NIH Salary Cap Reports
User Guide

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NIH Salary Cap

Since 1990, Congress has legislatively mandated a limitation on direct salary for individuals under NIH awards (referred to here as a *grant*). The amount of direct salary is restricted to the amount of Executive Level II on the Federal Executive pay scale. This amount changes at the beginning of each calendar year. For information on the historical values, please see *NIH Salary Cap Summary.*

The Salary Cap is not imposed on the total number of dollars that can be charged to an NIH grant, but rather, the Salary Cap applies to the monthly pay rate (i.e., the employee's pay proposal) that can be charged to an NIH grant.

At Caltech the amount of salary up to the NIH Salary Cap is charged against the Oracle Award from NIH, while the amount over the NIH Salary Cap must be charged to non-federal funds. The standard process is to create a salary cap companion account with the same Funding Source Award Number as the main Oracle Award. For additional information, please see *NIH Salary Cap FAQs*.

OBI *NIH Salary Cap* Reports Overview

This document details the OBI NIH Salary Cap reports, both the *Campus (PTA Security)* and the *Detail (LD Security)* versions. These reports assist in monitoring special award conditions required for Federal and Federal Flow Through awards. In this documentation, any screenshots of the actual reports will be for the *Campus* version of the report.

There are two significant differences between the *Campus* and the *Detail* versions of the report:

- Type of security applied (for further details please see the section *Data Access*); and
- Amount of data included in the report:
  - *Campus:* Includes only distribution percentages - no salary information.
  - *Detail:* Includes salary cap amount, employee Institutional Base Salary (IBS) salary, and distribution amount.

NOTE: Amounts and percentages for Labor Distribution Adjustment (LDA) entry are specific to the month in which the employee was paid. LDAs **must** be made for the specific Pay Periods noted in the report. Totaling the amounts to transfer over several months and then creating an LDA for a single month will lead to incorrect amounts. This is because an employee's salary or the NIH Salary Cap may be different month-to-month. In addition, the employee's salary is based on the assignment's pay proposal.

Linking NIH Award to Salary Cap Award

NIH Awards (i.e., Oracle Awards with a GL Fund Segment of 17240001 or 17250001) are "linked" to the Salary Cap awards (i.e., Oracle Awards with a GL Fund Segment starting with 4002) by the *Funding Source Award Number* entered in the Award setup. For example, the Funding Source Award Number R01 EY015545B is entered for both NIH.CLINICAL and NIHSAL.CLINICAL awards. If the Funding Source Award Numbers entered in Oracle are not an exact match, then the two awards will not be linked, and thus will not appear in the reports together.

Accessing the Reports

The data within the NIH Salary Cap reports are Labor Distribution data. Therefore, these reports are available in OBI on the *Labor Dist* tab in the *Research Compliance* section.

Caltech

Before running your first Labor Distribution report, please see *LD: Before You Start*.

Reports for Labor Distribution	
LD Standard Report	**Report Description**
LD Query (Export)	Detailed breakdown of payroll transactions and to which PTAs the expenditures were charged. The transactions are grouped by assignment, payroll element, expenditure type, PTA, and pay period.
LD Schedule Lines	Information about the labor distribution schedule lines for each employee.
LD That May Hit Suspense	Provides information about the labor distributions that will hit suspense if a payroll were to be run today.
Research Compliance	**Report Description**
NIH Salary Cap - Campus (PTA Security)	Provides detailed information to assist in the LDA process for compliance with the Salary Cap. This version utilizes PTA-level access. No salary information is included.
NIH Salary Cap - Finance (LD Security)	Provides detailed information, including salary information, to assist in the LDA process for compliance with the Salary Cap. This version utilizes LD access.

Data Access

Access in the data warehouse is handled by IMSS Data Security.

The data access for the report *NIH Salary Cap Campus (PTA Security)* is the same PTA-level security as other reports including *Cost Details (Drill)* and *ITD Summaries*. You will only see data related to PTAs to which you have access. No other data will be returned, regardless of your level of Oracle Labor Distribution access.

The access for the *NIH Salary Cap Detail (LD Security)* utilizes Oracle Labor Distribution security. You will only see data related to the employee assignments to which you have access. No other data will be returned, regardless of your PTA-level of access.

For further information, please see the Quick Guide *Financial Data Access*.

NOTE: Access to Cost Detail and PTA Summary reports is by PTA, while access to the Labor Distribution reports is by HR Assignment. Having compensation-level access to a PTA in the Cost Detail reports does not mean you will have access in the Labor Distribution reports to people paid on that PTA.

