



BOISE STATE UNIVERSITY

University Policy 7590

Institutional Base Salary

Effective Date

January 2020

Last Revision Date

October 22, 2021

Responsible Party

Division of Research and Economic Development, Office of Sponsored Programs, (208) 426-4420
Human Resources, (208) 426-1616

Scope and Audience

This policy applies to all benefit-eligible Faculty and Non-Classified/Professional employees.

Additional Authority

- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200 § 200.430) (the “Uniform Guidance”)
 - Federal Acquisition Regulation, 48 CFR § 31.303
 - University Policy 4560 (Workload for Tenured and Tenure-Track Faculty)
 - University Policy 7195 (Supplemental Pay)
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1. Policy Purpose

To meet the mandatory requirements of the U.S. Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2

CFR Part 200 (“Uniform Guidance”) by establishing Boise State University’s (“University”) definition of Institutional Base Salary (“IBS”).

2. Policy Statement

The University compensates all University employees, regardless of fund source, based on IBS. Further: (i) IBS may not be increased as a result of replacing or augmenting University funding with Sponsored Project funds; (ii) salary charges to Sponsored Projects may not exceed applicable Salary Caps; and (iii) IBS shall be the basis of documenting salary cost sharing on Sponsored Projects. This policy ensures mandatory compliance with the requirements of 2 CFR § 200.430(h)(2) from the Uniform Guidance.

3. Definitions

3.1 Administrative Stipend

Payment for performing administrative duties on a temporary basis such as chairing a department or directing a program. An Administrative Stipend is a component of IBS.

3.2 Base Salary Period

Time period during which an employee is under obligation to the University for performing Regular Duties for which an employee is compensated with the employee’s base salary.

3.3 Effort

The amount of time spent on a particular activity, including the time spent working on a Sponsored Project. Individual Effort is expressed as a percentage of the total amount of time devoted to work-related activities.

3.4 Endowed Supplements

Compensation to distinguished faculty to support teaching, research, and service.

3.5 Full Year Period

A twelve-month period generally aligned with the University’s fiscal year. Off-Contract Compensation is not available to University employees with Full Year Period appointments.

3.6 Incentive Compensation

Compensation to University employees pursuant to agreement or an established plan entered into with the University before services are rendered.

3.7 Independent Consulting and Outside Employment

Services provided by University employees outside their official University duties/capacities (e.g., not Regular Duties or Additional Assignments). For this type of work, the University is not a party to any agreement, nor does it administer any related sponsored funding.

3.8 Institutional Base Salary (IBS)

Total compensation paid by the University for the duties associated with an employee's appointment during the Base Salary Period regardless of: (i) fund source; or (ii) whether that employee's time is spent on research, teaching, administration, or service. IBS includes Regular Salary, Administrative Stipends, and Endowed Supplements. IBS excludes Incentive Compensation, Independent Consulting and Outside Employment, Off-Contract Compensation, Supplemental Pay Compensation, Bonuses and awards, honoraria, faculty housing allowances, tuition reimbursements, and all other one-time payments.

3.9 Intra-University Consulting

Consulting within the University that is generally assumed to be undertaken as a University obligation requiring no compensation in addition to IBS. In unusual instances when consultation is across departmental lines or involves a separate, remote or operation, and the work performed by an employee is in addition to the employee's Regular Duties, an employee may be compensated if such Intra-University Consulting arrangements are specifically provided for in the proposal and/or Sponsored Project award or approved in writing by the Sponsor.

3.10 Off-Contract Compensation

Compensation for work performed outside the Base Salary Period (e.g., faculty summer salary) by University employees. Off-Contract Compensation may not be paid at a rate in excess of IBS.

3.11 Regular Duties

Responsibilities and assignments expected of an employee in a workload description or job description.

3.12 Salary Cap

Sponsor limitation on amount of IBS that may be charged to a Sponsored Project.

3.13 Sponsor

An external party (e.g., federal or state government, for-profit or non-profit entities) providing funding for a Sponsored Project.

3.14 Sponsored Project

A grant, contract, cooperative agreement, subgrant, subcontract, consortium agreement, purchase order, or memorandum of understanding that formalizes the transfer of money or property from a Sponsor in exchange for specified activities (e.g., research and development, instruction, public services), and may require specific deliverables such as detailed financial and/or technical reporting by the University. Performance is usually to be accomplished within a specified time frame, with payment subject to revocation. It may include provisions related to intellectual property and publication rights. The University's Office of Sponsored Programs in the Division of Research and Economic and Development is responsible for accepting and administering Sponsored Projects.

3.15 Supplemental Pay Compensation (also referred to as "Extra Service Pay")

Compensation above IBS paid to a University employee when all of the following criteria have been met:

- Services are rendered during the Base Salary Period;
- Rate does not exceed the employee's IBS;
- The compensation is for Additional Assignments; and
- Compensation is made from funds administered through the University payroll system.

4. Workload Assignments

All components of an employee's IBS and employment expectations must be documented and retained in the employee's personnel file.

- a. An employee serving pursuant to an employment contract will have their IBS provided in their employment contract. An employee not serving pursuant to an employment contract will receive written notification for any compensation change, which will include their IBS.
- b. Non-Classified/Professional employee workload obligations are documented in the position's job description.

- c. Faculty workload obligations are documented in the faculty member's initial appointment letter and in their annual workload assignment (see University Policies 4250; 4490; 4560; and 5010). Workload assignment modifications occurring during the Base Salary Period will be made according to college or department-level policy.

5. Sponsored Projects

- a. Sponsored Projects (and cost-sharing on Sponsored Projects) may only be charged for the portion of IBS attributed to actual Effort expended by employees on those projects. When calculating compensation costs for a Sponsored Project proposal or compensation costs to be charged to a Sponsored Project (or documented as cost-sharing), the cost is calculated by multiplying the IBS times the percentage of Effort expended by the employee(s) on the particular Sponsored Project.
- b. If the IBS exceeds an applicable Salary Cap, the Salary Cap is used instead of the IBS to calculate compensation costs. The amount of IBS above the Salary Cap may only be paid using University funding. When preparing proposals for multiple years, future years' IBS is based on estimated compensation increases as appropriate.

6. Responsibilities

6.1 Department Chairs, Deans and/or Provost, and all Other Supervisors

Department Chairs, Deans and/or Provost, and all other supervisors will ensure that all University employees under their direct supervision are made aware of, and understand this policy.

6.2 Human Resources

Human Resources will ensure an initial appointment or offer letter is prepared and a contract, when applicable, which will include employment expectations and the employee's IBS. Such documents will be maintained in the employee's personnel file. Human Resources will also ensure the employee's compensation conforms to University policy.

6.3 Principal Investigator

Principal Investigator's will ensure that all requests for compensation support in a Sponsored Project proposal are based on IBS; or, if the IBS exceeds a Salary Cap, the Salary Cap amount is used instead of the IBS.

6.4 Office of Sponsored Programs

The Office of Sponsored Programs will ensure that all proposals, including those with a budget and invoices requesting funding from Sponsors, are compliant with this policy.

7. Mandatory Compliance

Failure to comply with this policy may result in financial penalties, expenditure disallowances, suspension and debarment from federal awards, and harm to the University's reputation. Failure to accurately propose, charge, and document salaries related to Sponsored Projects may jeopardize future Sponsored Projects and may subject the responsible individual(s) to disciplinary action. Therefore, compliance is mandatory.

Revision History

October 22, 2021