Institutional Base Salary Policy

I. Purpose of this Policy

The purpose of this policy is to establish Brandeis University's definition of Institutional Base Salary (IBS) for the purposes of sponsored projects. The federal government requires that recipients of federal funding establish an institutional policy that documents the basis for all budgeting and expensing of salaries on sponsored projects, and requires that all such costs be treated consistently regardless of the source of funds.

This policy provides the basis for calculating faculty and staff salaries for allowable activities on proposals and awards in order to ensure compliance with federal regulations. Specific details are provided in Office of Management and Budget (OMB) Uniform Guidance, 2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, §200.430, Compensation-personal services.

II. Scope of this Policy

This policy applies to all sponsored projects and is applicable to all faculty and staff who request or draw salary support from, or commit effort to, any sponsored project, regardless of source of funds. It must be understood by all Brandeis personnel involved in proposing and administering grants, including Principal Investigators, Department and Grant Administrators, Administrative Heads, Deans, Office of Research Administration (ORA) and Sponsored Programs Accounting (SPA).

III. Key Definitions

Institutional Base Salary: IBS is defined as the annual compensation paid by Brandeis University for an individual's appointment (academic or calendar year), whether that individual's time is spent on research, instruction, service, administration, or other activities. IBS does not include bonuses, fringe benefits, or one-time payments. Also excluded from IBS is salary paid directly by another
organization including, but not limited to, the Howard Hughes Medical Institute, and income that an individual is permitted to earn outside of their University responsibilities, such as consulting.

It is important to note that Institutional Base Salary:

- May not be increased as a result of replacing or augmenting University salary funds with sponsor projects funds;
- Is established by Brandeis University annually regardless of the source of funds. Employees receiving an adjustment in salary will receive notification of the new IBS;
- Excludes bonuses, stipends, honoraria, and extra compensation, such as faculty housing allowance, tuition reimbursements.

**Compensation:** The salary amount that is established by Brandeis University and paid through the Brandeis payroll system.

**Academic appointment:** An academic-year appointment is normally for the 9-month period September through May and the institutional base salary is for the instruction, research, service, and administrative duties for that period. Salary under an academic year appointment may be paid over a 12-month period, but that does not affect the nature of the appointment. Note that for some purposes, such as the application of sponsor salary caps and the conversion of institutional base salaries into hourly rates for information purposes, salary based on an academic appointment must be converted into its 12-month equivalent (usually by dividing by 9 and then multiplying by 12).

**Summer Salary:** Summer salary refers to the compensation a faculty member may receive for work performed on sponsored projects during the three months (June, July, August) outside of his/her academic year appointment. One summer month is equivalent to one-ninth of the 9-month institutional base salary.

**Calendar year appointment:** A calendar-year appointment is for a faculty member’s instruction, research and service duties for a full 12 month period. Summer salary is not available to faculty members with calendar-year appointments.

**Salary Cap:** Sponsors may have a salary cap that limits the amount of IBS that establishes the basis for charging salary to their projects. When salary caps apply, the requested salary support is determined by multiplying the proposed level of effort (expressed as a percentage of effort over a period of time) by the maximum salary allowed by the sponsor.
IV. Statement of Policy

It is Brandeis University's policy that all personnel costs for faculty and staff charged or committed to sponsored projects, whether federally or non-federally funded, be based on an individual's Institutional Base Salary (IBS).