
OFFICE OF RESEARCH
University of New Orleans

Internal Management Directive IMD – 85.006

Effective Date: 8/11/2017

SUBJECT: Institutional Total Salary and Regular Salary Charges on Sponsored Programs

PURPOSE

This IMD defines Institutional total salary (ITS) at the university and the proper usage of the term in estimating, accumulating and reporting salary charges to sponsored programs. It is applicable to all sponsored projects managed by the Office of Research.

DEFINITIONS

Buy-out – is when a sponsor agrees to pay for a portion of an individuals' effort so they can dedicate time to the awarded project.

Cost share – is a portion of the total sponsored program budget that is paid for by the university. Generally, cost share is only approved if it is mandated by the sponsor, and it is subject to the same terms and conditions as the direct sponsor funds.

Course release – is when a faculty member is permitted to have a reduced teaching load under their normal academic year appointment in order to complete a work effort for alternate duties. They are released from a portion of their teaching obligation while still being paid their regular full time salary. Prior approval for course release must be obtained from the department chair and dean.

Additional compensation – is a special form of pay above regular salary. It must be clearly described as additional compensation in the proposal and approved via the award, or approved after the fact in writing on cost reimbursement awards. The hourly rate of pay for additional compensation must be the same hourly rate of pay as ITS salary.

Institutional total salary (ITS) – is the contractual amount of pay provided by the university plus any long term stipends for appointments such as chair, endowed chair/professor, and center/institute director. All stipends must have designated start and end dates. These long-

term stipends are included only while the individual holds that appointment for those additional duties.

Percent effort – is the percent of effort that an individual dedicates to a specific function.

Salary basis - is outlined in the Uniform Guidance Section 200.430, Compensation – personal services.

“Charges for work performed on Federal awards by faculty members during the academic year are allowable at the IBS rate. Except as noted in paragraph (h)(1)(ii) of this section, in no event will charges to Federal awards, irrespective of the basis of computation, exceed the proportionate share of the IBS for that period. This principle applies to all members of faculty at an institution. IBS is defined as the annual compensation paid by an IHE for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE. Unless there is prior approval by the Federal awarding agency, charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member worked on the award.”

Note: IBS in the federal regulations is institutional base salary – the equivalent term at UNO is ITS, or Institutional Total Salary

Sponsors – are entities, including government, industry, private entities or UNO, that provide awards to fund sponsored programs.

Sponsor approval – is required in writing and in advance by the sponsor for all types of salary charges; these charges should be clearly identified in the proposal narrative.

Stipends – are for extra duties that are assigned for an extended period of time but are not permanent increases to academic or fiscal year base salary.

Summer pay – is when a faculty member is paid on a sponsored project in the summer and they are paid at the same rate as their ITS.

Workload – in the University of Louisiana System requires that “each person employed as a full-time instructional faculty member shall be assigned a minimum of 24 semester hours, or its equivalent, of instruction in organized undergraduate classes each academic year.” The System further allows for graduate teaching, administrative duties, research, and other activities as acceptable forms of equivalent effort. For full-time staff at the university, the workload normally consists of forty hours a week; for other groups it is assigned by Human Resources.

Note: All language in this policy is meant to clarify the employment policies outlined by Human Resources and will not change any employment relationship between the university and any of its employees. If you believe any part of this policy contradicts a Human Resource policy, please contact the Office of Research so we can answer your question and/or clarify this written policy.

GENERAL POLICY

ITS is the contractual amount of pay provided by the university plus any long term stipends. These long-term stipends are included only while the individual holds an appointment for those additional duties. The ITS is consistently used for course release, buyout, and summer salary for charges to a sponsored program or cost share.

Sponsor approval is required for salary charges and those charges should be clearly identified in the proposal narrative:

1. Academic salary – some sponsors will not pay academic salary or impose a limit such as the National Institutes of Health (NIH)
2. Fiscal salary – should be clearly identified in the proposal and include a justification; administrative support salary is not usually an allowable expense and a justification of effort must be detailed in the proposal.
3. Summer salary – some sponsors such as the National Science Foundation will only pay for a total of 2 months of salary.
4. Additional compensation – some sponsors will not pay compensation in excess of base salary, but others will with prior written approval. Clearly outlining additional compensation in a proposal that is consequently funded is considered prior written approval.

