

## Budgeting for Pay Rates

Query – 01.21.2010

### Query:

I am looking for some reference points for appropriate charges on ITQ grant budgets for pay to college faculty, “Educational Consultants” and K-12 content specialists. (Note, “Educational Consultants” here are individuals who work on, own, or run a **for-profit** company related to educational support and are called in on one project to assist college content and Ed faculty with instruction on summer PD workshops.)

I have just received a new batch of ITQ proposals and am having a heck of a time sorting out budgets for instructional staff; some pay instructors one fee for a whole course/workshop; some pay on an hourly rate, some on a daily rate, etc.; my head is spinning, and I imagine you can understand!

For all project activities except semester-long courses, I’ve decided to convert the budget data into a daily rate for these instructors. I’m looking for examples of upper limits employed by other states for these services. I’m seeing daily rates between \$300 and \$4,000 (high end is for the consultants)!

**Can you give me an idea of the pay rates that you consider reasonable, along with upper limits for content faculty, education department faculty, K-12 content specialists, and consultants?**

Furthermore, in the budget negotiations that will likely accompany grant award decisions, I am inclined to suggest grantees cut way back on the fees for these “Educational Consultants”, bringing them in line with college faculty pay. I would appreciate being able to provide supportive reasoning for doing so; if you have words of wisdom for me on this point, please advise.

**From:** Massachusetts

### Responses:

Mississippi

\$200.00 is our rate per day for consultants.

Washington

With regard to **college faculty**, we expect to pay the faculty person’s regular pay rate. Furthermore, we expect them to use course buyouts rather than overloads.

With regard to **Educational Consultants and K-12 content specialists**, our approach depends on whether they are employees of partners in the partnership, or independent contractors. If they are employees of partners, we expect them to be paid at their regular pay rate. If they are independent contractors, we have a ceiling of \$50/hour for guest speakers or other professional development providers and \$100/hour for evaluators. Applicants have pointed out that \$50/hour is very cheap for guest speakers. I deliberately set a low figure because I feel that there is a tendency for guest speakers to breeze in for a short term presentation and then fly away without leaving much of an impact, so I wanted to discourage their use. However, our most recent RFP does leave room for us to make exceptions. Here is some guidance language from the budget section of our 2009-12 RFP (see items 2a, 2f, 2g, and 3f):

2. Generally, the grant MAY pay for any of the following costs:

- a. Provider personnel and instructional costs such as faculty release time or summer contracts. The HECB expects that the grant will pay all provider personnel at their regular pay rates.

	<ul style="list-style-type: none"> <li>b. Participant stipends for public school teachers or private nonprofit school teachers for time spent outside of normal work hours. Stipends for public school teachers may be paid through their schools' payroll system. However, stipends for private nonprofit school teachers must be paid directly to the teachers rather than through their schools. Stipends must be reasonable and must be consistent with what districts/schools usually pay for personnel time at professional development activities.</li> <li>c. In-state travel costs.</li> <li>d. Preparation and duplication of materials.</li> <li>e. Necessary supplies.</li> <li>f. Independent contractor costs up to \$50/hour for guest speakers or other professional development providers, if necessary for the project. However, please note that the HECB expects projects to provide most of the professional development with partner personnel rather than with outside contractors.</li> <li>g. External evaluator costs up to \$100/hour, but projects are advised to be aware of the impact of external evaluators on the project's overall cost per participant hour.</li> </ul> <p>3. Generally, the grant WILL NOT pay for any of the following costs:</p> <ul style="list-style-type: none"> <li>a. Substitute teacher pay. If a project involves substitute teachers, the HECB expects both public and private schools to contribute substitute pay as a sign of school commitment to the project. Furthermore, federal law prohibits the grant from paying for substitute teachers for private schools.</li> <li>b. Equipment purchases, except in unusual circumstances when project success is dependent upon purchase of equipment.</li> <li>c. Participant tuition for college courses, if the grant is already paying for faculty time or other costs related to developing or implementing the course.</li> <li>d. Out-of-state travel.</li> <li>e. In-state travel costs that exceed state travel reimbursement rates (per diem rates);</li> <li>f. Independent contractor costs greater than \$50/hour for professional development providers or \$100/hour for independent evaluators.</li> <li>g. Costs of full classroom sets of materials for participants' classrooms.</li> </ul> <p>4. The HECB reserves the right to disqualify expenditures that it deems to be out of compliance with federal or state rules or HECB policy. If a cost does not fall into one of the categories above, ask the RFP coordinator for technical assistance in determining whether the cost is allowable and if so, how to categorize it on the form.</p> <p>5. The HECB encourages project planners to design projects that are balanced in the sense that no single partner is likely to use more than 40 percent of the money made available to the project (and is therefore not likely to violate the federal 50 percent rule.)</p>
Minnesota	<p>I use guidance similar to Mark re: pay for provision of ITQ instructional services by higher education and school district personnel. Years ago, I tried to have project consultants paid an amount similar to NSF's pay per day for project consultants. I may not be current with NSF's consultant pay, but below is the language in my RFP re:</p>



	<p>We have flexibility to make adjustments when deemed necessary, since these are only considered to be guidelines.</p>
Puerto Rico	<p>Following are our rules for payment according to our last RFP:</p> <p><b>(ii) Faculty</b> Salary for workshops (non-credit granting) shall be at the institution's rate per workshop hour and policies, up to a cost of \$200.00 per workshop hour including preparation time, for one resource; up to a cost of \$150.00 per workshop hour including preparation time for team-teaching resources. Salary for fieldtrip instructional resources may only be considered for on-site hours of instruction, meaning that travel time does not apply. Same cost per hour limits for workshops apply to fieldtrips. No compensation shall be requested for faculty if tuition will be paid from NCLB funds for credit courses or continued education units (no double dipping).</p> <p><b>(e) Contractual Costs</b> Any consultant, if duly justified, for which the amount requested is on the basis of a detailed relation of services to be rendered, projected hours per activity and rate per hour. No fringe benefits apply.</p> <p>Although there is no specific reference or limits for consultants compensation, it usually goes around \$200/hour.</p>