

Policy on Institutional Base Salary

The Code of Federal Regulations (CFR) provides guidelines for the use of federal funds to support funded research activities across industries and institutions. The following guidelines were developed in consultation with CFR standards for the use of grant monies at institutions of higher education.

DEFINITIONS:

Institutional Base Salary is defined as:

the individual salary per contract period. For 9-month employees, the Institutional Base Salary covers the 9-months under which the individual is under contract. For 12-month employees, the Institutional Base Salary covers all 12 calendar months.

POLICY STATEMENT:

Institutional Base Salary will be used for calculation of compensation related to grant-related activities. IWU employees with contracts of fewer than 12-months may receive additional compensation via grant funding for work performed outside of the contractual period related to grant activities as defined in the grant proposal and in accordance with federal standards (CFR 200.430). For example, faculty on a 9-month contract may receive summer salary, based on a proportion of institutional base salary, for activities related to grant-funded projects.

Additionally, all employees are eligible for incentive compensation related to grant activities as long as payment is deemed reasonable by the Institution and does not exceed the time and effort required by the employee, is pursuant to an agreement entered into in good faith between the Institution and employee, and is accompanied by appropriate time and effort reporting.

PROCEDURES:

Institutional Base Salary:

Institutional Base Salary will be maintained by the Office of the Associate Provost for faculty and Human Resources for staff.

Compensation related to federal awards

In order to determine compensation for work on federal awards for budget proposal purposes,

- The Principal Investigator, in collaboration with other key personnel and the Director of Grants and Foundation Relations, will estimate the amount of time that will be spent on grant activities in summer months
- The number of summer months (or proportion thereof) that will be devoted to grant activities will be used as a multiplier of Institutional Base Salary to determine the award amount.
- The Principal Investigator, in collaboration with other key personnel and the Director of Grants and Foundation Relations, will determine how much time other key personnel who will serve the grant

objectives will spend on proposed activities. Appropriate compensation will be determined using a similar calculation to that above.

- The Principal Investigator, in collaboration with other key personnel and the Director of Grants and Foundation Relations, will determine how much time other personnel who will serve the grant objectives will spend on proposed activities. Appropriate incentive compensation will be determined considering federal standards (CFR 200.430).

Disbursement of funds

Funds related to compensation for efforts related to grant activities will be released by the Grants and Foundation Relations Office or the Provost's Office when the following criteria are met:

- Funds have been approved for such use by the grant funding agency in the proposed budget of the funded award
- Time and effort reporting has been completed and approved by relevant signatories
 - PI will approve and sign for all “other personnel” and other key personnel
 - Director of Grants and Foundation Relations or the Associate Dean for Scholarly and Creative Work will sign for PI
 - Director of Grants and Foundation Relations; Associate Dean for Scholarly and Creative Work; and the Provost have signatory authority for all grant-related compensation documentation.
 - No individual can verify for their own time and effort report

In order to process payment upon approved time and effort reporting:

- The PI (other key personnel and other personnel) or the Director of Grants and Foundation Relations/Associate Dean for Scholarly and Creative Work will generate a payroll processing request via the Payroll Supplement Form to be submitted to the Business Office
- A copy of the time and effort report will be attached to the payroll processing request for documentation
- The PI; Director of Grants and Foundation Relations; Associate Dean for Scholarly and Creative Work; or the Provost will sign and submit the non-invoice request to HR for approval, maintaining an electronic copy in the Grants and Foundation Relations Office archive.
- HR will approve the request and submit it to the Business Office for payroll processing.
- No individual can sign their own non-invoice payment request