

George Mason University
College of Humanities and Social Sciences
Salary Cap Policy

What is a salary cap?

Certain sponsors such as the National Institutes of Health (NIH), the U.S. Department of Justice (DOJ), and other funding agencies impose a limit or “cap” on the annual rate of salary reimbursement for a given amount of effort. These salary limitations constitute voluntary, committed cost sharing. The PI and other key personnel must devote the amount of effort agreed upon in the sponsor approved budget irrespective of a sponsor imposed salary cap or program limitation. All budgets must be reviewed and approved by the Dean’s Office prior to submission to the sponsor.

Policy

When an individual's salary exceeds the salary cap established by the sponsor, the difference between that individual's actual salary and the maximum amount allowed under the cap for that percent of effort must NOT be charged to another Federal or sponsored award. The difference must be charged to a non-sponsored org.

Academic Year - During the academic year, the amount that exceeds the salary cap (“salary cap overage”) will be covered by the College of Humanities and Social Sciences upon approval by the Dean’s Office.

In cases where the faculty member may be seeking one or more course buyouts paid by the sponsor, the grant budget must cover the entire amount needed for the course buyout(s) as stated in CHSS faculty workload policy. For faculty whose salary exceeds the sponsor’s salary cap, course buyouts must be in accordance with CHSS faculty workload policy. Salary cap cost share will count as part of the required course buyout percentage. During the academic year only, the College will pay the amount over the salary cap.

Summer - During the summer, the amount that exceeds the salary cap (“salary cap overage”) will be covered by the Principal Investigator’s discretionary fund (Indirect or Pool Org). Other key personnel who exceed the salary cap amount for summer pay will be responsible for covering their salary cap overage through their own discretionary fund (Indirect or Pool Org).

If the Principal Investigator’s or other key personnel member’s discretionary funds (Indirect/Pool Org) do not have enough funds to cover the salary cap overage, the faculty members’ pay for summer will not exceed the salary cap limit paid by the sponsor.

Related

NIH Policy and Information on Current and Historical Salary Caps

- <https://www.niaid.nih.gov/grants-contracts/salary-cap-stipends>
- <https://grants.nih.gov/grants/guide/notice-files/NOT-OD-19-099.html>

DOJ Limit on Use of Award Funds for Employee Compensation

- <https://ojp.gov/funding/Apply/Resources/Grant-App-Resource-Guide.htm#UseOfAwardFunds>

GMU Implementation of DOJ Salary Cap

- <https://osp.gmu.edu/guidelines-for-charging-faculty-salary-to-sponsored-projects/>

GMU Salary Cap Calculation Templates are available by contacting OSP and/or [CHSS Post-Award](#)