AUTHORITY

Internal Management Directives, IMDs, are issued in accord with AP-OP-01.1.

POLICY

Institutional Total Salary

ITS will be used to calculate salary charges on sponsored programs and:

- Will be consistently applied across funding sources
- Excludes temporary increases in pay such as:
 - Bonuses
 - Honoraria
 - Short term stipends
 - Additional compensation
 - Other non-recurring, incidental or non- guaranteed salary

- Includes regular salary and a second assignment such as:
 - Chairs of departments are usually appointed for 3 years and receive a stipend for those additional duties.
 - Directors of approved centers and institutes may receive a stipend for a period of time for those additional duties.
 - Endowed Chairs or Endowed Professors may receive a stipend for a period of time for those additional duties.

Proposal requesting salary on sponsored programs

When submitting proposals for sponsored programs, faculty may request a buy-out in order to concentrate their efforts on that award. At the time of the proposal development the faculty member should include this in the narrative and have the department chair approve the proposal.

Approval for buy-out, course release, or other salary is made by the chair and dean of the individual when they sign the UNO routing form. For non-academic units the approval is made when the department head or vice president approve the routing form.

The approval is made on the condition that the salary request will only be granted if the proposal is funded by the sponsor, and the salary was properly budgeted in the proposal.

Post award procedures for buy-out and course release

Once buy-out is budgeted and approved by the sponsor, the award will be charged a percentage of the individual's effort and corresponding fringe benefits. Individuals must certify through the university's time and effort reporting system that the time charged is an accurate and reasonable estimation of time devoted to the sponsored activity.

When course buy-outs are funded by the sponsor, the faculty salary will be charged to the award. Faculty lines normally paid by the general fund will be available for the department to hire an adjunct, or other appropriate personnel, to teach the course according to current Academic Affairs policy. The amount paid to teach the buy-out course must not exceed the salary of the faculty member. Faculty lines used as cost share will have a net zero impact on the departmental budget and will not be available to hire a replacement instructor. Faculty salary not paid for by the general fund and freed up by the course release will follow the budgetary guidelines of their specific funding source and university policy.

Post award procedures for summer salary

Summer salary should be clearly identified as such in the proposal to the sponsor because some sponsors have limits related to summer salary. For instance, the National Science Foundation (NSF) limits support for senior personnel to two months per individual, no matter how many

NSF awards an individual may receive. When an individual is paid on a sponsored project in the summer they are paid at the same rate as their ITS during the academic year.

Calculation Examples: See attached spreadsheet

Responsibilities

Chairs, Directors, Deans, and/or Vice President

1. Establish and maintain records of ITS for each individual under their purview
2. Ensure their records and university payroll system are in harmony
3. Ensure ITS is utilized according to current policy

Principal Investigator

1. Ensures employee supervisor approves salary in proposals
2. Utilizes ITS in proposal and awards for all university employees

Office of Research

1. Reviews and approves proposals (including budgets) requesting funding from external sponsors
2. Reviews and monitors charges to sponsored programs.

Human Resources

1. Develop a system that allows administrators to identify ITS.

Example Spreadsheet

Academic salary	\$ 75,000.00				Academic salary			\$ 75,000.00	
No Stipend					Chair Stipend			\$ 6,000.00	
					Director Stipend			\$ 6,000.00	
					Endowment Stipend			\$ 1,000.00	
					Additional Comp			\$ 1,000.00	Not in ITS
					Institutional Total Salary			\$ 88,000.00	
Fall					Fall				
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		50%		\$ 37,500.00			50%		\$ 44,000.00
Spring					Spring				
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		12.5%	\$ 9,375.00				12.5%	\$ 11,000.00	
		50%		\$ 37,500.00			50%		\$ 44,000.00
Summer salary					Summer salary				
		1 month	\$ 8,333.33				1 month	\$ 9,777.78	
		1 month	\$ 8,333.33				1 month	\$ 9,777.78	
		1 month	\$ 8,333.33				1 month	\$ 9,777.78	
		Max		\$ 25,000.00			Max		\$ 29,333.33
Max Regular Salary				\$ 100,000.00	Max Regular Salary				\$ 117,333.33
No Stipend					With Approved Stipends				