Annual Increments for "Special" Stipends
Funded from NIH Training Grants

1. Background. The DHHS Grants Administration Manual, Chapter 3-140, provides for stipend levels for each of three years of postdoctoral training when paid from DHHS training grants. DHHS does not establish levels for trainee stipends for individuals who have had more than three years of relevant postdoctoral training. This policy statement establishes NIH policy for approval of annual increments for such "special" trainee stipends.

2. Individuals identified as "special" trainees, who receive stipends from NIH training grants and who have had more than three but less than seven years' relevant postdoctoral training, may receive a stipend increase from current training grant funds up to $1,000 in any single 12-month period. This increase in stipend is at the discretion of the program director, without requesting prior NIH approval, provided funds are available in the budget category identified for trainee expenses. Use of other training grant funds for stipendiary increments or for any increase in stipend above $1,000 per year must be approved by the NIH awarding unit.

3. The director of each NIH awarding unit or his delegate will determine those programs to be designated for "special" trainee stipends. When it has been determined that the circumstances of a particular discipline or the location of a training center warrants special consideration, the NIH awarding units will designate the stipends to be paid as "special" and prescribe the stipends and allowances to be paid. Also, when a program director wishes to accept for training an individual for whom none of the established levels of stipends is suitable, the amount to be paid to the trainee as a stipend must be negotiated between the program director and the NIH awarding unit and will be designated as a "special" trainee stipend. Annual increments for such "special" trainee stipends will be in accordance with the above policy.

4. This policy is applicable to all NIH training grant programs except NIH Bureau of Health Professions Education and Manpower Training grants for Residency Programs in Preventive Medicine and Dental Public Health.

References
(1) DHHS Grants Administration Staff Manual, Chapter 3-140, Predoctoral and Postdoctoral Student Support.
(2) Public Health Traineeship Program, Grants for Residency Programs in Preventive Medicine and Dental Health.

Effective Date: May 1, 1970
Change of Grantee Institution

1. Effective May 1, 1970, the policy stated below supersedes, for the NIH, the policy on "Change of Grantee Institution," as shown on pages 13 and 14 of the "Public Health Service Grants for Research Projects, Policy Statement, Revised July 1, 1967."

2. The project in behalf of the same investigator may be supported at the new institution for a period up to the remainder of the previously approved project period in an amount not to exceed that previously recommended for the remaining period provided that (a) the project is no longer supported at the original institution, (b) the new institution submits an application (Form PHS-2590) for support of the project, and (c) the investigator plans no significant changes in research objectives and level of expenditures from those described in the project previously approved.

3. If the investigator wishes to depart from the previously recommended project, or if any condition above is not met, a complete application (Form PHS-398) will be required. This application will be reviewed in the same manner as a new application and will compete for available funds.

4. Investigators transferring to, from, or between foreign institutions must submit a complete application (PHS Form 398), which will be reviewed in the same manner as a new application and will compete for available funds and, where appropriate, must meet the NIH criteria for awarding foreign grants.
Standards for Substantiation of System for Budgeting and Accounting for Salaries Under NIH Grants

POLICY CHANGE

1. The National Institutes of Health has in the past required that decisions regarding "stipulation" of salaries be determined on an institutional basis and that a responsible grantee official sign monthly reviews of appointment and workload distribution forms for professionals.

2. In order to conform with the June 1, 1968, Amendment to BOB Circular A-21, the following change is made in NIH policy:

   Decisions as to whether certain salaries are "stipulated" or "non-stipulated" will be made on an individual basis and determined on a considered judgment as to the contribution which the individual is expected to make to the project.

   Where an appointment and workload distribution system is used for accounting for direct charges for the salaries of professionals, a monthly review will be performed by responsible officials, including the reporting of any significant change in workload distribution of each professional.

References

(1) DHEW Grants Administration Manual, Chapter 1-71, Budgeting and Accounting for Salaries, 12/30/69.
(2) Memorandum dated March 27, 1969, from Associate Director for Extramural Research and Training, NIH, to Heads of Institutions Receiving Grant Support from the National Institutes of Health "Budgeting and Accounting for Salaries under NTH Grants, based on Bureau of the Budget Circular No. A-21, revised June 1, 1968."
Information Requirements and Instructions for Application for Research Grant, Form PHS-398

PROCEDURE NOTICE

1. The following should be substituted for the third paragraph, page 4, of the printed instructions for preparing research grant applications. Revised language and additions are indicated by underscoring.

