

Introduction to the NICHD Budget

June 15, 2022

NICHD Advisory Council Meeting

Alexis Clark, NICHD Budget Officer



Eunice Kennedy Shriver National Institute
of Child Health and Human Development



Outline

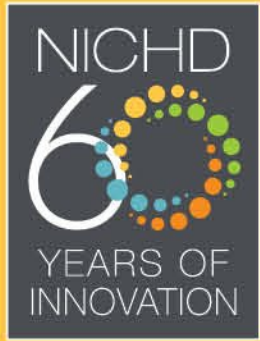
- Federal Budget Process
- Budget at NIH
 - The Mechanism Table
 - Mandated Programs
- Grant Budgets, Allocations and Paylines
 - Research Project Grants (e.g., R01) – Set-Asides and Allocation Estimates
 - Other Mechanisms



Federal Budget Process: Timeline

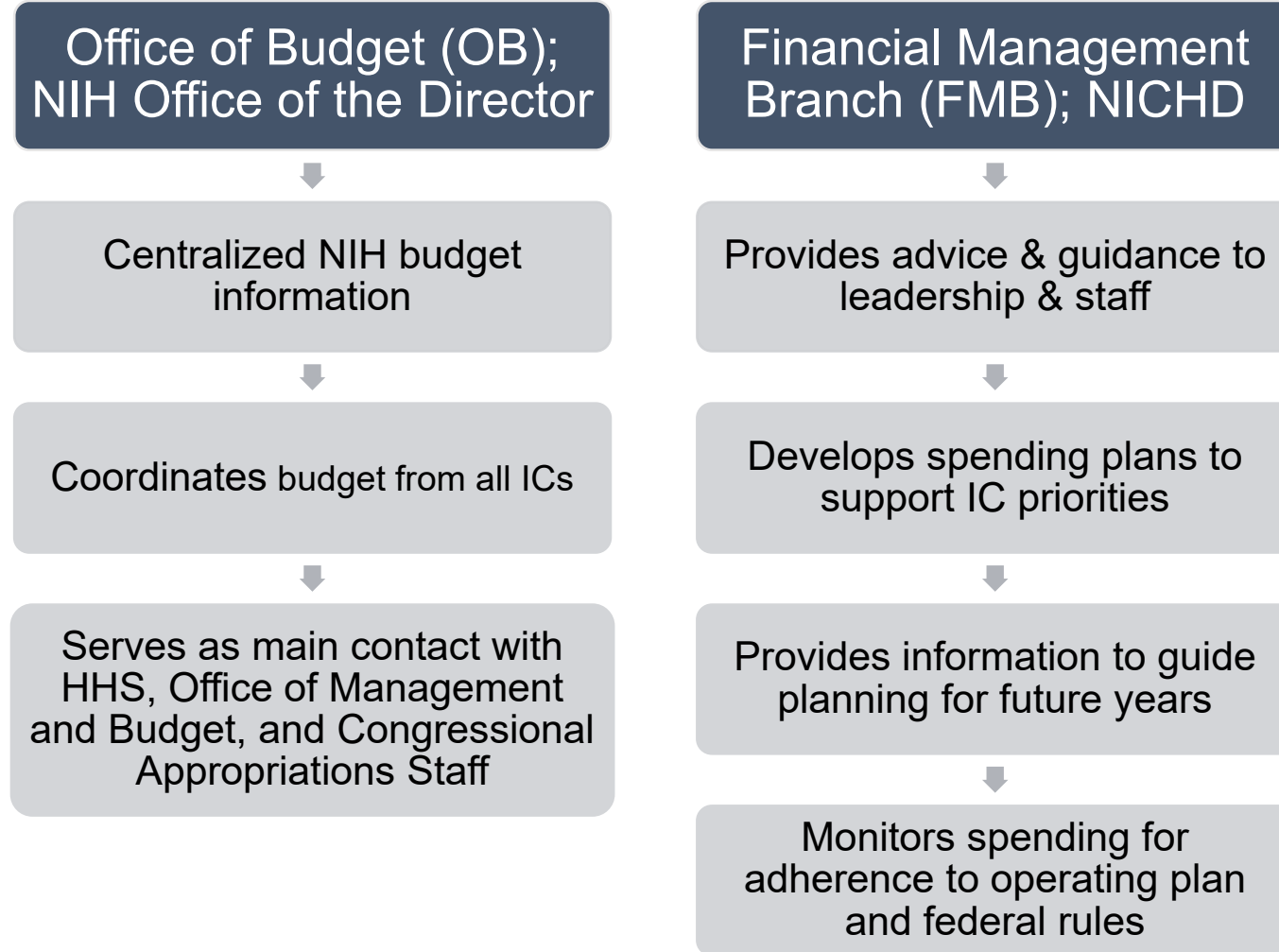
- Agencies begin developing budget requests over 1 year in advance of the beginning of the fiscal year (FY)
 - Work is currently beginning on the FY 24 President's Budget
 - The President's Budget contains proposals to the Congress which may or may not be adopted
- Congressional Justification (CJ) is traditionally sent to Congress on the 1st Monday in February
 - Congress holds appropriation hearings in the spring
 - Committees work in the summer
- Goal is for Congress to appropriate funds by Oct. 1st
- Continuing Resolutions (CRs) occurs when the process is delayed and funds are not appropriated by October 1st





