

Office of the Vice President for Research 420 Johnston Hall
101 Pleasant Street S.E.
Minneapolis, MN 55455-0421

612-625-3394
Fax: 612-626-7431

To: University of Minnesota Research Community

From: Tim Mulcahy, Vice President for Research

Date: February 18, 2009 — 12:30pm

Re: Latest Information from NIH on Stimulus Bill

The Senior Research Officers of the AAU universities just completed a teleconference with Raynard S. Kington, Acting Director of the NIH, in which he provided the latest information about funding provided the NIH through the American Recovery Reinvestment Act (ARRA). Although specific details remain to be disclosed, I offer the summary of details shared with the group.

Throughout this memo I have highlighted items of particular note and would specifically direct your attention to Section 4 a-c for a summary of the three categories that will be used to distribute the funds.

1. Purpose of the ARRA allocation to NIH is to:

- a. **Preserve and create jobs**
- b. Contribute to economic recovery
- c. Make short-term investments that will have long-term impact

2. General principles:

- a. No funds will be provided to restore cuts to existing programs or grants. CTSAAs will not be restored to full funding nor will the program expanded from 48 to the original 60 awards
- b. No proportional assignment of funds to any particular priority
- c. **Primary driver of decision-making will be scientific priorities and public health needs**
- d. Funds will be awarded through the typical NIH grant mechanisms
- e. “Forward funding” or delivery of 2 years of funding through a single allocation are not anticipated
- f. The process will be open and transparent
- g. **There will be a requirement for significantly greater (in terms of detail and frequency) reporting, addressing issues like “How many jobs were created or retained as a result of this award?”**

- h. Funds must be obligated within the two-year window; no expectation that carry-over authority will be granted: **“If you can’t spend the money in two years, don’t ask for it.”**
- i. No details about possible cost-shares have are currently available
- j. **Additional details expected “SOON”.**

3. Summary of NIH component of ARRA:

- a. A total of \$10.4 billion is awarded to NIH and available until September 2010
- b. No commitment that any of new funds will result in a change in the NIH base; this is intended as a one-time stimulus.
- c. **\$8.2 billion is committed to scientific priorities**, much of it to grant-related opportunities and mechanisms. Specific distribution as follows:
 - i. \$7.4 billion will be transferred to the Institutes, Centers and the Common Fund
 - ii. \$0.8 billion will be allocated to the Office of the Director
 - iii. \$1.0 billion will be provided for renovations, repairs etc; distribution to be managed by NCR
 - iv. \$0.3 billion available for equipment and instrumentation; distribution to be managed by NCR
 - v. \$0.5 billion available for facilities
 - vi. \$0.4 billion directed to comparative effectiveness research

4. The \$8.2 billion available for research will be distributed in three broad categories:

- a. **R01s already reviewed:** New R01s submitted in FY08 and early FY09 already judged to be of scientific merit on the basis of traditional NIH peer-review and Council secondary review mechanisms which could not be funded because of lack of funds.
 - i. Eligibility and selection will be handled by program; apparently not requiring any re-submission
 - ii. NIH will not simply “go down the list”, but will consider the following:
 - 1. Program will review existing proposals to select those that might reasonably be able to accomplish significant progress on objectives with 2 years of funding
 - 2. There will be specific negotiations to re-define scope of projects selected for possible funding
 - iii. Other mechanisms might be considered later depending on fund availability following the process described above
- b. **Projects to accelerate the tempo of progress on research supported by existing grants:** Funds will be made available through administrative supplements (and possibly other mechanisms) to accelerate high priority areas.

Awards will be organized according to themes (e.g., equipment, training, summer student jobs) according to the priorities of each agency.

- c. **A New Program: NIH Challenge Grants (\$100-200 million estimated)**
 - i. Focus areas will be determined by each Institute or Center based on its priorities
 - ii. Applications will be solicited
 - iii. Process will be designed to minimize burden on applicants
 - iv. Selection will be based on peer review; an expedited review process is under consideration
 - v. Advances must be possible in a 2 year timeframe

More as details emerge.