Using the NIH Salary Cap Reports

Parameters

Both versions of the report have the same parameters available:

- Payroll (Bi-Weekly or Monthly)
- Pay Period (Limit the values by selecting a *Payroll*)
- Period Start (is greater than or equal to)
- Period End (is less than or equal to)
- Emp Name
- Funding Src Awd #
- Award #
- Award Status

Payroll	--Select Value-- ▼	Period Start >=	[ ] 🗓	Emp Name	--Select Value-- ▼	Award #	--Select Value-- ▼
Pay Period	--Select Value-- ▼	Period End <=	[ ] 🗓	Funding Src Awd #	--Select Value-- ▼	Award Status	--Select Value-- ▼
							Reset ▼

Data Logic

Only employees with a pay proposal that is over the NIH Salary Cap during the month that they were paid will appear on the reports.

The NIH Salary Cap reports summarize Labor Distributions (LD) at:

- Funding Source Award Number (Section)
- Employee Name (Section)
- Pay Period
- Award - Project - Task
- Assignment Number
- Element

NIH Salary Cap Campus (PTA Security)

R03HD042424A	Pauling, Linus								
Pay Period Date Range	**Award #**	**Project #**	**Task #**	**PTA Status**	**Assg #**	**Element**	**Pay Period Dist %**	**Dist % to NIH**	**LDA % to Enter**
05/01/2020-05/31/2020	NIHP.HD042424A	LP.R03HD042424A	1	Active	14242424-10	Monthly	2.30%	2.30%	24.26%

NIH Salary Cap Detail (LD Security)

Pay Period Date Range	Award #	Project #	Task #	PTA Status	Salary Cap	Salary	Assg #	Element	Dist Amt	Pay Period Dist %	Dist % To NIH	Dist Amt to NIH	LDA Dist Amt to Enter	LDA % to Enter
R03HD042424A Pauling, Linus														
05/01/2020-05/31/2020	NIHP.HD042424A	LP.R03HD042424A	1	Active	16,441.67	21,708.33	14242424-10	Monthly	500.00	2.30%	2.30%	378.69	121.31	24.26%

Based on these columns, the NIH Salary Cap reports both include the following distribution percentages:

- *Pay Period Dist %:* The percentage of the employee's total Institutional Base Salary (IBS) for the pay period.

- *Dist % to NIH:* The total distribution percentage to a single NIH funding source award (as determined by the Funding Source Award Number).

- *LDA % to Enter:* The percentage of the original distribution that needs to be corrected for compliance with the applicable NIH salary cap.

In addition, the Detail report version includes the following LD distribution amounts:

- *Dist Amt*: The amount paid to the PTA for the assignment, pay period, element, and PTA.

- *Dist Amt to NIH*: The portion of the distribution that remains on the main award.

- *LDA Dist Amt to Enter*: The amount of the original distribution that needs to be corrected for compliance with the applicable NIH salary cap.

Award Number	Salary Cap Per Month	IBS Per Month	Dist Amt	Pay Period Dist %
NIH Award	16,441.67	21,708.33	500.00	2.30%
SalCap Award	16,441.67	21,708.33	0.00	0.00%
Total Dist Amt	500.00	Sum of Dist Amt		
Dist % to NIH	2.30%	IBS Per Month/Total Dist Amt		
Salary Dist to NIH	378.69	Dist % to NIH * Salary Cap Per Month		
LDA Sal Amt to Enter	121.31	Dist Amt - Salary Dist to NIH		
LDA % to Enter	24.26%	LDA Sal Amt to Enter/Dist Amt		

Correcting Labor Distribution

To correct the salary distributions to the NIH and Salary Cap awards, a Labor Distribution Adjustment must be made. For the following example, we will use the report from the previous section.

Negative Amounts

If the *LDA % to Enter* is negative, then the distribution to the NIH Salary Cap Award for that month is more than is required to meet the NIH Salary Cap.

Enter Search Criteria to Find Distributions

- LDA Begin and End Dates must match the Pay Period in the report; and
- Select Adjust by Element.

In the Find Distributions search form, use the OBI report's *Pay Period Date Range* value for the *Begin Date* and *End Date.* Using search criteria different than that in the report will result in an incorrect adjustment.

