

Guidance on Salary Limitation for Grants and Cooperative Agreements FY 2018

Notice Number: NOT-OD-18-137

Key Dates

Release Date: March 7, 2018

Related Announcements

[NOT-OD-18-124](#)

[NOT-OD-18-120](#)

[NOT-OD-17-124](#)

[NOT-OD-17-086](#)

[NOT-OD-17-087](#)

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National Institutes of Health ([NIH](#))

Purpose

Since 1990, Congress has legislatively mandated a limitation on direct salary for individuals under NIH grant and cooperative agreement awards (referred to here as a grant). The mandate appears in the annual appropriation act that provides authority for NIH to incur obligations for a given Fiscal Year (FY). At this time, NIH has not received a FY 2018 appropriation, and is operating under a Continuing Resolution, the "Continuing Appropriations Act, 2018" ([Public Law No: 115-56](#)), that applies the terms and conditions of the Consolidated Appropriations Act, 2017.

The Consolidated Appropriations Act, 2017, restricts the amount of direct salary to Executive Level II of the Federal Executive pay scale. The Office of Personnel Management has recently released new salary levels for the Executive Pay Scale. Effective January 7, 2018, the salary limitation for Executive Level II is \$189,600.

For awards issued in those years that were restricted to Executive Level II (see [Salary Cap Summary, FY 1990 – FY 2017](#)), including competing awards already issued in FY2018, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, grantees may rebudget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

Once the Department of Health and Human Services Appropriation for FY 2018 is enacted, NIH will publish the annual Notice of legislative mandates to provide information on any statutory provisions that limit the use of NIH grant funds in FY 2018.

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

Inquiries

Questions about specific awards may be directed to the Grants Management Specialist identified on the Notice of Award.

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