

Explaining Miami's cap situation

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It's well known and widely reported that Miami will have about 47 million in cap space this Off Season.

For detailed numbers on all Miami's players, here's a link (ignore Jake Long's cap number; due to the last year of his contract being voided through incentives, it technically won't take effect for another few weeks, but he is not on the roster for next season and does not have a cap number).

Where the confusion lies is with the "minimum" Miami has to spend.

Under the new CBA signed now two years ago, teams, starting this year, will have to spend 89% of the salary cap. However this is a cash minimum, not a cap minimum, meaning Miami's cap number does not need to be 107 million, (89% of the estimated 120 million salary cap).

Before I explain the difference, let me give a quick background on the way the salary cap works for those who aren't familiar. If a team has a salary number of 110 million, it doesn't mean that they spent 110 million that season. Teams will give signing bonus's to players, which is cash paid up front. That signing bonus is then prorated throughout the length of the contract for salary cap purposes. So for example, let's say the Dolphins resigned Randy Starks and the contract was for 5 years and included a signing bonus of 15 million. While Starks would get 15 million up front in cash, that 15 million would be prorated over the 5 years so it would count 3 million per year against the cap. Starks' total cap number would be 3 million plus his 2013 base salary, plus his "likely to be earned" incentives for 2013.

In this same example, while Starks' cap number might be worth 6 million, let's say, for 2013, his cash number would be 18-20 million (depending on what his base salary is) for 2013.

So while Miami's salary cap number as of right now is 78 million (give or take), their cash number is about 58 million. Their cap number can be no more than 120 million, and their cash number can be no less than 107 million. There is no cash maximum, and to my knowledge there is no cap minimum.

So, in cash, Miami needs to spend 49 million this Off Season. Between resigning their own potential free agents and draft picks, Miami will likely spend close to, if not more than that 49 million number. So don't expect Miami to spend big in Free Agency "because they have to spend money" as some are suggesting.