

THE UNIVERSITY OF ALABAMA
Office for Research
Institutional Base Salary for Sponsored Projects

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I. Definition

Institutional Base Salary (IBS) is the compensation paid by the University for an employee’s appointment, whether that individual’s time is spent on research, teaching, administration or other activities. IBS includes an individual’s regular salary (e.g. academic appointment) and salary/stipend from any additional assignment (e.g. chair of a department). The IBS does not include incidental, one-time payments. Also excluded from the IBS is salary paid directly to an individual by an organization outside the University.

II. Policies, Procedures and Sponsor Requirements

If a faculty member has academic, administrative (e.g. department chair stipend) or other non-research responsibilities (including writing new, competitive proposals), less than 100% of the individual’s effort is available to be requested from sponsored projects. The individual’s total IBS must, however, be used to calculate the percentage of effort (or person months) proposed/requested and is used in the calculation of the percentage of effort on the individual’s Effort Certification Report.



Further guidance on the calculation of IBS, percentage of effort and person months for faculty with 9 month appointments is available. Click here for [pdf](#) version or [here](#) for the Excel version.

All salary from sponsored projects is subject to the Effort Reporting Policies and Procedures found at <http://osp.ua.edu/effortreporting.html>, sponsor policies and specific award terms and conditions.

Certain sponsors (e.g. NIH) impose a limit/cap on the rate of salary they will reimburse. An individual's IBS, rather than the capped rate, is used when calculating percentage of effort and the difference between the capped rate and the individual's IBS is accounted for as cost sharing in order for the University to meet the requirements of the Cost Accounting Standards incorporated in Uniform Guidance found at 2 CFR 200.

IBS may not be increased as a result of replacing University salary funds with sponsored projects funds.

III. Other Resources

UA/OSP Budget Procedures for Grants and Contracts:
<http://osp.ua.edu/Budget%20PP%2012716.pdf>

UA/OSP Extra Compensation/Supplemental Pay Policy:
<http://osp.ua.edu/Extra%20Compensation.pdf>

Other UA/OSP Policies and Procedures:
http://osp.ua.edu/policy_procedures.html

Uniform Guidance, 2 CFR 200, http://www.ecfr.gov/cgi-bin/text-idx?SID=a7d869d39ee3ca26e4982979e219a955&mc=true&node=se2.1.200_1430&rgn=div8

OMB Circular A-21, Cost Principles for Educational Institutions:
http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html