

# CU Boulder Campus Policy Statements

## Institutional Base Salary and Summer Salary Limitations

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# Purpose



Introduce:

- Institutional Base Salary Policy Statement
- Summer Salary Limitations Policy Statement

Why the statements were needed

Who is affected by the policy statements

Define Institutional Base Salary (IBS) and Summer Salary Limits

How the policy statements are connected

Tools and resources



# | Why ??



OMB Circular A-21 defined administrative requirements and cost principles for federal awards that apply to educational institutions.

A-21 doesn't really define Institutional Base Salary (IBS) per se: States *'academic base salary compensation defining the basis of their salary is used to charge salary amounts.'* This is effectively the academic year appointment.

OMB published the 'Uniform Guidance' (UG) in 2014: *Less prescriptive - recognized broader faculty responsibilities and requires institutions to develop a written policy defining IBS.*

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# Academic Year Base Salary



## Definition:

Sum paid for normal services rendered by tenured and tenure track (TTT) faculty during the AY for their academic appointment. Normal services are defined by workload formulation, including teaching, research or creative work, and service.

For years this was the total basis for CU Boulder's IBS amount  
Now, this is just one part of the total IBS amount

# Institutional Base Salary Policy



Who is affected:

**Only** tenured and tenure track (TTT) faculty are subject to this policy.

Definition:

For CU Boulder, the IBS is defined as salary earned *during the academic year (AY)* for academic, administrative and endowed appointments.

# Institutional Base Salary Policy



## What is included in the IBS?

- TTT AY academic appointment base salary (workload formulation for research, education, service)
- TTT separate and distinct AY administrative and endowed appointments

## What is excluded from the IBS?

- Overload teaching
  - Continuing Ed appointments
  - Monetary awards
  - Compensation earned outside the University
  - Administrative & endowed appointment compensation earned during the summer
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# Institutional Base Salary Policy



## IBS policy defines:

- Appointment earnings included and excluded from IBS
- What appointment earnings can be budgeted and charged to sponsored projects

## Why is this important?

- Defines maximum earnings from all activities in the summer
- Stipulates that only the academic year base salary portion of total IBS can be charged to sponsored projects
  - UG requires that salary charged to sponsored projects be at the rate for similar work expected for that person's appointment
  - HCM clearly differentiates earnings from different appointment types

# Recap:



- UG requires CU to define our IBS and how it's used as the basis for charges
- UG requires that salary charged to sponsored projects be at the rate for similar work expected for that person's appointment
- For CU Boulder the AY academic appointment reflects similar work to be performed on externally funded projects.
- CU Boulder defines the maximum salary that can be proposed and charged to sponsored awards in any given month as  $1/9^{\text{th}}$  of the academic year base salary



# | So --- What's Changed?



- In practice, salary basis to charge sponsored projects has not changed from previous years
  - Academic year base salary is still the basis
- What **HAS** changed is the IBS
  - It now comprehensively captures effort commitments of all appointments
    - AY academic appointment is now only one component

# Summer Salary Limitations Policy



## So why a separate policy?

- Historically: procedures for determining summer pay amounts and expected faculty behavior for summer pay included in one document
- Procedures and payroll guidance can vary from year to year
- Policy requirements and behavior expectations remain constant
- Policy elevates from “guidance” to “requirement” level

# Summer Salary Limitations Policy



## Purpose:

Defines the requirements faculty must adhere to related to summer salary earnings. This policy statement keeps us compliant with the *Uniform Guidance* and with CU Boulder's *Additional Compensation Guidelines for Faculty* (references the 3/9<sup>ths</sup> limit)

- Faculty obligations surrounding summer earnings to the maximum of their IBS
  - CU Boulder is required to establish and consistently apply compensation policies for all TTT faculty
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# Summer Salary Policy Requirements



## Notable Highlights:

- Defines work week as standard 40 hours
    - Any time off creating <40 hours, cannot be charged to sponsored funds
  - Summer Salary Request Form is required only for faculty who teach and do research, or all research
    - Not required for those just teaching
  - Deadline for submitting Request Form = September 30<sup>th</sup>
    - After October, requests will require additional justification & approval
  - Explicitly states summer pay cannot reimburse AY effort, **regardless** of the Fund paying the salary
  - Certification statement on Request Form states: faculty member has read and understands this Policy Statement
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# Connections between the policies



- IBS policy statement defines TTT faculty activities that are included and excluded from the IBS
  - AY appointment base salary is only one component of IBS
- AY appointment base salary defines the rate proposed and charged to sponsored projects
- IBS defines the maximum earnings for all summer activities
- Summer Salary Limits policy defines TTT faculty obligations tied to their summer earnings
- Both policies keep the campus compliant with *Uniform Guidance* and CU Boulder's *Additional Compensation Guidelines for Faculty* (references 3/9<sup>ths</sup> limit)

# Summary



- Why?** Compliance with UG **and** Boulder campus policy on additional compensation for faculty
  - How?** Divided 1 document into 2: Summer Salary Policy and separate Procedures document; Elevated IBS Guidance document to Policy
  - Who?** Tenured and tenure track (TTT) faculty
  - What?** Clear written policy for IBS and Summer Salary Limits  
Clear definition of rates for charging sponsored projects
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# Tools



Policy Statements and Summer Salary Procedural Guidelines links:

IBS Policy Statement:

[https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/policy\\_statement\\_institutional\\_base\\_salary.pdf](https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/policy_statement_institutional_base_salary.pdf)

Summer Salary Limits Policy Statement:

- [https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/policy\\_statement\\_ttt\\_summer\\_salary\\_limits.pdf](https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/policy_statement_ttt_summer_salary_limits.pdf)

Summer Salary Guideilnes/Procedures:

[https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/summer\\_salary\\_procedures.pdf](https://www.colorado.edu/researchinnovation/sites/default/files/attached-files/summer_salary_procedures.pdf)

# THANK YOU



The following units contributed to these policy statements and the summer salary guidelines:

Department of Human Resources (HR) (OIT)

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Office of Faculty Affairs (OFA)

Research and Innovation Office (RIO)

## Questions?

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