Budget Process at NIH

Budget at NIH



Operating Plan & Mechanism Table

- When ICs receive a full year budget or full year CR the IC must submit an Operating Plan to NIH Office of Budget
 - Each IC submits an Operating Plan and these are reported to OMB and Congress
 - The Operating Plan is based on the programmatic needs of the IC
 - Final spending for a fiscal year is reconciled in comparison to the Plan
- The Operating Plan is also displayed in detail in the form of a Mechanism Table
 - The Mechanism Table accounts for the ways the IC will use the budget (grants, contracts, intramural research, training, administrative costs of the IC)
 - The initial Mechanism Table is developed as a part of the President's Budget and is revised to reflect actual appropriations or changes in the Operating plan by the ICs
 - The Mechanism Table can be updated each quarter and can be used at the end of the fiscal year to reflect actual spending
 - Because the Institutes vary in the way they support science, this allows us to compare budgets across the same categories

Mechanism Table – FY 21 Actuals

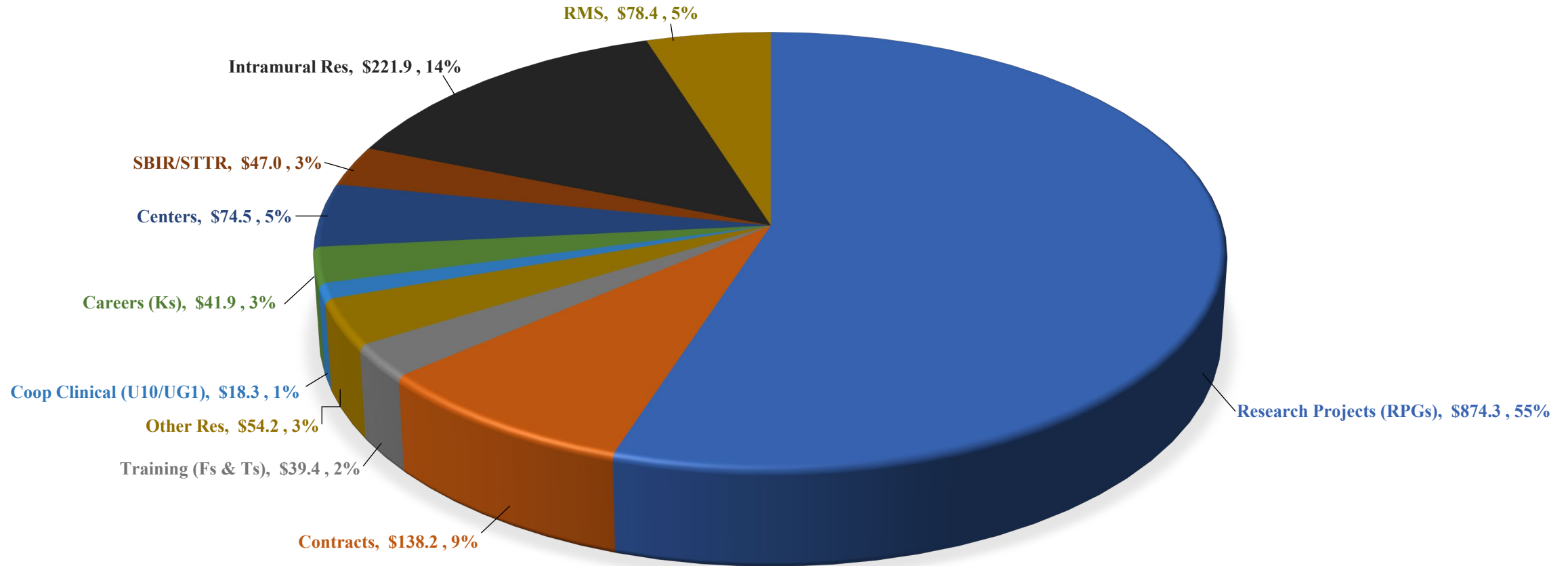
NATIONAL INSTITUTES OF HEALTH
 Eunice Kennedy Shriver National Institute of Child Health and Human Development
(Dollars in Thousands)
Budget Mechanism – Total

