

# NIH GUIDE

# for GRANTS and CONTRACTS

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

No. 21, August 16, 1972

## PUBLICATION, GRANTS FOR RESEARCH PROJECTS -- POLICY STATEMENT

## ANNOUNCEMENT

1. The National Institutes of Health announces the publication of a new policy statement for research grants. The new publication, DHEW (NIH) 72-8, dated July 1, 1972, "Grants for Research Projects, Policy Statement," replaces for NIH research programs the PHS policy statement of the same title (PHS Pub. No. 1301) dated July 1, 1967.
2. The booklet presents a compilation of the salient features of the NIH policies governing administration of grants for research projects. It covers in principle all policy and procedure published in the *GUIDE FOR GRANTS AND CONTRACTS* through No. 20, dated June 8, 1972.
3. Immediate distribution is being made to regular recipients of the *GUIDE*, current principal investigators, and research grant applicants. Grantee institutions maintaining stocks of application kits containing copies of PHS Pub. 1301 should, if they intend to apply for NIH research grants, remove Pub. No. 1301 and request replacement copies of the new publication. They are available upon request to:  
  
Division of Research Grants  
National Institutes of Health  
Westwood Building  
Bethesda, MD 20014.
4. Sufficient copies of PHS Pub. No. 1301 should be retained for reference in administering research projects supported by PHS agencies other than NIH, for background purposes, and as a source of information in connection with audit questions raised on transactions occurring prior to July 1, 1972.

*The GUIDE is published at irregular intervals to provide policy, program, and administrative information to individuals and organizations who need to be kept informed of requirements and changes in grants and contracts programs administered by the National Institutes of Health.*

REBUDGETING OF FUNDS WITHIN NIH GRANTS (NIH 5202)

**PROCEDURE NOTICE**

1. The NIH's policy on rebudgeting of funds within NIH grants was published in *NIH GUIDE FOR GRANTS AND CONTRACTS*, No. 19, May 15, 1972. The policy is effective for all rebudgeting actions which take place on or after July 1, 1972, regardless of the beginning date of the grant budget period involved.
2. NIH recognizes potential problems which could arise concerning active grants whose current budget period spans the effective date of the new rebudgeting policy. Adequate documentation will be necessary to substantiate whether the new or prior rebudgeting policy is applicable to the particular rebudgeting action.
3. PROCEDURE For grants with beginning budget period dates from August 1971 through June 1972 inclusive, the dates of all rebudgeting should be maintained in grantee institution records to avoid possible problems during future audits.

Where the rebudgeting action affects the direct cost base on which indirect costs will be calculated, the grantee institution should explain and give the date and amount of such rebudgeting in the "Remarks" section of the expenditures report (Form HEW-489) to be submitted at the termination of the current budget period. This will provide the NIH with the information essential to assure the grantee institution of the maximum allowable indirect costs to which he is entitled.

INCREMENTALLY FUNDED CONTRACTS

ANNOUNCEMENT

Heretofore, NIH awarded contracts annually for many long-term research projects, whereby an initial award and several subsequent, annual contract extensions were negotiated to fulfill the needs of a total project. During Fiscal Year 1973, NIH bureaus and institutes will be able to utilize, on a selective basis, a form of contract for long-term projects that will provide for periodic funding. This type of contract is one in which the total effort or performance objective (requirement) is described for a multiple-year period, and under which funds are allotted from time to time to cover increments of performance. Such contracts will have mutually agreed upon review points or milestones for periodic assessment by both parties to assure that the contract reflects current needs and attainable results.

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COLLABORATIVE (CONTRACT) PROGRAMS OF THE  
NATIONAL INSTITUTE OF DENTAL RESEARCH -  
NATIONAL CARIES PROGRAM

ANNOUNCEMENT

The request for proposal entitled "Opportunities for Participation in the National Caries Program" mentioned in the June 8 issue of the *GUIDE* has expired and is no longer available for general distribution. Page seventeen of *GUIDE* No. 20 is therefore rescinded.

UNSOLICITED PROPOSALS FOR RESEARCH CONTRACTS

ANNOUNCEMENT

The *NIH GUIDE FOR GRANTS AND CONTRACTS*, No. 18, April 14, 1972, carried a "Procedure Notice" on unsolicited proposals for research contracts. In order to assure understanding of the NIH position on unsolicited proposals, some clarification may be needed.

NIH has established the policy of publishing descriptions of its targeted programs in the *NIH GUIDE*. These descriptions have appeared in a series of *GUIDE* issuances during the last year, and are listed in the cumulative index. As new programs are developed, they will be similarly published.

For the most part, contract proposals are solicited in the targeted areas where work is needed. On occasion, however, an unsolicited proposal which is meritorious and unique or novel in approach, and related to an over-all targeted program, may be the basis for negotiating a contract solely with the originator.

Proponents of unsolicited proposals which do not relate to targeted programs, and originating in institutions eligible for grants, will be advised to prepare grant applications. Unsolicited proposals from institutions ineligible for grants will be reviewed for their relation to targeted programs, and if they do fit such programs, will be handled as described in the April 14, 1972, issuance.

EMPLOYMENT OF VIETNAM VETERANS

ANNOUNCEMENT

*The following memorandum from Elliot Richardson, Secretary, HEW, dated July 31, 1972, is quoted below for the information and guidance of all concerned:*

"To insure that the stated goals of the President's Vietnam Veterans' Program are achieved, it is the government's policy to encourage Federal grantees to provide maximum employment opportunities to those who have served in Vietnam. As an important means of increasing the number of jobs for veterans, HEW grantees are therefore encouraged to list job openings with the United States Employment Service in their area of operations and, whenever possible, to give preference to Vietnam veterans in filling positions.

"The Administration's policy relating to Vietnam veterans has been expressed in various Presidential directives and, insofar as Federal contractors and subcontractors are concerned, the government requires that certain of their job vacancies be listed with the public employment service.

"It is recognized that a substantial portion of HEW appropriated funds is provided to various public and private nonprofit organizations and institutions in the form of grants, loans, guaranteed loans and interest subsidies. Grantees, in turn, use a portion of the funds provided to them to acquire a variety of services or products necessary to help carry out their grant-supported programs. By providing employment information to the State Employment Service in their vicinities, Federal grantees can make a valuable contribution to the well-being of the Vietnam veteran and the nation he has so honorably served.

"In President Nixon's words: 'Each veteran deserves the opportunity to find his place in our economic system.' Therefore, I solicit the voluntary cooperation of all HEW grantees and I am confident that you will lend your wholehearted support to this vital program."

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