Grant Funded Positions

<table>
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<tr>
<th>PI / PD:</th>
<th>Linda Hill</th>
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<tbody>
<tr>
<td>Funding Agency &amp; Program</td>
<td>HRSA Nursing Workforce Diversity</td>
</tr>
<tr>
<td>Project Title</td>
<td>CRNA3D MAPS to Success: Mentorships, Admissions, Partnerships, &amp; Student Supports</td>
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This proposal budget includes grant-funded staff, as follows:
- Assistant Project Director
- Recruitment and Retention Coordinator
- Project & Evaluation Manager

Please note that the externally-funded positions listed above will accrue annual leave and are subject to lump-sum pay-outs of accumulated annual leave balances if the grant / contract ends or the employee is terminated without expending all of their annual leave. **The department housing the grant/contract assumes responsibility for lump-sum annual leave pay-outs.** The following are key considerations:
- **Sponsored Programs may only be charged for the annual leave accrued during the period that the employee is assigned to the grant/contract.** For example, if an employee is assigned to a sponsored program account but has 40 hours of annual leave accrued from working for the state of TN, the previously accrued leave should not be charged to the sponsored program as a lump-sum pay-out (although that leave may be taken by the employee per UT policy).
- **Sponsored Programs may restrict annual leave pay-outs with grant funds to only cover leave accrued within the award period.** For example, if the sponsored program award period is for 1 year, the sponsor may not allow pay-out of more annual leave than can be accrued in a year.

**What should PIs and responsible units do to minimize liability?**
- Be familiar with HR Policy 0305 (shown below).
- Be aware of annual leave balances among grant/contract-funded staff and have a mechanism in place to monitor annual leave balances against award period end-dates.
- Encourage employees to regularly take annual leave to avoid large accruals.
- Maintain a reserve fund to pay-out annual leave lump-sum payments if necessary.

**Relevant text of Policy HR0305 relating to grant/contract funded positions:**
1. When an employee who is in a position for which annual and sick leave accrue transfers to work under a grant or contract and has accumulated annual leave, **the department sponsoring the grant or contract assumes responsibility for this annual leave balance.**
2. Employees who accrue annual and sick leave on grant or contract appointments are encouraged to use their annual leave during their period of appointment on the grant or contract.
3. However, it is the responsibility of the principal investigator and the sponsoring department to ensure that funds are available for lump-sum payments of unused annual leave if the grant or contract expires, requiring the termination of the employee, or if the employee terminates employment while working on the grant or contract.
4. If such an employee transfers from work on the grant or contract to another department and has neither taken nor been paid for accumulated annual leave, the receiving department will be responsible for the annual leave balance.