The **OSP News & Updates** published by the Office of Sponsored Projects, is a semi-monthly subscription-based newsletter that provides OSP and sponsor updates and reminders, quick facts, guidance and training in all aspects of sponsored projects administration. To subscribe, visit [https://messages.yale.edu/subscribe](https://messages.yale.edu/subscribe).

### 1. Department of Health and Human Services (DHHS) Salary Cap Increases

On March 7, 2018, the NIH issued [NIH Notice Number: NOT-OD-18-137](https://unallowable.com/189600-effective-january-7-2018) announcing that the Executive Level II salary cap previously set at $187,000 is increasing to **$189,600 effective January 7, 2018**. Though the NIH issued a specific announcement addressing the new salary cap, it should be noted that the salary cap applies to awards from the CDC, AHRQ, SAMHSA, and other DHHS organizations.

Please note that the increased salary cap will only apply to new proposals submitted after January 7, 2018. As stated in the March 7, 2018 [NIH Notice Number: NOT-OD-18-136](https://unallowable.com/187000-effective-january-7-2018), NIH operates under a Continuing Resolution through March 23, 2018: “All legislative mandates that were in effect in FY 2017 (see [NIH Notice Number: NOT-OD-17-075](https://unallowable.com/187000-effective-january-7-2018)) remain in effect under this CR, as well as the salary limitation set at Executive Level II of the Federal Pay Scale.” As such, the March 7, 2018 NIH Notice does not permit institutions to implement the new NIH salary cap level ($189,600). Given this guidance, only when creating new proposals should you utilize the new salary cap.

**Impact to Existing Proposal Development (PD) Records**

PD reflects 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 $189,600, then no action is needed.

For proposals that contain at least one individual with an institutional base salary greater than $189,600, but displayed as $187,000, 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, but not displayed at the new level, 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 $189,600
5. Click Save and Close

For proposals with salary at the cap with annual inflation, please follow the instructions below:

1. Navigate to the Budget Tab
2. Click “Detail” to the left of the individual over the cap
3. Click on the “Appointments” tab
4. Change the base salary to $189,600
5. Click on the “Detail” tab
6. Make sure the checkbox at the bottom of the page labeled “Allow defined sponsor cap to be ignored” is checked
7. 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.

---

1 Thank you to all who have contributed to this newsletter. Questions about this newsletter should be directed to osp.communications@yale.edu. To unsubscribe, visit https://messages.yale.edu/subscribe. For archived issues, visit OSP News & Updates archives.