



**PROCEDURE FOR INSTITUTIONAL POLICY R-08:
SPONSORED PROGRAMS INSTITUTIONAL BASE SALARY (SPIBS)**

1. POLICY STATEMENT

It is the policy of the West Virginia School of Osteopathic Medicine ("WVSOM" or "Institution") that all salaries charged to sponsored programs must be based on the Sponsored Programs Institutional Base Salary ("SPIBS") defined in this procedure. It applies to all individuals whose salary is charged or with committed effort to sponsored programs. The SPIBS is the baseline against which effort expended by employees in performing work under a Federal award is measured. This procedure is utilized in order to maintain compliance with the Code of Federal Regulations Part 200-Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (The Uniform Guidance, or "UG"), 2 C.F.R. § 200.430, which requires recipients of Federal funding to establish an institutional policy that documents the consistent budgeting and expensing of faculty salaries on sponsored programs.

2. APPLICABILITY

This procedure applies to all employees and contractors of/with the Institution involved in sponsored awards to WVSOM.

3. DEFINITIONS

- 3.1 For purposes of this procedure, the capitalized terms used herein have the meanings assigned to them in Institutional Policy R-08: Sponsored Program Administration and Institutional Policy R-06: Time and Effort Certification.
- 3.2 "Salary Cap" means a sponsor required limit to the amount of SPIBS that can be charged to a sponsored project.

4. SPIBS PROCEDURES

4.1 Documentation of Sponsored Programs Institutional Base Salary: At the time of hire, and when new appointment letters are distributed, the official appointment will describe the specific SPIBS (as the Total projected gross salary). Employees receiving an adjustment in salary due to an annual increment or promotion should receive a letter or notification from the Human Resources Office documenting their new SPIBS and the effective date of change.

4.2 Accounting for SPIBS: To determine the amount of faculty SPIBS *per month* (which is the same whether it is an academic year or summer months) the following formula must be used:

$$\text{Monthly SPIBS} = \text{Annual SPIBS} \div \# \text{ of appointment months}$$

4.3 Charging for SPIBS: When requesting faculty salary support from a sponsor or committing unreimbursed effort on a sponsored project, such as mandatory or voluntary committed Cost Sharing for research, teaching/training or other sponsored activities, the amount of salary requested or effort committed must be based on the individual's SPIBS. Compensation charged to sponsored programs must be based on the SPIBS.

4.4 Minimum effort: A contribution of 0% effort by key personnel is generally not permitted for federal awards. In limited circumstances, it is permissible to submit a proposal without a commitment on behalf of the Principal Investigator/Project Director (PI/PD) or other key personnel. However, actual committed effort is generally implicit in any agreement negotiated with the sponsor. WVSOM's policy is that for any award with no effort specified in the budget for key personnel, a minimum of 1% committed effort by the key personnel will be made and must be reserved as part of the employee's total effort commitment contributing to Sponsored Programs Institutional Base Salary.

- 4.5 Calculating salary cap: When there is a Salary Cap, the requested salary support is determined by multiplying the proposed level of effort by the amount of salary allowed/as restricted under the sponsor's Salary Cap requirements. Salary in excess of a sponsor imposed Salary Cap must be charged to an unrestricted, non-sponsored program account, unless otherwise indicated through prior written approval by the sponsor.
- 4.6 Salary not governed by SPIBS limitations: Non-federally funded Institutional sponsored work may allow for a rate of pay higher than SPIBS, if the sponsor is willing to fund the additional costs. In those instances where a higher rate of pay is acceptable to a sponsor, prior approval is required from the ORSP in consultation with the PI's immediate supervisor and Vice-President in the PI's reporting line.

5. ROLES AND RESPONSIBILITIES

- 5.1 Human Resources shall:
- Ensure that Sponsored Programs Institutional Base Salary documentation is on file and updated as needed; and
 - Retain copies of appointment and salary letters or other notification for audit purposes.
- 5.2 Principal Investigators shall:
- Confirm that all requests and charges for direct faculty salary support and Cost Sharing commitments for sponsored programs are based on the individual's correct SPIBS.
- 5.3 Office of Research and Sponsored Programs (ORSP) shall:
- Review and approve proposals (including budgets) for funding from external sponsors. (Salary estimates are projections based on Institutional guidelines, but that actual SPIBS will be charged); and
 - Answer questions regarding SPIBS requirements.
- 5.4 Office of Business Affairs (OBA) shall:
- Confirm the correct SPIBS calculation and administration;
 - Review sponsored project expenditures, Cost Sharing and Salary Cap charges for accuracy; and
 - Answer questions regarding SPIBS requirements and the correct SPIBS calculation and administration.

6. REFERENCES

- 6.1 WVSOM Institutional Policy R-08: Sponsored Program Administration
- 6.2 WVSOM Institutional Policy R-06: Time and Effort Certification; and Procedure for Institutional Policy R-06: Time and Effort Certification
- 6.3 WVSOM Institutional Policy PE 01: Employees
- 6.4 2 C.F.R. § 200.430

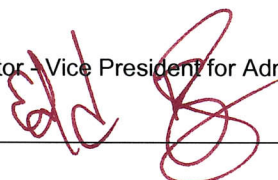
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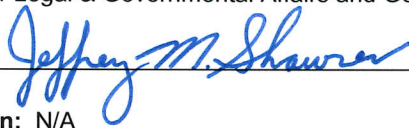
APPROVED BY:

Approving Administrator - Vice President for Administration and External Relations:



Date: 23 Sept 2020

Vice President for Legal & Governmental Affairs and General Counsel:



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