How to apply the NIH/HHS Salary Cap and enter it into Kuali Coeus

• The NIH/HHS Salary cap is tied to the Federal Executive Level II salary Level.  

• The Salary cap applies to NIH and to other HHS agencies. It may also apply to other federal agencies, depending upon the annual appropriation language.

• The PHS SF424 R&R application instructions state the following for detailed budget: for base salary, “enter the annual compensation paid by the employer for each key/senior person. This includes all activities such as research, teaching, patient care, or other.” For UMB this translates to Institutional Base Salary (IBS).
• When an investigator’s IBS exceeds the salary cap, you need to calculate the appropriate percent of salary to charge to the grant.

• To do so, first take the Salary Cap multiplied by the true effort, then divide that number by the IBS. This is the % Charged.

**Example:**
Investigator's IBS = $250,000. Effort committed = 25%
0.25 x $183,300 = $45,375
$45,825/$250,000 = .1833

Enter 18.33% under % Charged; enter 25% under % Effort
In Kuali Coeus:

• Salary is pulled into the Base Salary field on the Personnel Tab of the Budget. Verify that it is the appropriate IBS and edit, if needed.

• After the key personnel have been added to your budget in Kuali Coeus, go to the Personnel Detail, choose the person from the dropdown list, choose the object code name, then hit the add button. This opens the fields for entry of % effort and % charged.

• Enter the appropriate % effort for this individual and % charged based on your calculations.

• Click the calculate button for the system to calculate the dollar amounts for salary and fringe.

• NOTE: Kuali Coeus will add inflation as of 7/1 annually, even in Period 1.
Additional Notes:

- The annual inflation increase should be applied as usual.
- Uncheck the "Submit Cost Sharing" box on the Parameters Tab to prevent the over the salary cap cost sharing from populating your proposal upon submission to the sponsor.