Important Update – NIH Fiscal Policy for Grant Awards and Legislative Mandates in Effect for FY2012

NIH issued two notices on January 20, 2012 outlining important information about FY2012 fiscal policy and legislative mandates. Please take time to review *Notice of Legislative Mandates in Effect for FY2012* (NOT-OD-12-034) and *NIH Fiscal Policy for Grant Awards – FY 2012* (NOT-OD-12-036) in their entirety at the provided links. Highlights from each notice are provided below:

Notice NOT-OD-12-034 includes all mandates in effect for FY2012. Some important changes include:

- **Dissemination of False or Misleading Information** (Section 516(b)) now prohibits dissemination of all false or misleading information (not just scientific).
- **Restriction on Distribution of Sterile Needles** (Section 523) now prohibits all programs from distributing sterile needles or syringes for the hypodermic injection of any illegal drug.
- **Anti-Lobbying** (Section 503) now prohibits the use of “electronic communication” for lobbying and added a prohibition on lobbying for tax increases and for restrictions on any legal consumer product, particularly, the advocacy or promotion of gun control.
- **Salary Limitation** is now based upon the Executive Level II of the Federal Executive Pay Scale for FY2012 awards. G&CAlert (Volume 1, Issue 2) contains more information on implementing this revised mandate.

There is one additional mandate now in effect as follows:

- **Gun Control** - No funds may be used, in whole or in part, to advocate or promote gun control.

Please make sure to review and adhere to the mandates when accepting NIH funding.

Notice NOT-OD-12-036 institutes the following fiscal policies:

- Non-Competing awards will be issued without cost of living/inflationary adjustments for FY2012. Inflationary increases for future year commitments will be discontinued for all competing and non-competing research grant awards issued in FY 2012. In both instances however adjustments for special needs (e.g., equipment and added personnel) will continue to be accommodated.
- FY 2012 awards that have already been issued will be revised to adjust the award level and future year commitments in accordance with the above principles.
- NIH will make efforts to keep the average size of awards constant at FY 2011 levels or lower.
- NIH will continue to support new investigators on R01 equivalent awards at success rates equivalent to that of established investigators submitting new (Type 1) R01 equivalent applications.
- NIH will implement a two percent increase at all stipend levels. Look for a future GCAAlert with additional information.
- NIH salary limitation has been reduced to Executive Level II for FY2012 awards (as mentioned above).

While non-competing awards will be issued without cost of living adjustments, those grants under expanded authority will still have the ability to re-budget without requesting prior approval.

Please feel free to contact your Grant and Contract Financial Administration (GCFA) representative if you have any questions or need additional assistance.