"DETAILED BUDGET FOR FIRST 12-MONTH PERIOD. Particular attention should be given to the headings 'a) Stipulated Salaries' and 'b) Non-stipulated Salaries.' In addition, in order to avoid any misunderstanding, those salaries to be considered 'stipulated salaries' (if any) should be indicated by inserting the letter 'S' after the salary figure requested.

"Itemize your specific needs for the first budget period as described below. Use continuation pages as necessary for itemization or justification. Include only PHS funds requested without showing the cost sharing contributions of your institution. Do not include any items that are treated by your institution as indirect costs according to the DHEW-DGAP rate negotiation agreement.

"(1) Personnel: List all positions--professional, technical, secretarial, clerical, and others--whether or not salary is requested. Identify each person by name, if known, or by expected qualifications if not yet employed. In the column headed 'hours per week,' give your best estimate of the percent of time or effort on project for each professional (use percent symbol). Indicate hours per week on the project for each nonprofessional. Fringe benefit ... (no further changes)."

2. This notice replaces DHEW-PHS Amendment dated December 16, 1969.

3. At the next printing of the Application for Research Grant (Form PHS-398) both the application form and accompanying instructions will be revised to reflect the above changes.
PROCEDURE NOTICE

Indirect Cost Ceiling on Training Grants

1. The DHEW Grants Administration Staff Manual Chapter 3-80 states the Department policy for reimbursement of indirect costs for training grants. In part, this policy is as follows: "Indirect costs on training grants will be allowed at the lesser of the (grantee) institution's actual indirect costs or 8 percent of total direct cost."

2. In order that all grantees may be made aware of this policy, all award statements for training grants now being prepared at the National Institutes of Health will have the following statement added:

"Indirect cost allowances limited to 8 percent of total allowable direct costs and subject to downward adjustment if actual rate is less."

3. Prior to the date of this notice some training grant award statements have been forwarded to grantee institutions without the above policy statement. In these instances, this notice will serve to inform grantee institutions of the Department policy, which was issued on November 24, 1969, and is applicable to all training grant awards to educational institutions, hospitals, and other non-profit institutions.

Reference

(1) DHEW Grants Administration Staff Manual, Chapter 3-80, Reimbursement of Indirect Costs on Training Grants to Educational Institutions, Hospitals, and Other Non-profit Institutions.
The following amendments to Federal Regulations for Research Grants were published in the Federal Register, Vol. 35 N-64, Thursday, April 2, 1970, pp. 5469-70.

**Title 42—PUBLIC HEALTH**

Chapter I—Public Health Service, Department of Health, Education, and Welfare

**SUBCHAPTER D—GRANTS**

**PART 52—GRANTS FOR RESEARCH PROJECTS**

Miscellaneous Amendments

The following amendments to Part 52 (1) add a paragraph relating to grants for solid waste disposal projects, (2) define the term “principal investigator,” (3) add a new section relating to civil rights, (4) amend § 52.15 by adding an additional ground for termination of awards by the Secretary, (5) add a new section relating to publication and copyright of the results of research projects awarded under Part 52, and (6) make certain other changes described more fully below.

Notice of proposed rule making, public rule making procedures and delay in effective date have been omitted as unnecessary in the issuance of the following amendments which relate solely to grants for research projects. These amendments shall be effective upon date of publication in the Federal Register.

Part 52 of Title 42 CFR is hereby amended as follows:

1. Subpart C of the Table of Contents is amended by renumbering items 52.23 and 52.24 and adding two new items, as follows:

<table>
<thead>
<tr>
<th>Subpart C—Grant Conditions—Obligations of Grantee</th>
</tr>
</thead>
<tbody>
<tr>
<td>52.22 Inventories and discoveries.</td>
</tr>
<tr>
<td>52.23 Publications and copyright.</td>
</tr>
<tr>
<td>52.24 Records, reports, inspections.</td>
</tr>
</tbody>
</table>

**RULES AND REGULATIONS**

Sec. 52.23 Inventions and discoveries. 52.24 Publications and copyright. 52.26 Other conditions.

2. The issuing authority for Part 52 which appears immediately after “52.45 Final Settlement” in the Table of Contents is revised to read as follows:


3. Section 52.2 is amended by adding after paragraph (b) the following new paragraph (c):

§ 52.2 Definitions.

(c) “Principal investigator” means a single individual designated by the grantee in the grant application and approved by the Secretary, who is responsible for the scientific and technical direction of the project.