MECHANISM	FY 2020 Actuals		FY 21 Actuals	
Research Grants:				
Research Projects:				
Noncompeting	1,317	644,510	1,276	619,082
Administrative supplements	(58)	12,592	(86)	22,273
Competing	472	203,426	509	232,934
Subtotal, PRGs	1,789	860,528	1,785	874,289
SBIR/STTR	80	45,490	69	46,998
Subtotal, RPGs	1,869	906,019	1,854	921,287
<u>Research Centers</u>				
Specialized/comprehensive	49	68,716	47	69,046
Biotechnology	4	5,686	4	4,916
Comparative medicine		513		513
Subtotal, Centers	53	74,915	51	74,476
Other Research:				
Research careers	233	42,321	219	41,903
Cooperative clinical research	49	31,526	36	18,313
Other	129	40,904	111	54,236
Subtotal, Other Research	411	114,751	366	114,452
Total Research Grants	2,333	1,095,685	2,271	1,110,214
Research Training				
Individual awards	257	12,662	290	14,143
Institutional awards	435	24,931	433	25,273
Total, Training	692	37,592	723	39,416
Research & development contracts	127	133,434.30	127	138,187
(SBIR/STTR) non-add	(3)	(482)		(525)
Intramural research	296	215,171	297	221,933
Research management and support	224	74,958	238	78,374
(SBIR/STTR) non-add		(280)		(380)
Total, NICHD		1,556,841		1,588,125

NICHD Budget At A Glance

NICHD Funds by Mechanism FY 2021

(\$ in millions)



Other Considerations

Mandated Programs

- AIDS Funding (FY21, \$147.7M)
- Small Business Innovation Research & Small Business Technology Transfer (FY21, \$46.7M)

Non-Grant Mechanisms

- Personnel (Pay raises, Planned hires, Principal Investigator Recruitment)
- Mandated increases in NIH Assessments (e.g., Cybersecurity, Clinical Center, Rent)
- Renovation costs
- IC Services (e.g., IT, Communications)

