Faculty salaries charged to the above funding sources are subject to the following salary cap for 100 percent effort. Supplementation of DHHS capped salaries may be made only from available non-federal or non-state funding sources.

The current salary cap is set at the Executive Level II ($183,300) for awards issued on or after January 11, 2015:

- The annual rate is $183,300.
- The monthly rate is $15,275.*
- Please note that the above monthly capped rate applies to fiscal year salaries and/or to calculation of additional compensation for academic year appointees paid summer salary at a 1/9th rate.
- If applying the DHHS salary cap to a 9-month academic year salary paid over 12 months (09/12) during the academic year (July-June), please refer to: Funding Agency Salary Caps on the AP website.
- **Note:** If in doubt as to which salary cap applies to a specific DHHS fund source, please contact the Contracts and Grants Officer assigned to your department.

For faculty whose 1/9th, 1/11th, or 1/12th summer additional compensation rate exceeds the appropriate monthly capped rate, and who have available funding to supplement their salaries, prepare the Employee Data Gathering Worksheet as follows:

1. Calculate the difference between the faculty member’s summer additional compensation pay rate and the capped rate ($15,275.00). That difference is the amount of the supplement.
2. Set up a new appointment using Title Code 3998, “Salary Supplementation” for the same dates (See Caution Section below) as the research appointment. This is a “by-agreement” type payment, so enter an “F” in the Fixed/Variable field. The Rate, Pay Schedule, Time and Leave Code should be entered with the values of B-MO-R-N.
3. Using the Daily Time Factors sheet (APP Section 9-51, Appendix V), calculate the amount of each month’s supplement as follows:

   \[ \text{Amount of Differential} \\
   \text{(Additional Compensation Rate Minus Capped Rate--$15,275)} \times \text{Daily Rate Factor} = \text{Amount of Monthly Supplement} \\
   \text{(Number of Days Worked)} \]

4. Set up a separate distribution line for each month of supplemented summer additional compensation. Enter the amount of the supplement in the Pay Period/Rate Amount field. Enter the total of all the “by-agreement” amounts in the Annual Salary field. Since this is a “by-agreement” type of compensation, the Percent Time field is blank. The Description of Service Code is AAC (Addl Smr Comp-Res-Abv Cap).

**Caution:** In order to pay an employee accurately, any salary supplementation appointments must be set up for an entire calendar month. Enter the appropriate Begin Date and End Date for the month on the appointment and distribution lines (e.g., 09/01/15-09/30/15). Enter the exact dates of service in the Comments field of the IDOC (e.g., “For service from 09/01/15-09/22/15”). If partial months are entered on appointment or distribution lines, the Payroll/Personnel System will reduce the proposed “by-agreement” supplement to a lesser amount and the faculty member will not be accurately compensated. (See APP Section 9-52, Appendix I, Exhibit G.)