THE UNIVERSITY OF TEXAS AT EL PASO
OFFICE OF RESEARCH AND SPONSORED PROJECT

INSTITUTIONAL BASE SALARY (IBS) POLICY

A. PURPOSE

The purpose of this policy is to establish procedures regarding the treatment of Institutional Base Salary (IBS) limitations and policies as they are defined in the Office of Management and Budget (OMB) 2 CFR Parts 200, Subpart E “Cost Principles for Educational Institutions”, §200.430 (h)

B. POLICY

The policy of the University is:

To be compliant with IBS limitations set forth by sponsoring agencies, when salaries are to be charged in whole or in part to a federally sponsored project, and with University policy regarding cost sharing of all costs not covered by a sponsor.

C. DEFINITIONS

1. Institutional Base Salary (IBS). The total guaranteed annual compensation an individual receives from the University, whether the individual’s time is spent on research, teaching, or other activities. The IBS shall be used to compute salaries charged as reimbursable costs or Cost Sharing on sponsored projects unless sponsored policies further limit salary charges. IBS includes compensation for instruction, public service, research and/or other activities. IBS excludes fringe benefit payments, reimbursed expenses, temporary supplemental compensation for incidental work, income earned outside of duties to the University, and any portion of compensation deemed to be at-risk of not continuing as an institutional base salary.

2. Principal Investigator (PI) and Project Director (PD). The individual who will direct the project and who is designated by the University as responsible for completing it as agreed upon.

3. Contributed Effort. The time contributed by the PI to the project for which he/she not paid from a contract or grant (University expense but not cost shared).

4. Mandatory Cost Sharing. Legally required by the awarding agency as a condition of the award.

5. Voluntary Committed Cost Sharing. Is not required or expected by agency, but when committed in a proposal becomes Cost Sharing.
D. **PERSONS AFFECTED**

This policy applies to all individuals, employed by the University of Texas at El Paso that engage in sponsored activities.

- Administrators from the Office of Research and Sponsored Projects
- Accountants from the Office of Contracts and Grants Accounting
E. PROCEDURE

1. The Office of Research and Sponsored Projects will:
   
   a. Verify IBS’ limitations from agency guidelines at time of proposal preparation
   b. Prepare budget and cost share budget
   c. Ensure that if IBS limitations will mandate cost sharing, all appropriate disclosures, reporting, authorizations and tracking mechanisms are activated

2. The Office of Contracts and Grant Accounting will:

   a. Upon notification of award, generate appropriate account setup in University Accounting system within a reasonable time frame
   b. Upon notification by the Office of Research and Sponsored Projects that a funded project is subject to IBS limitations and therefore mandated cost sharing, ensure that the project is managed in accordance with the University’s Cost Sharing policy

Approved: ___________________________  Date: __________/________/____

Dr. Roberto Osegueda, VPR

Last Amended: 11/18/2019 MD