



Grants Policy Bulletin 2022 Salary Rate Limitation

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Related Bulletin(s): Replaces 2021-02 Salary Cap Limitation; 2021-03 Legislative Mandates in Grants Management FY2021

Issued by: Office of Federal Assistance Management (OFAM)

Purpose

This Grants Policy Bulletin provides information to HRSA staff regarding award recipient salary rate limitations imposed for calendar year 2022.

Background

On December 22, 2021, the President issued [Executive Order 14061 Adjustments of Certain Rates of Pay](#), which raises the salary rate of Senior Executive Service Level II to \$203,700 (formerly \$199,300). The Consolidated Appropriations Act, 2021 (Public Law 116-260) and the Fiscal Year 2022 Further Extending Government Funding Act (P.L. 117-70) limit the amount of direct salary that may be paid to an individual under a Department of Health and Human Services grant, cooperative agreement, or applicable contract to a rate no greater than Executive Level II of the Federal Executive Pay Scale.

As required by the Consolidated Appropriations Act, 2021 (P.L. 116-260), Division H, § 202 and Division A of the Further Extending Government Funding Act, 2022 (P.L. 117-70) : "None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II."

Implementation

Awarded salary levels will be determined using information provided in the application.

HRSA's competing grants, cooperative agreements, or applications that request direct salaries for individuals in excess of the applicable rate of \$203,700 per year (or \$97.93 per hour for full time appointment of 2080 hours per year) will have their budgets adjusted in accordance with the legislative salary limitation. The non-federal entity will be notified of this adjustment, as it will affect the budget in current and future years. No funds will be awarded, committed, or disbursed in excess of the salary rate limitation.

The salary limitation also applies to all subawards and subcontracts.

An individual's institutional base salary is not constrained by the legislative provision for a limitation of salary. The rate limitation simply limits the amount that may be awarded and charged to HRSA awards. For individuals whose salary rates are in excess of Executive Level II, the non-federal entity may pay the excess from non-federal funds.

Resources

- [2022 Executive Level II - Salary Table](#)
- [Consolidated Appropriations Act, 2021](#)
- [Further Extending Government Funding Act, 2022](#)
- [Presidential Executive Order on Adjustments of Certain Rates of Pay](#)

Inquiries

Inquiries regarding this bulletin should be directed to:
Division of Grants Policy and Planning
Email: DGP@HRSA.gov

A similar bulletin will be posted on the HRSA.gov website for award recipients.

Frequently Asked Questions

1. Do award recipients have to raise the salary level for their employees?

No, this is just the salary rate limit a person funded under a grant or cooperative agreement from HRSA is allowed to be paid from federal sources.

2. Does this limit the salary of all award recipients?

No, HRSA award recipients can have a higher salary. The salary rate just limits the amount of salary that can be charged to a HRSA award. Award recipients can pay their staff more than the salary rate, but any portion of the salary over the rate limit must come from nonfederal sources.

3. What governs whether a change is made each year?

Congress and the President choose how much to adjust the Executive Level II pay scale every year in the appropriation acts or through an Executive Order.