# **INSTITUTIONAL BASE SALARY GUIDE FOR SPONSORED AWARDS**

This document outlines the concept of Institutional Base Salary (IBS) and its use in estimating, accumulating, and reporting salary charges to sponsored projects.

## Background

According to the Office of Management and Budget [2 CFR 200.403](https://www.govinfo.gov/app/details/CFR-2014-title2-vol1/CFR-2014-title2-vol1-sec200-403) Uniform Guidance and other applicable federal statutes and regulations, salary and wage charges to sponsored awards are permissible if:

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

Stony Brook University (SBU) must apply this process consistently when proposing, charging and reporting the cost of sponsored research effort, to maintain an auditable internal control of these cost elements.

## Institutional Base Salary *(IBS)*

IBS is the annual salary paid to an individual for performance of all professional obligations required by the individual’s primary SBU appointment. These professional obligations may include research, teaching, administrative functions, and other service activities including payments for clinical services and are identified in the individual’s appointment or reappointment letter.

SBU takes an annual IBS snapshot for the purpose associated with reimbursement of effort on research awards. IBS may not be increased or decreased based on availability of salary support from sponsored agreements or other revenue sources. Faculty with less than full-time appointments can increase their effort.

IBS must be associated with and in proportion to the effort obligated by an individual’s appointment. An externally funded grant or contract administered by the Research Foundation for The SUNY can only be charged for the portion of IBS that reflects actual effort expended on that grant or contract.

## Effort and Salary Rates on Externally Sponsored Research

IBS rate may be calculated based on other logical units as well if required by sponsors.

Example: A staff member with a 12-month annual appointment (2080 hours) earning $36,000 per year would have an IBS Rate = $36,000/2080 = $17.31/hour.

## Summer Salary

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 year and can only be charged to a sponsored project in proportion to the effort expended on the particular project during the summer months.

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

## Salary Cap

If the IBS exceeds the applicable federal salary cap or sponsor-imposed limitation, the salary cap or limit is used to calculate salary costs.

## **Roles and Responsibilities**

Chairs, Deans, Academic Appointment Office, and/or Provost Office:

* Ensure that faculty salary notifications are provided on an annual basis and as changes occur, indicating the approved institutional base salary.
* Retain copies of appointment and salary letters or other notifications for audit purposes.

Principal Investigators (PIs):

* Confirm that all requests and charges for direct faculty salary support and cost sharing commitments for sponsored programs are based on the individual’s correct IBS.

Office of Sponsored Programs (OSP)

* Review and approve proposals (including budgets) for funding from external sponsors. (Please note that salary estimates are projections based on university guidelines, but that actual IBS will be charged if awarded.)
* Answer questions regarding IBS requirements and the correct IBS calculation and administration.

Office of Grants Management (OGM)

* Review sponsored project expenditures, cost sharing and salary cap charges for accuracy.
* Answer questions regarding IBS requirements and the correct IBS calculation and administration.

## Definitions

**Academic Year Appointment** – Service obligation for the academic year not exceeding 10 months.

**Also Receives** – Approved annualized dollar amount (or portion thereof) paid in addition to the base annual salary on a temporary basis, for additional duties that *may* be 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 his/her 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 Appointment faculty, annual salary is the salary paid for the 9-month academic year appointment, which is normally paid out over 10 months. For calendar year faculty, annual salary is the salary paid for the 12-month calendar year period.

**Calendar Year Appointment** – For all employees, it is an annual obligation of services for the full year, 12 months, which can begin on any date.

**Salary Cap** – Federal government limitation of the full-time equivalent salary level that may be charged tofederally funded grants or contracts.

**Temporary Salary Increase**– an increase in the base salary for a limited period, due to increased responsibilities.

## Components of IBS

IBS is paid at the direction and on behalf of SBU by the New York State (NYS) Comptroller and/or by the Research Foundation for The State University of New York (RF), and includes the following components:

* **Regular State Salary -** 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.
* **Location Pay** – additional State salary component collectively bargained for those campus/universities in the NY Metropolitan area, which includes SBU. It is paid bi-weekly along with Regular State Salary for full-time State employees.
* **Salary from Clinical Practice Management Plan** – additional salary component negotiated and is set on an annual basis and is paid by the Clinical Practice Management Plan
* **Temporary Salary Increases** – An increase in base salary for a limited period, associated with a temporary increase in assigned duties and responsibilities.
* **Endowed Supplements –** Supplemental salary paid to endowed chairs and included in the NYS payroll check.

**Exclusions from IBS**

The following salary components are excluded from the IBS:

* Summer salary
* Extra service payments
* UUP State or CPMP lump sums
* Compensation paid by the Veterans’ Administration at Northport
* Compensation from third-party honoraria, publication royalties, and private consulting income in accordance with SBU, SUNY, and RF policies governing such payments.

**Payment of IBS**

IBS must align with the effort associated with an individual’s appointment. Externally funded grants or contracts administered by the RF can only be charged for the IBS portion that corresponds to the actual effort expended on that grant or contract.