

## INSTITUTIONAL BASE SALARY FOR SPONSORED PROJECTS

**Category:** Research

**Responsible Offices:** Vice President for Research and Economic Development

**Responsible Executive:** Vice President for Research and Economic Development

**Date Established:** 06/14/2010

**Date Last Updated:** 03/29/2024

### Summary

This policy defines institutional base salary and its use in estimating, accumulating, and reporting salary changes to sponsored projects.

### Policy Statement

The University at Buffalo (UB, university) is committed to complying with all federal and sponsoring agency regulations including those relating to compensation for personal services. These regulations allow charges for work performed on sponsored awards by faculty members during the academic year at the institutional base salary (IBS) rate. IBS is the annual salary paid to an individual for performance of all professional obligations required by the individual's primary UB appointment. Professional obligations may include research, teaching, administrative functions, clinical practice, or other service activities and are generally identified in the individual's appointment or reappointment letter. Unless otherwise specified, the annual salary stated in the appointment or reappointment letter fully compensates the individual for all professional obligations required by their primary UB appointment. IBS excludes any income that an individual is permitted to earn outside of duties performed as part of their primary UB appointment.

IBS is set prospectively either for an indefinite period or for a specified term. IBS may not be increased or decreased based on availability of salary support from sponsored agreements or other revenue sources.

### Externally Sponsored Research

Salary costs included in a sponsored project proposal or charged to a sponsored project are calculated by multiplying the IBS times the percent of effort expended on the particular sponsored project. In cases where the IBS exceeds the applicable federal salary cap or sponsor limitation, the salary cap or limit amount is used instead of the IBS to calculate salary costs. The amount of IBS above the salary cap or limit may only be paid from non-sponsored sources. When preparing proposals for multiple years, future years' IBS is estimated based on salary increases in applicable collective bargaining agreements or the RF Salary Plan.

Charging a sponsored agreement for less than the committed effort is permitted, subject to the limitations in the Research Foundation [Cost Sharing Policy](#).

Summer salary may be paid to an individual on an academic or college year appointment for their research obligations performed during the summer months. Summer salary is calculated based on the IBS of the preceding academic or college year and can only be charged to a sponsored project in proportion to the effort expended on the particular project during the summer months.

## Background

Office of Management and Budget (OMB) Circular A-21, the National Institutes of Health (NIH) Grants Policy Statement, and other applicable federal statutes and regulations permit salary and wage charges to sponsored awards to the extent that:

- Total employee compensation conforms to established and consistently applied policies of the institution and
- Such charges are for work in direct performance of the sponsored award

Failure to comply with federal requirements or university policies when proposing or charging salaries could result in expenditure disallowances, financial penalties, or damage to the university's reputation.

## Applicability

This policy applies to all university entities and all UB faculty and staff involved in performing, directing, or administering research, training, or other sponsored projects (federal, state, and private).

## Definitions

### **Academic Year Appointment**

Nine-month faculty obligation.

### **Also Receives**

An approved annualized dollar amount (or portion thereof) that can be paid in addition to the base annual salary on a temporary basis, for additional duties beyond and in addition to, the ordinary and customary duties normally associated with their primary assignment.

### **Annual Salary**

Amount determined by the university to compensate an individual for their professional obligation based on grade, title, and experience. Annual salary is based on a full-time equivalent and adjusted proportionately for part-time effort. For academic year faculty, annual salary is the salary paid for the nine-month academic year appointment, which is normally paid out over ten months. For calendar year faculty, annual salary is the salary paid for the twelve-month calendar year period.

### **Calendar Year Appointment**

Twelve-month obligation that can begin on any date.

**College Year Appointment**

Ten-month obligation used by non-faculty professionals that can begin on any date.

**Institutional Base Salary**

Annual salary paid to an individual for performance of all professional obligations required by the individual's primary UB appointment.

The following salary components are included in IBS:

- Regular salary – may be based on a calendar, academic, or college year appointment and includes contractual salary increases documented in the employee's payroll record
- Temporary salary increases – increase in base salary for a limited period of time, associated with a temporary increase in assigned duties and responsibilities
- Endowed supplements – supplemental salary paid to endowed chairs and included in the New York State (NYS) payroll check
- Clinical practice income – salary derived from "clinical practice income" as defined by Article XVI of the State University of New York (SUNY) Policies of the Board of Trustees, income from fees for professional services rendered in connection with clinical practice, including salaries paid by affiliated institutions

The following salary components are excluded from IBS:

- Compensation paid by the NYS Comptroller or the Research Foundation (RF) for performance outside of an individual's professional obligation such as:
  - Compensation termed as also receives
  - Summer salary
  - Compensation paid by the VA Western New York Healthcare System
  - Compensation from third-party honoraria, publication royalties, and private consulting income in accordance with UB, SUNY, and RF policies governing these payments
  - Salary supplements included in a UB Foundation payroll check

**Salary Cap**

Limitation imposed by the federal government on the amount of salary that may be charged to federally funded grants or contracts.

**Sponsor Limitation**

Sponsor imposed limitation on the amount of salary that may be charged to sponsored program awards.

**Summer Appointment**

An appointment between the end of one academic year and the beginning of the next academic year, for a maximum of 13 weeks. The time period between academic years is defined annually. Academic appointees may request a summer appointment for effort on a sponsored project. A calendar year appointment cannot also have a summer appointment.

**Summer Salary**

Amount paid to an individual via a summer appointment for their research obligations performed during the summer months; only individuals with an academic or college year appointment may receive summer salary.

Summer salary is calculated based on the IBS of the preceding academic or college year and can only be charged to a sponsored project in proportion to the effort expended on the particular project during the summer months.

**Temporary Salary Increase**

Increase in the base salary for a limited period of time, associated with a temporary increase in assigned duties and responsibilities that are within the scope of duties normally associated with the position.

**Responsibility**

**Deans, Chairs**

- Require faculty and staff to understand the terms of any increases outside of a contractual salary increase, and any changes in the professional obligation of that faculty member.

**Department/Unit Human Resources**

- Prepare the initial appointment letter (documenting the employee’s IBS and professional obligations) for Presidential signature.

**Principal Investigator**

- Determine that all requests for salary support in sponsored projects are based on the individual’s IBS, or in cases where the IBS exceeds the federal salary cap or any other sponsor limitation, the salary cap or limit amount is used instead of the IBS.

**Sponsored Project Services**

- Review and approve proposals (including budgets) requesting funding from external sponsors.

**Contact Information**

Contact	Phone	Email
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## Related Information

### University Links

[Recruitment Exceptions Policy](#)

[Summer and Winter State Appointments](#)

[Summer Research Foundation \(RF\) Appointments](#)

[Vice President for Research and Economic Development – Administer Your Award: Set Up to Close Out](#)

### Forms

[Summer Appointment Certification for Academic Year Faculty](#)

[Summer Salary Calculator for Research Foundation](#)

### Related Links

[National Institutes of Health Grants Policy Statement](#)

[National Institutes of Health Salary Cap Summary](#)

[Office of Management and Budget Circular A-21 – Cost Principles for Educational Institutions](#)

[Research Foundation Cost Sharing Policy](#)

## History

### Revision History

March 2024

Full review. Updated the policy to:

- Add clinical practice income as a component of IBS
- Add a definition for Summer Appointment and Summer Salary
- Remove the provost from having the responsibility to require faculty and staff to understand the terms of salary increases
- Specify that Department/Unit Human Resources has responsibility for preparing the initial appointment letter

## Presidential Approval

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Satish K. Tripathi, President

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Date