

CWRU Policy on the Escalation of Salary in Grant Proposals

Effective Date: January 31, 2026

Applies To: All faculty and staff submitting grant proposals through Case Western Reserve University

1. Purpose

This policy outlines the institutional standards for applying salary escalation (also known as cost-of-living or merit-based increases) in grant proposal budgets. It ensures consistency, compliance with sponsor guidelines, and accurate forecasting of personnel costs over multi-year projects.

2. Scope

This policy applies to all grant proposals submitted by Case Western Reserve University that include salary support for faculty, staff, or other personnel, regardless of the funding agency or mechanism.

3. Policy Statement

- **Standard Escalation Rate:** Unless otherwise specified by the sponsor, Case Western Reserve University recommends applying a standard annual salary escalation rate of **3%** for all personnel in multi-year grant budgets. The following NIH Institutes generally do not allow salary escalation to be included in grant application budgets: NCI, NIA, NEI, & NIAID. For these institutes funds may be re-budgeted without approval to pay for salary increases. When submitting to the NIH review the institute's policy.
- **Sponsor Restrictions:** If a sponsor prohibits or limits salary escalation, the proposal must comply with those specific guidelines. Documentation of such restrictions must be retained with the proposal file.
- **Justification:** All salary escalation assumptions must be clearly justified in the budget justification section of the proposal, including the rationale for the selected rate. Salary increases due to promotion should be justified in the salary justification.
- **Institutional Base Salary (IBS):** Escalation is applied to the IBS in effect at the time of proposal submission. Future increases are projections and do not guarantee actual salary adjustments.
- **Subrecipients:** Subrecipient budgets should reflect their own institutional escalation policies, and documentation should be included in the subaward proposal.

4. Responsibilities

- **Principal Investigators (PIs):** Ensure that salary escalation is applied appropriately and in accordance with sponsor and institutional policies.
- **Department Administrators:** Assist in calculating and documenting salary escalation in proposal budgets.
- **Office of Pre-Award Services and Agreement:** Review proposals for compliance with this policy and sponsor requirements.

5. References

- NIH Grants Policy Statement
- NSF Proposal & Award Policies & Procedures Guide