

## Achieving NIH’s Mission: Leveraging Funding Policies

**Vision:** A consistent and unified NIH-wide approach for funding the most meritorious science, addressing health priorities, and supporting a robust biomedical workforce

**Purpose:** This framework provides a rubric by which ICO funding strategies are to be developed, implemented, and evaluated to achieve NIH’s goals. All ICDs, in collaboration with their ICO staff, should review this framework and if needed, adjust respective funding policies and pay plan development processes.

**Background:** All ICOs have funding policies to support the mission of NIH to seek fundamental knowledge about the nature and behavior of living systems and the application of that knowledge to enhance health, lengthen life, and reduce illness and disability. Appropriately, ICOs have their own respective, yet complementary, strategic plans to meet their individual ICO missions. It is crucial that there is coordination across ICO strategic plans and resulting funding policies to collectively leverage NIH’s successes for the good of the American public.

**Core Tenets of ICO Funding Policies:** Certain core tenets of funding policies should be consistent to ensure that the NIH mission and health priorities are being achieved. Moving forward, ICO funding policies should:

- Align with NIH’s and the ICO’s stated mission and strategic priorities
- Prioritize scientific merit, program relevance and program balance
- Incorporate the breadth of the ICO’s research portfolio and approaches
- Consider investigator career stage and sustainability of the biomedical research workforce
- Consider the total amount of NIH funding available to the investigator to promote distribution of funding
- Align with the availability of funds from the ICO

Note that while the score and critiques an application receives in peer review are important factors in determining the scientific merit of a proposal, ICOs may not rely on funding “paylines” (i.e., a “cutoff” in peer-review scores that may be funded) in developing their final pay plans<sup>1</sup>. A core function of the ICD and the extramural staff within an IC are to consider peer review outcomes within the context of the ICO’s and NIH’s broader NIH priorities and strategic plans, and to appropriately develop pay plans to fulfill these goals.

Advisory councils perform the second level of peer review for research grant applications and offer advice and recommendations on policy and program development, program implementation, evaluation, and other matters of significance to the mission and goals of the respective ICOs. They should also assist ICOs in identifying cases in which further investment in a particular area or principal investigator is not justifiable relative to competing priorities (e.g., through the Special Council Review of well-funded investigators process; [NOT-OD-22-049](#)).

ICOs should also carefully consider the budget to award for each grant, considering the actual need, opportunity costs, and good stewardship of taxpayer investments, rather than relying solely on the requested budget as approved by peer reviewers. Peer review is just one input in setting award budgets and peer reviewers may have limited information and perspective on an ICO’s competing priorities or other factors when they make their recommendations.

**Implementation:** All ICOs should share their funding policies and financial management plans publicly. In doing so, ICOs should transparently articulate the factors that are considered in funding decisions and state any across-the-board budget policies (e.g., standard budget reductions, caps on number of awards per PI, differences for competing and non-competing awards).

Effective implementation of this policy will also provide a transparent and accountable process for reviewing NIH’s accomplishments. The success of an ICO, an ICD, and ICO staff will be assessed, in part, by the fulfillment of the core tenets of NIH’s unified funding policy approach. ICOs should consider how to appropriately document and communicate their decision-making to this effect.

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<sup>1</sup> <https://www.whitehouse.gov/presidential-actions/2025/08/improving-oversight-of-federal-grantmaking/>