

# MSU Policy on Institutional Base Salary

<b>Subject</b>	Institutional Base Salary
<b>Revised</b>	June 2018, January 2026
<b>Web Link</b>	<a href="https://www.montana.edu/policy/institutional_base_salary/">https://www.montana.edu/policy/institutional_base_salary/</a>
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<b>Responsible Party</b>	Office of Legal Counsel

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## 100.00 Introduction and Purpose

This policy establishes Montana State University's definition of Institutional Base Salary (IBS) to insure compliance with the requirements of [2 CFR 200.430](#).

## 200.00 Definitions and Use of Institutional Base Salary

**110.00** IBS is the annual compensation paid by the University for an employee's appointment, whether the employee's time is spent on research, teaching, service, administration, or other activities. The IBS does not include any additional compensation, as defined in the [Additional Compensation Policy](#), or funds received by employees from non-University sources, such as consulting fees paid to individual faculty members.

**120.00** The Institutional Base Salary [IBS]:

1. Is established by the University in an annual employment contract or by the MUS Staff Compensation Plan for Classified employees.
2. May not be changed during the fiscal year, except under the following limited circumstances:
  - a. the employee's FTE appointment level is changed;
  - b. the employee receives an increase or decrease in salary for assuming, or relinquishing, specific duties for a period expected to last more than six months.
  - c. the employee receives a base adjustment as specified in the MSU's Salary Adjustment Guidelines, or a base salary adjustment as specified in the MUS Compensation Plan for classified employees; or
  - d. the employee receives a salary increase as a result of a promotion in rank or position.
3. May not be increased as a result of replacing University salary funds with sponsored projects funds.

## 300.00 Sponsored Project Salary Support and Effort Reporting

When requesting salary support from a sponsored project or providing effort on a sponsored project in the form of mandatory or voluntary committed cost sharing, the

direct costs for salary and/or the cost of the effort must be based on the employee's IBS. The portion of effort multiplied by the IBS will determine the appropriate amount to request from the sponsor or to be approved by the University if in the form of cost sharing.