



Ohio Administrative Code Rule 3337-41-05 Institutional base salary.

Effective: December 19, 2019

The version of this rule that includes live linksto associated resources is online at
<https://www.ohio.edu/policy/41-005>

(A) Overview

The purpose of this policy is to establish Ohio universitys definition of "Institutional Base Salary" (IBS) for the purposes of sponsored projects. The federal government requires that recipients of federal funding establish an institutional policy that documents the basis for all budgeting and expensing of salaries on sponsored projects and requires that all such costs be treated consistently regardless of the source of funds.

This policy provides the basis for calculating faculty and staff salaries for allowable activities on proposals and awards in order to ensure compliance with federal regulations. Specific details are provided in office of management and budget (OMB) uniform guidance, 2 CFR part 200- uniform administrative requirements, cost principles, and audit requirements for federal awards, section 200.430, compensation-personal services.

It is Ohio universitys policy that all personnel costs for faculty and staff charged or committed to sponsored projects, whether federally or non-federally funded, be based on an individual's "Institutional Base Salary" (IBS).

(B) Scope of the policy

This policy applies to all sponsored projects and is applicable to all faculty, administrative and classified staff, regardless of source of funds, who request or draw salary support from, or commit effort to, any sponsored project. Adherence to this policy is the responsibility of all Ohio university personnel involved in proposing and administering grants, including principal investigators, department and grant administrators, administrative heads, deans, office of research and sponsored



programs and grants accounting.

(C) Key definitions

(1) Institutional Base Salary (IBS):

IBS is defined as the annual compensation paid by Ohio university for an individual's appointment (academic or calendar year), whether that individual's time is spent on research, instruction, service, administration, or other activities. IBS does not include bonuses, fringe benefits, or one-time payments.

(a) May not be increased as a result of replacing or augmenting university salary funds with sponsor projects funds;

(b) Is established by Ohio university at hire and during the annual reappointment process;

(c) Is comprised of regular salary for teaching, research, and service undertaken during regular academic periods and includes compensation for any secondary appointments such as a fiscal increment provided to department chairs and directors;

(d) IBS generally changes at the beginning of the academic/fiscal year. It can however, change during the year due to many circumstances, included, but not limited to:

(i) The individual receives an increase or decrease in salary as a result of assuming, or relinquishing, specific academic or administrative duties, e.g. serving as a department chair or director;

(ii) The individual receives a merit salary adjustment as part of a university wide adjustment of salaries that occurs during a fiscal year;

(iii) The individual receives a salary increase as a result of a retention or equity adjustment, promotion in rank or position, or change in employment responsibilities; or



(iv) The individuals formal appointment and required professional effort changes from full-time to part-time, from part-time to full-time, or from one required level of part-time effort to another required level of part-time effort.

(2) Exclusions to the IBS:

The IBS does not include compensation for irregular, short term, and voluntary assignments ("Extra Service Pay" as per uniform guidance terminology), such as additional pay, non-instructional overload, instructional overload, and part-time contract pay "for services above and beyond IBS." Additionally, IBS does not include summer salaries ("periods outside the academic year" as per uniform guidance terminology) such as summer research or summer term pay. It does not include bonuses or one-time incentive pay such as housing allowances, stipends, honoraria, or tuition reimbursements. Also excluded from IBS are salaries paid directly by another organization, and income that an individual is permitted to earn outside of Ohio university appointment responsibilities such as intra institutional and external consulting.

(3) Compensation:

Compensation means the salary amount that is established by Ohio university and paid through the Ohio university payroll system.

(4) Academic appointment:

An academic-year appointment is normally for the nine-month period from August sixteenth through May fifteenth of the subsequent year and the institutional base salary is for the instruction, research, service, and administrative duties for that period. Salary under an academic year appointment may be paid over a ten, eleven, or twelve-month period, but that does not affect the nature of the appointment. Note that for some purposes, such as the application of sponsor salary caps and the conversion of institutional base salaries into per pay rates for information purposes, salary based on an academic appointment must be converted into its twenty-four-pay equivalent (usually by dividing by eighteen and then multiplying by twenty-four).

(5) Summer salary:



Summer salary refers to the compensation received for work performed during the months (e.g., May sixteenth through August fifteenth) outside of the academic year appointment. One summer month is equivalent to one-ninth of the nine-month IBS. Summer salary is excluded from IBS.

(6) Calendar year appointment:

A calendar-year appointment is for an individual's instruction, research and service duties for a full twelve-month period. Summer salary is not available to individuals with calendar-year appointments.

(7) Salary cap:

Sponsors may have a salary cap that limits the amount of IBS that establishes the basis for charging salary to their projects. When salary caps apply, the requested salary support is determined by multiplying the proposed level of effort (expressed as a percentage of effort over a period of time) by the maximum salary allowed by the sponsor.

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