

# East Tennessee State University

Policy Title: Sponsored Projects Institutional Base Salary

Issued: 2/1/16

Responsible Official:

Responsible Office:

## Policy Statement

Institutional Base Salary is the guaranteed annual compensation for an employee's appointment, whether that employee's effort is spent on teaching, research, administration, or service, and whether that employee is appointed full-time or part-time.

Authority:

Title 2 in the Code of Federal Regulations (2 CFR), Part 220 Cost Principles for Educational Institutions (formerly Office of Management and Budget (OMB) Circular A-21).

## Purpose

To document/define Institutional Base Salary used to propose and charge salary to sponsored projects and provide the framework that, per Federal regulations, cannot fluctuate solely based on changes between funding and activities.

## Definitions

<b>At-Risk Salary</b>	The portion of faculty Base Pay that is dependent on meeting certain criteria established in writing in the letter of offer and/or contract and accepted upon signing an employment contract with the university.
<b>Incidental Activities</b>	Work in excess of normal for which additional compensation may be paid in the form of a stipend or supplement.
<b>Institutional Base Salary</b>	The annual compensation paid by ETSU for an employee's appointment, whether that individual's time is spent on research, teaching, patient care, or other activities. Base salary excludes any income that an individual may be permitted to earn outside of duties to ETSU, including clinical income and income from a joint appointment with the VA. In addition, base salary is exclusive of longevity, stipends, and additional salary for temporary or additional duties.
<b>Overload Compensation</b>	Overload compensation is monetary remuneration, other than administrative supplement, paid to a faculty member for instruction in excess of full-time effort for institutional-funded activities.
<b>Base Pay</b>	<i>See Institutional Base Salary definition.</i>
<b>Stipend</b>	Extra compensation paid to the employee for incidental activities (typically but not necessarily of brief duration) which is not added to the employee's institutional base salary when calculating across-the-board pay increases.
<b>Summer Compensation</b>	Compensation for work performed during the summer term for academic year/9-month faculty. Compensation is based on prior academic-year salary (see <a href="#">TBR 5:02:04:10</a> ).
<b>Supplement</b>	Extra compensation paid to the employee for incidental activities (typically but not necessarily of extended duration) which for purposes of calculating across-the-board pay increases only is added to the employee's institutional base salary.
<b>Veterans Administration Salary</b>	Salary paid directly by the VA for VA appointments.

<b>Procedures</b>	
	<p>Institutional Base Salary (IBS) is the employee’s current annual salary as displayed in Enterprise Resource Planning (ERP) system.</p> <p>The initial IBS is derived from the contract signed by the employee at the time of employment. Under no circumstance should IBS of full-time employees be increased as a result of the University receiving a grant or contract; however, a part-time employee’s appointment percentage may be increased up to full-time as a result of receiving a grant or contract as long as the rate of pay remains constant for all effort.</p>
<b>Roles and Responsibilities</b>	
<b>Program Director/Principal Investigator (PD/PI)</b>	PD/PI is responsible for understanding the components and total amount of IBS (and associated 100% effort) and outlining it appropriately on sponsored research proposals and budgets. PD/PI is also responsible for initiating the request to charge compensation and associated fringe benefits to a sponsored project according to the sponsor-approved budget.
<b>Department Chairs and Directors</b>	Department Chairs and Directors are delegated responsibility to review and approve activities that determine a Full Workload for full time faculty, including the components and total amount of the IBS (and associated 100% effort) within his/her department, and assist PD/PI with outlining IBS appropriately on sponsored research proposals and budgets.
<b>Office of Research and Sponsored Programs Administration (ORSPA)</b>	ORSPA is responsible for ensuring that employee compensation and associated fringe benefits are accurately and appropriately budgeted in sponsored program proposals, based on the IBS and committed effort of the project personnel.
<b>Grant Accounting</b>	Grant Accounting is responsible for ensuring that compensation and associated fringe benefits included on sponsored program awards are paid according to the budgeted compensation type (Base pay vs summer pay), per the sponsor-approved budget and ETSU financial policies.
<b>Human Resources</b>	Human Resources is responsible for maintaining the correct amount of Institutional Base Salary in the ERP system and for providing written documentation to employees for changes to IBS.
<b>Payroll</b>	Payroll is responsible for processing compensation using correct earnings and account codes.
<b>Related Forms</b>	
<b>Links</b>	
<p><a href="#">TBR General Personnel Policy 5:01:00:00</a>  <b>ETSU Personnel Compensation on Sponsored Projects</b>  <a href="#">National Institute of Health (NIH) Grants Policy Statement</a></p>	
<b>Revision Dates</b>	

Subject Areas			
Academic	Research	Finance	Human Resources
✓	✓	✓	✓