4. Section 52.10 is revised by amending the citations contained in paragraph (b), deleting paragraph (d) relating to grants for solid waste disposal projects, and making other minor changes, as follows:

§ 52.10 Nature and purpose of research project grant.

A research project grant is the award by the Secretary of funds to an institution, organization or other person, hereinafter called the “grantee,” to assist in meeting the costs of conducting for the benefit of the public health an identified activity or project, hereinafter termed the “project,” that is intended and designed to establish, discover, develop, elucidate or confirm information or the underlying mechanisms relating to:

(a) The cause, diagnosis, treatment, control or prevention of the physical or mental diseases, injuries, or impairments of man as authorized by sections 301, 303 and related provisions of the Public Health Service Act, as amended (42 U.S.C. 241, 242a);

(b) The causes, effects, extent, prevention, and control of water pollution or air pollution as authorized by section 301 of the Public Health Service Act, as amended (42 U.S.C. 241) and section 103 of the Clean Air Act, as amended (42 U.S.C. 1857b); and

(c) The development, utilization, quality, organization and financing of services, facilities and resources of hospitals, facilities for long term care, or other medical facilities (including facilities for the mentally retarded), agencies, institutions or organizations or relating to development of new methods or improvement of existing methods of organization, delivery or financing of health services as authorized by section 304 of the Public Health Service Act, as amended (42 U.S.C. 242b);

(d) The operation, financing, development, and application of new and improved methods of solid waste disposal (including devices and facilities therefor) as authorized under section 204 of the Solid Waste Disposal Act, as amended (42 U.S.C. 3253);

(e) Medical library science and related activities and for the development and/or dissemination of new knowledge, techniques, systems, and equipment for processing, storing, retrieving, and distributing information pertaining to sciences related to health, as authorized by section 364 of the Public Health Service Act (42 U.S.C. 2809-6).

5. Section 52.12 is amended by deleting the words “eligible for” from the first sentence and substituting in lieu thereof the word “desiring”; by deleting the word “adequately” from the second sentence; and by adding the words “the name and qualifications of the principal investigator and” after the words “research project” in the second sentence. As thus amended, § 52.12 shall read as follows:

§ 52.12 Application for grant.

Any person desiring a grant award under § 52.11 may file the application therefor with the Secretary on such forms as he may prescribe. Such application shall set forth the nature, duration, purpose, and plan of the research project, the name and qualifications of the principal investigator and the qualifications of the principal staff members to be responsible for the project, the total facilities and resources that will be available, a justification of the amount of grant funds requested, and such other pertinent information as the Secretary may require. The application shall be executed by an individual authorized to act for the institution or other applicant and to assume on behalf of the applicant the obligations imposed by the terms and conditions of any grant, including the regulations of this part.

6. Paragraph (b) of § 52.15 is revised by adding an additional ground for termination of a research project grant as follows:

§ 52.15 Termination.

(b) Termination by Secretary. Any grant award may be revoked or terminated by the Secretary in whole or in part at any time within the project period whenever in his judgment he determines that the grantee has failed in a material respect to comply with the regulations of this part. The grantee shall be promptly notified in writing of any such determination and given the reasons therefor.

§§ 52.24, 52.26 [Redesignated]

7. Part 52 is amended by renumbering §§ 52.23 and 52.24 as §§ 52.24 and 52.26, respectively.
8. As renumbered pursuant to amendment 7, above, Part 52 is amended by adding after § 52.22 the following new § 52.23 relating to publications of the results of a research project grant awarded under Part 52:

§ 52.23 Publications and copyright.

Except as may otherwise be provided under the terms and conditions of the award, the grantee may copyright without prior approval any publications, films, or similar materials developed or resulting from a research project supported by a grant under this part, subject, however, to a royalty-free, nonexclusive license or right in the Government to reproduce, translate, publish, use, disseminate, and dispose of such materials and to authorize others to do so.

9. As renumbered pursuant to amendment 7, above, Part 52 is amended by adding after § 52.24, the following new § 52.25:

§ 52.25 Nondiscrimination.

Attention is called to the requirements of title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. 2000d et seq.) and in particular section 601 of such act which provides that no person in the United States shall, on account of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Regulations implementing Title VI have been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80) and apply with respect to research project grants awarded under this part.

10. The second sentence of paragraph (a) of former § 52.23, renumbered § 52.24 pursuant to amendment 7, above, is deleted and the following new language substituted in lieu thereof:

§ 52.24 Records, reports, inspections.

