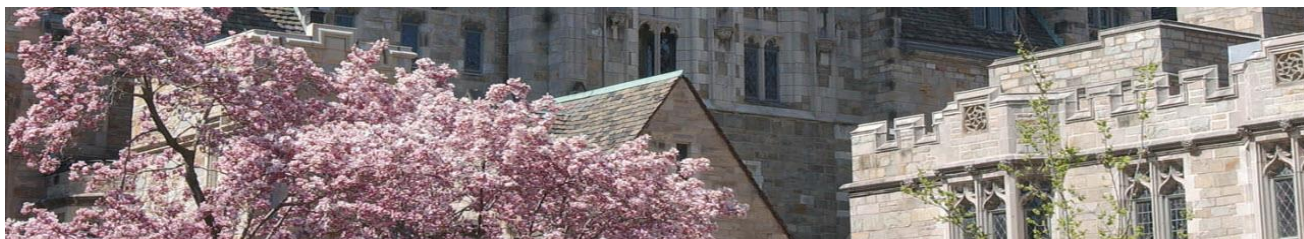


OSP Newsflash



Date: February 18, 2022
TO: Department Business Offices, OSP News & Updates Subscribers
FROM: Amy Ellis, Director, Proposal and Award Management
Office of Sponsored Projects (OSP)
RE: **NIH Salary Cap Increase**

Dear Users of IRES Proposal Development (PD),

On February 17, 2022, the NIH released new guidance regarding the salary cap <https://nexus.od.nih.gov/all/2022/02/17/salary-cap-guidance/> announcing that the Office of Personnel Management released new salary levels for the Executive Pay Scale that became effective January 2, 2022. Grant applicants and contract offerors can use the new salary limitation for Executive Level II of **\$203,700** when preparing grant applications and contract proposals. *The new salary cap applies to awards from the NIH, CDC, AHRQ, SAMHSA, and other DHHS organizations.*

For awards issued in those years that were restricted to Executive Level II, including competing awards already issued in FY2022, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, grantees may re-budget funds to accommodate the current Executive Level II salary cap.

For a historical record of the salary cap, including effective dates, see:
https://grants.nih.gov/grants/policy/salcap_summary.htm

Impact to Existing Proposal Development (PD) Records

IRES PD has been updated with the new DHHS salary cap. The instructions below are applicable to records that are either “In Development” or “In Review”.

If no personnel listed in the budget have salaries in any year over the current cap of \$203,700, then no action is needed.

For proposals that contain at least one individual with an institutional base salary greater than \$203,700, but displayed as \$199,300, please follow these instructions:

Reminders:

- *PD automatically moves salary over the cap into the unallowable category*

- *If the appointment was deleted when building the budget, the DBO will need to verify the IBS (through Workday) to determine if the new cap is applicable*

For proposals with personnel exceeding the salary cap, please update the budget as follows:

1. Navigate to the Budget Tab
2. Click on “Detail” to the left of the individual over the cap
3. Click on the “Appointments” tab
4. Change the base salary to \$203,700
5. Click Save and Close

If you have any problems updating the budget or if you have any questions regarding the salary cap, please contact your OSP Proposal Manager.