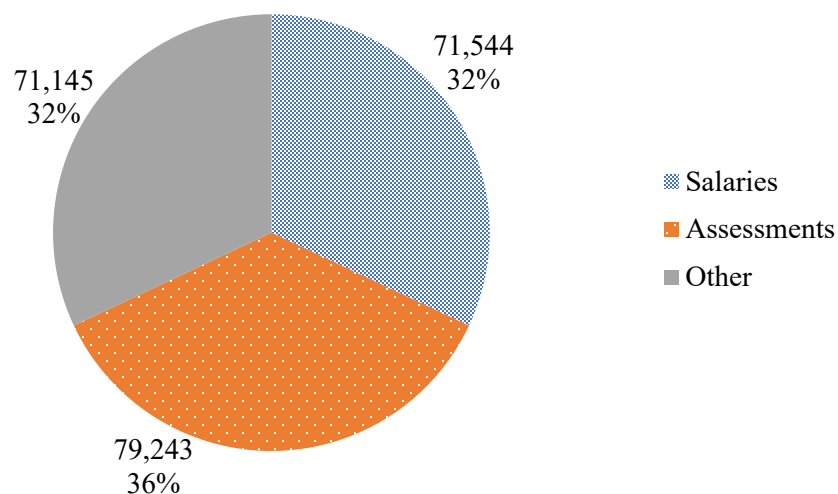
Factors in Flux

- Recissions (Legislative)
- Taps and Assessments (HHS and NIH OD)
- Unexpected needs & emergencies
- New NIH Policies (e.g., training stipends)
- New legislative or policy mandates (e.g., IMPROVE)
- Savings

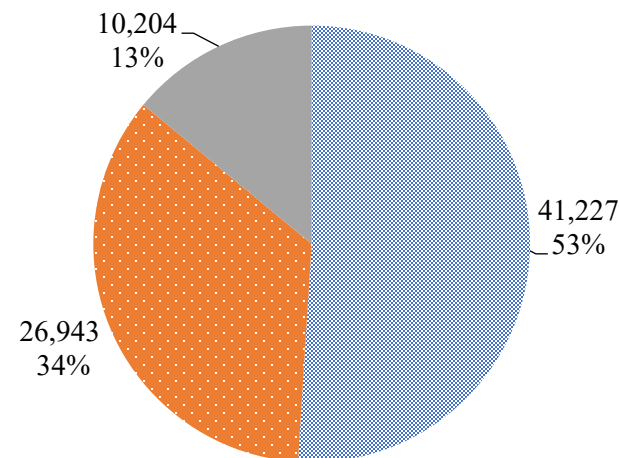


FY2021 Intramural and RMS Budget Snapshots

Intramural Research
(dollars in thousands)

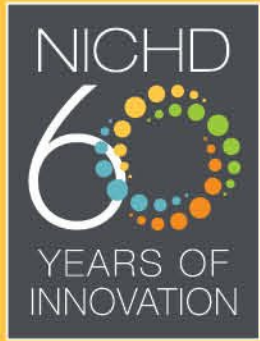


Research Management Support
(dollars in thousands)



