

Institutional Base Salary (IBS)

Understanding IBS and Salary Calculations

<p>What is Institutional Base Salary (IBS)?</p>	<p>The Institutional Base Salary Policy defines Institutional Base Salary (IBS) and ensures that we apply that definition consistently to meet Federal requirements for compensation paid from grant funds. The policy defines IBS as:</p> <p><i>Institutional Base Salary (IBS) is the total compensation provided to University personnel for the period of their annual employment contract (typically 9-months or 12-months). IBS includes any administrative supplements such as compensation received as chair of a department but excludes any overload, overtime, or other additional pay and compensation.</i></p> <table border="1" data-bbox="354 573 1568 827"> <tr> <td data-bbox="354 573 959 827"> <p>Included in IBS</p> <ul style="list-style-type: none"> • Academic year appointment salary (instruction, research, service) • Academic year administrative supplements • Academic supplements for endowed professor/chair </td><td data-bbox="959 573 1568 827"> <p>Excluded from IBS</p> <ul style="list-style-type: none"> • Overload teaching • Course development • Compensation earned outside of UNA </td></tr> </table>	<p>Included in IBS</p> <ul style="list-style-type: none"> • Academic year appointment salary (instruction, research, service) • Academic year administrative supplements • Academic supplements for endowed professor/chair 	<p>Excluded from IBS</p> <ul style="list-style-type: none"> • Overload teaching • Course development • Compensation earned outside of UNA
<p>Included in IBS</p> <ul style="list-style-type: none"> • Academic year appointment salary (instruction, research, service) • Academic year administrative supplements • Academic supplements for endowed professor/chair 	<p>Excluded from IBS</p> <ul style="list-style-type: none"> • Overload teaching • Course development • Compensation earned outside of UNA 		
<p>How is IBS Used?</p>	<p>IBS is used to determine a consistent <i>rate of pay</i> for compensation that comes from grant awards. Federal requirements establish that most grant-funded activities be charged to the award at a rate that is proportionate to IBS. This is known as the <i>IBS rate</i>.</p> <p>The IBS rate is the amount charged to a grant award for time and effort from university personnel spent working on that grant-funded project. It is calculated as a proportion of IBS to time expended on grant activities.</p>		
<p>How is IBS Rate Calculated?</p>	<p><i>IBS Rate = IBS divided by the time and effort charged to the grant.</i></p> <p>A common unit for IBS is the <i>person-month</i>. Many grant programs ask for budget estimates that include the salary request in units that are proportionate to 1-month of institutional base salary. To calculate IBS Rate divide Institutional Base Salary by the term of appointment for the individual (9 or 12 months).</p> <p>Example 1: A faculty member on a 9-month faculty appointment earning \$63,000 has an IBS of \$63,000 and an IBS Rate of \$63,000 divided by 9-months = \$7,000/month.</p> <p>Example 2: A faculty member on a 12-month faculty appointment earning \$75,600 has an IBS of \$73,600 and an IBS rate of \$73,600 divided by 12-months = \$6,300/month.</p> <p>IBS rate may be calculated based on other logical units as well.</p> <p>Example 3: 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.</p>		
<p>How is IBS Rate Used?</p>	<p><i>IBS Rate is used to provide consistent budget estimates and to verify charges to grants for salaries are in accordance with Federal regulations.</i> To calculate budget estimates, multiply the IBS Rate by the time worked in equivalent units (commonly hours and months). When payments are made from grant funds, they must be made in proportion to IBS rate and the time worked and certified by the employee and Principal Investigator. Federal regulations allow an exception for teaching activities paid for with grant funds, which may be compensated based on approved course overload and/or summer salary rates.</p>		
<p>Salary Limits</p>	<p><i>UNA policy permits extra compensation from grants so long as charges are proportionate to IBS rate and time worked outside of normal duties.</i> This allows extra compensation during the academic year for 9 and 12-month employees and during the summer for 9-month employees. Total summer compensation from grants and teaching may not exceed 1/3 of IBS for 9-month employees.</p>		