Administrative Service	AD appointments are 75% in the Dean's Office, so the home unit's LIREG budget is reduced by 75%. If faculty member is appointed in two LSA units, both departmental budgets are reduced proportionally.
Department Chairs - Administrative Service	Effort for a chair is 50% administration. If the chair appointment is in the home unit, there is no change to the LIREG budget. If the chair appointment is in a different unit, 50% LAFAC funding is added in the unit of the chair appointment, and the LIREG budget in the home unit is reduced by 50%.
Administrative Service – outside LSA	LIREG budget is reduced by the percentage of effort in the outside unit.
Endowment funding	The LIREG budget is adjusted to reflect the percentage of salary supported on the endowment fund.
Distinguished University Professorships	The Provost provides 5% salary funding, so the LIREG budget is reduced by 5%. If the faculty member has a joint appointment, the LIREG budget in all LSA units will be reduced proportionally.
Reduced Effort	The LIREG budget is reduced in proportion to the effort reduction.
Medical leave (short-term or extended sick leave)	No adjustment to LIREG budget.
Modified duties (not a leave)	No adjustment to LIREG budget.
Retirement furlough	No adjustment to LIREG budget, unless the agreement specifies a reduced effort.

Released LIREG due to Sponsored Effort

In some departments, tenure-track faculty members are permitted to charge a portion of their academic year effort to externally sponsored grants. Refer to the [Salary on Sponsored Funds Guidelines for Tenure Track Faculty](#) for more information. The LIREG budget is not reduced for academic year effort on an external grant, so the salary charged to LIREG may be less than the LIREG budget. The difference is referred to as released or freed-up LIREG.

For an academic year course buy-out on an externally sponsored grant in the unit's department ID, the released LIREG salary funds associated with each course release less the average lecturer salary per course for that unit may be retained by the department. The unit's business analyst will process a journal entry to transfer the funds to the unit's RESIN. This transfer is typically processed before year-end but may be processed more frequently at the unit's discretion. Replacement teaching associated with these course buy-outs should be managed within the unit's Instructional Budget Model (LSIBM) allocation. Refer to the [LSA Instructional Budget Model Policy and Procedures](#) for more information about LSIBM.

The College retains the released LIREG resulting from faculty leaves, non-sponsored course buy-outs, and course buy-outs on sponsored grants outside the unit's department ID. When a sponsored grant resides in another LSA unit or outside LSA, the recommended practice is to create a sub-project in the home department ID for the faculty member's effort.

Depending on the faculty member's appointment, the released LIREG from sponsored effort may be needed to fund other programs:

- **CSTSH - Cost Sharing**

Program CSTSH is used for cost sharing obligations related to sponsored awards. For tenure-track faculty members with academic year effort appointed on CSTSH, LSA Finance will process a journal entry to fund CSTSH from the released LIREG. This transfer should be processed at least annually before year-end but may be processed more frequently at the unit's discretion.

- **NIHCP - Salary Cap**

The National Institutes of Health (NIH) and certain other funding agencies limit the amount of salary that can be charged to sponsored awards. If a faculty member is appointed on a sponsored award during the academic year and their institutional base salary exceeds the limit allowed by the sponsor, a portion of the appointment will be on program NIHCP. Refer to the [LSA Guidelines for Salary Cap Management](#) for more information. The released LIREG resulting from academic year effort on the grant is used to fund the over-cap salary and benefits. LSA Finance will process a journal entry to fund program NIHCP from LIREG. This transfer should be processed at least annually before year-end but may be processed more frequently at the unit's discretion.

- **LSMRN - Summer Ninths**

A faculty member who has been granted permission by their Department Chair or Director to fund two and a half months of summer salary from externally sponsored research may be permitted, depending on the unit's policy, to fund an additional half month of summer salary from the general fund summer salary program, LSMRN (refer to the [Request for Summer Appointment in Excess of Two Months policy](#) for more information). A portion of the academic year salary is charged to the sponsored project in order to release LIREG to offset the half month funded on LSMRN. The College retains the released LIREG to offset the expense on LSMRN.