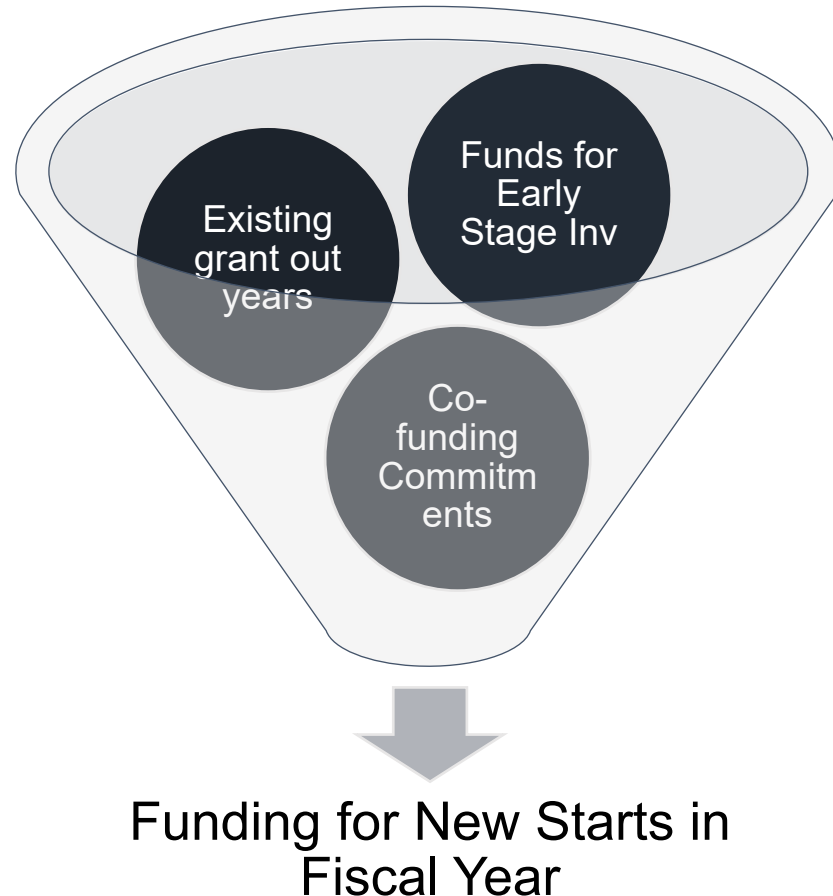
- Intramural Research includes DIPHR operating costs
- Assessments include: Rent, Clinical Center (DIR only), OD, CIT, DHHS, and PSC costs
- Other includes: supplies, equipment, travel, training, printing, miscellaneous contracts (including lab support)