Select the Correct Distribution

1. Find the distribution line that needs the adjustment.

R03HD042424A	Pauling, Linus		
Pay Period Date Range	**Award #**	**Project #**	**Task #**
05/01/2020-05/31/2020	NIHP.HD042424A	LP.R03HD042424A	1

2. Select *Adjust by Percent.*

3. Enter the *LDA % to Enter* amount from the report.

Element	Pay Period Dist %	Dist % to NIH	LDA % to Enter
Monthly	2.30%	2.30%	24.26%

4. Enter another line for the % to total to the original PTA (for the full 100%, i.e., 100 – *LDA % to Enter*).

Report Format

Report Listing Tab: Labor Dist

Description: The NIH Salary Cap Reports assist in monitoring special award conditions required for Federal and Federal Flow Through awards.

There are two versions of the report, each utilizing different security models in addition to different levels of data detail:

- NIH Salary Cap Report Campus (PTA Security)

- NIH Salary Cap Report Detail (LD Security)

NIH Salary Cap Campus (PTA Security)

Security: PTA-level security

Parameters/Report Filters:

Report Filter	Details
Payroll	
Pay Period	**TIP:** Select Payroll first to limit the available Pay Periods
Period Start >=	
Period End <=	
Emp Name	
Funding Src Awd #	
Award #	
Award Status	**TIP:** Choose all but *Closed* to include only Active awards

Report Columns:

Column Name	Group	Sort
Funding Source Award Number (Section Header)	Yes	1st
Employee Name (Section Header)	Yes	2nd
Pay Period Date Range (From and To)		3rd
Award # (Salary Cap Award sorts to the bottom)		4th
Project #		5th
Task #		6th
PTA Status		
Assg # (Assignment Number)		
Element (Earning Element)		
Pay Period Dist % (Pay Period Distribution Percentage)		
Dist % to NIH (Distribution Percentage to NIH)		
LDA % to Enter (LDA Percentage to Enter in LDA form)		

NIH Salary Cap Detail (LD Security)

Security: Oracle Labor Distribution security.

Parameters/Report Filters:

Report Filter	Details
Payroll	
Pay Period	**TIP:** Select Payroll first to limit the available Pay Periods
Period Start >=	
Period End <=	
Emp Name	
Funding Src Awd #	
Award #	
Award Status	**TIP:** Choose all but *Closed* to include only Active awards

Report Columns:

Column Name	Group	Sort
Funding Source Award Number (Sub-section Header)	Yes	1st
Employee Name (Section Header)	Yes	2nd
Pay Period Date Range (From and To)		3rd
Award # (Salary Cap Award sorts to the bottom)		3rd
Project #		4th
Task #		5th
PTA Status		
Salary Cap (salary cap at time of expenditure)		
Salary (monthly base salary amount)		
Assg # (Assignment Number)		
Element (Earning Element)		
Dist Amt (Distribution Amount)		
Pay Period Dist % (Pay Period Distribution Percentage)		
Dist % to NIH (Distribution Percentage to NIH main award)		
Dist Amt to NIH (Distribution Amount to NIH main award)		
LDA Dist Amt to Enter (LDA Distribution Amount to Enter in LDA form)		
LDA % to Enter (LDA Percentage to Enter in LDA form)		

Trouble Shooting

The Salary Cap Award Doesn't Appear with the NIH Award

The following are the possible reasons that the Salary Cap and the NIH Awards do not appear on the report:

- The Funding Source Award Number has not been entered correctly in Oracle. If the Funding Source Award Numbers entered in Oracle are not an exact match, then the two awards will not be linked, and thus will not appear in the reports together.

- Campus version: You do not have access to the award. Please see the section on *Data Access* for more information.

- Detail version: You do not have access to the employee's assignment that was paid on the award. Please see the section on *Data Access* for more information.

The LDA % to Enter is a Negative Amount

If the *LDA % to Enter* is a negative amount, then the amount of salary on the NIH Salary Cap award is more than what is needed to meet the NIH Salary Cap requirements. If an LDA is desired to meet the actual amount for the NIH Salary Cap, the percentage calculations on the report will not work. To determine the amount for the LDA, the Detail report must be used in conjunction with an LDA adjusted by Amount, rather than by Percentage.

Award Doesn't Appear on Both Reports

If you run both report versions and an award is on the Detail report, but not on the Campus version, then you do not have access to that PTA. Please see the section on *Data Access* for more information.

Employee Doesn't Appear on Both Reports

If you run both report versions and a person is on your Campus report, but not the Detail version, then you do not have access to that person's assignment. Please see the section on *Data Access* for more information.