



## **NIH Institutes will be conservative during FY07 continuing resolution**

With FY07 funding for the National Institutes of Health to be covered through a continuing resolution (CR) until at least February 15, NIH institutes are making FY07 grant-funding decisions within a temporary budget that is frozen at or slightly lower than the FY06 level. Each Institute has wide latitude in managing its grant portfolio, within the bounds of guidance from the Office of the NIH Director, but such guidance has not yet been issued. Ultimately, the most reliable source of information for faculty members with NIH grants is their NIH program officers.

AAU staff has learned the following about how institutes will operate under a continuing resolution:

- Until the FY07 appropriation is finalized, Institutes can't know how far down the pay line they can fund. Therefore, they will tend to make conservative choices so that they have the flexibility to adjust to the FY07 budget once it is known.
- Institutes are able to fund new grants under a continuing resolution.
- It is likely that competing continuation grants (called Type 2s) that have a December start date will begin to be paid this month. Some institutes may already have started paying them, albeit at conservative levels that will be adjusted to the final FY07 appropriation.
- Grants to support new research starts (Type 1s) will be delayed in many institutes until January or later. However, even if there is no final appropriation by January or February, most Institutes will begin to pay Type 1 grants (which face the same pay line challenge described above for Type 2s).
- As was done for FY06, funding for non-competing continuation grants in years two, three or four will be funded at 80 percent of what was promised until the FY07 appropriation is signed into law.
- It is worth recalling that once NIH had its final FY06 appropriation last year, continuation grants received 97.65 percent of what the Notice of Grant Award had promised for FY06.

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