Grant Budgets, Allocations and Paylines

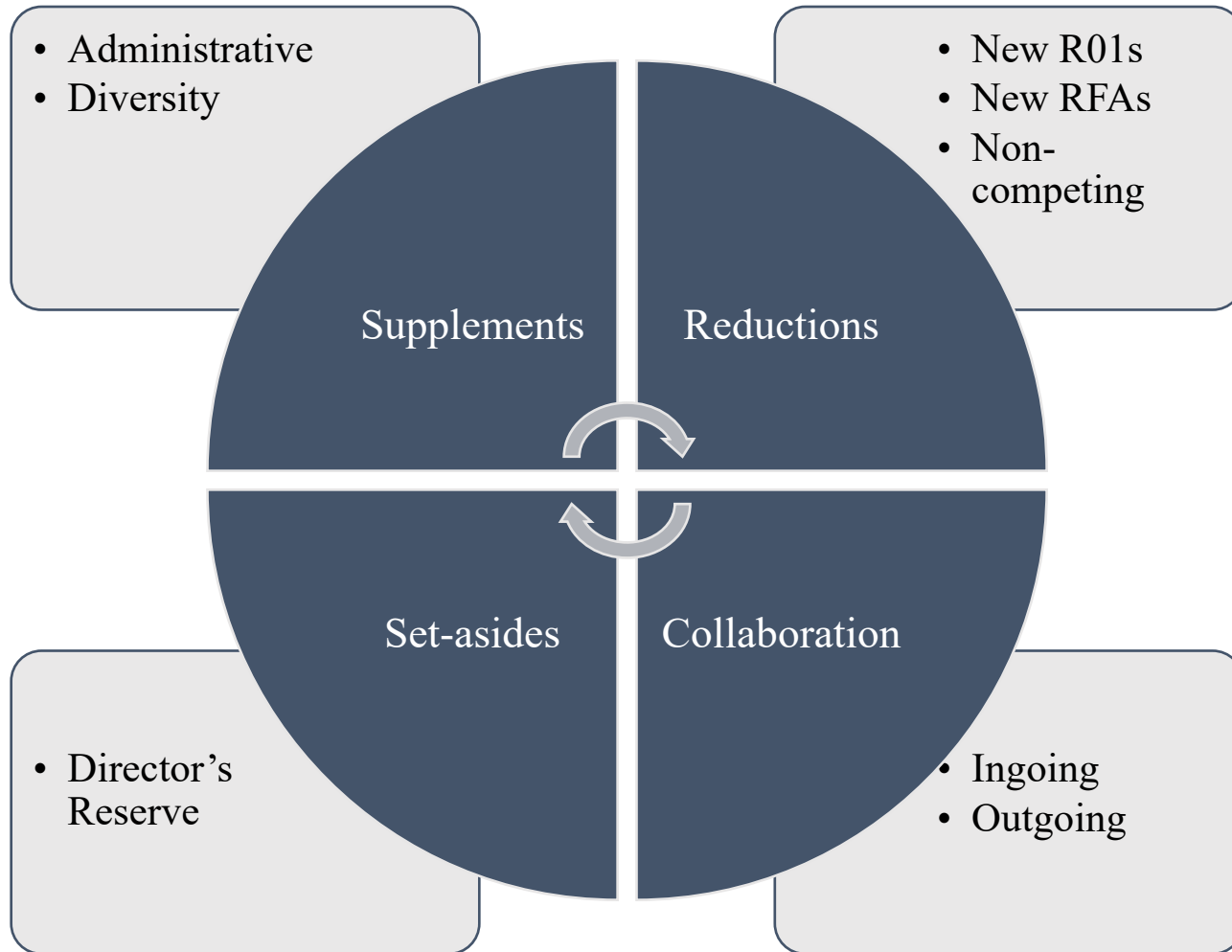
Grant Budgets



- Project grant costs for a year to plan for new starts or funding opportunity announcements
 - Includes special items such as R00s, bridge funding already approved, planned supplements
 - RFA commitment levels for concepts approved by Council
 - Co-funding commitments (e.g., Blueprint for Neuroscience, BRAIN Initiative, Center for AIDS Research)
- Account for funding commitments (NCMRR, 6.5% of Extramural funding; Training mechanisms [T,F,K], 6% of Extramural funding)



Developing RPG allocations

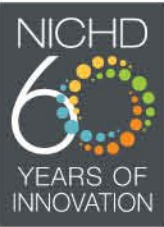


- NICHD Leadership provides guidance on overall levels
- Estimate levels of unobligated balances in existing non-competing grants which may be offset to add to the available funds (savings)
- Set aside funds for taps (e.g., Program & Evaluation, Training)
- Set aside funds for Congressionally mandated programs (e.g., National Academies studies, COVID funds)



Developing RPG allocations (cont.)

Non-AIDS/non-NCMRR grants Only



Council	2019		2020		2021	
	\$ (000s)	%	\$ (000s)	%	\$ (000s)	%
Prev	-	0	104	0.1%	1,228	0.74%
October	47,424	28.7%	43,902	30.0%	47,818	28.87%
January	49,223	29.8%	45,629	31.1%	52,336	31.60%
June	68,725	41.6%	56,847	38.8%	64,225	38.78%
Total	165,372	100.0%	146,482	100.0%	165,607	100.0%

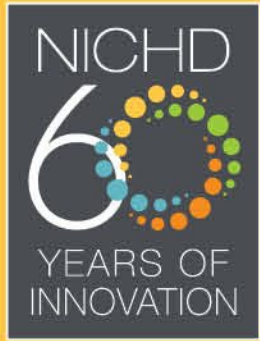
- Using estimate of available funds after all set-asides, examine the historical funding of investigator-initiated grants (3-year average) to determine the % of money spent on each Council round
- Divide funds available using spending pattern
- Review applications at different allocation breaks to assess cost and find determine allocations which can be consistent across Council rounds



Developing Paylines for Other Mechanisms

- Mechanisms other than research project grants require different considerations:
 - Budget reductions for new grants may not be feasible
 - Offsets available are considered (particularly K12s and T32s)
- Training mechanisms (e.g., National Research Scholar Awards or F grants) take into consideration the recommendations of the NICHD Training Committee, NIH-wide stipend increases, and the new Child Care assistance payment
- Program input on a rarely used mechanism is considered
- Availability of funds within the particular mechanism line, after non-competing commitments are accounted for, is the main driving factor





Questions?