(a) * * * Such records shall be retained, as follows:
Suggested substitute for "Supplement" Section

Beginning with Guide No. 6, the former GRANTS POLICY GUIDE was changed to GUIDE FOR GRANTS AND CONTRACTS and reoriented to include policy and information concerning contracts (collaborative) programs as well as grants. At that time, it was determined to use yellow paper stock to make it easy to distinguish contracts-related material from grants items. Simultaneously, a second distribution list was started in order to reach university contractors (principal investigators) and others who might be interested in NIH programs funded by contracts. This list was identified as OEP-2. (Grants administrators, managers, and business officers largely make up OEP-1)

The first guidance on contracts published was a general policy statement (No. 6), which was followed by a series of general program descriptions—all on yellow paper. Following publication of these general descriptions, some of the Institutes began using the GUIDE to publish sources sought and RFP availability announcements.

In April, 1972, announced in Guide No. 18, following a memorandum from Dr. Jacobs in February, authorization was made to Institutes to publish sources sought and RFP announcements (supplements) without routing the announcements through Dr. Jacobs. This was intended to cut the lag time between decision to announce and actual distribution of the announcement.

Please call if you have further questions. Clifford F. Johnson x64777
The following amendments to Federal Regulations for Research Grants were published in the Federal Register, Vol. 35 No. 64, Thursday, April 2, 1970, pp. 5469-70.

Title 42—PUBLIC HEALTH
Chapter I—Public Health Service, Department of Health, Education, and Welfare
SUBCHAPTER D—GRANTS
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3. Section 52.22 is amended by adding after paragraph (b) the following new paragraph (c):

§ 52.22 Definitions.

(c) "Principal investigator" means a single individual designated by the grantee in the grant application and approved by the Secretary, who is responsible for the scientific and technical direction of the project.

4. Section 52.11 is revised by amending the citations contained in paragraph (b), deleting paragraph (d) and substituting a new paragraph (d) relating to grants for solid waste disposal projects, and making other minor changes, as follows:

§ 52.10 Nature and purpose of research project grant.

A research project grant is the award by the Secretary of funds to an institution, organization, or other person, hereinafter called the "grantee," to assist in meeting the costs of conducting for the benefit of the public health an identified activity or program, hereinafter termed the "project," that is intended and designed to establish, discover, develop, elucidate or confirm information on the underlying mechanisms relating to:

(a) The cause, diagnosis, treatment, control or prevention of the physical or mental diseases, injuries, or impairments of man as authorized by sections 301, 303 and related provisions of the Public Health Service Act, as amended (42 U.S.C. 241, 242a);

(b) The causes, effects, extent, prevention, and control of water pollution or air pollution as authorized by section 301 of the Public Health Service Act, as amended (42 U.S.C. 241) and section 103 of the Clean Air Act, as amended (42 U.S.C. 1857b);

(c) The development, utilization, quality, organization and financing of services, facilities and resources of hospitals, facilities for long term care, or other medical facilities (including facilities for the mentally retarded), agencies, institutions or organizations or relating to development of new methods or improvement of existing methods of organization, delivery or financing of health services as authorized by section 304 of the Public Health Service Act, as amended (42 U.S.C. 242b);

(d) The operation, financing, development, and application of new and improved methods of solid waste disposal (including devices and facilities therefor) as authorized under section 204 of the Solid Waste Disposal Act, as amended (42 U.S.C. 3253);

(e) Medical library science and related activities and for the development and/or dissemination of new knowledge, techniques, systems, and equipment for retrieving and distributing information pertaining to sciences related to health, as authorized by section 396 of the Public Health Service Act (42 U.S.C. 280b-6).

5. Section 52.12 is amended by deleting the words "eligible for" from the first sentence and substituting in lieu thereof the word "desiring:" by deleting the word "adequately" from the second sentence; and by adding the words "name and qualifications of the principal investigator and" after the words "research project." as follows:

§ 52.12 Application for grant.

Any person desiring a grant award under § 52.11 may file application therefor with the Secretary on such forms as he may prescribe. Such application shall set forth the nature, duration, purpose, and plan of the research project, the name and qualifications of the principal investigator, and the qualifications of the principal staff members to be responsible for the project, the total facilities and resources that will be available, a justification of the amount of grant funds requested, and such other pertinent information as the Secretary may require. The application shall be executed by an individual authorized to act for the institution or other applicant and to assume on behalf of the applicant the obligations imposed by the terms and conditions of any award, including the regulations of this part.

6. Paragraph (b) of § 52.15 is revised by adding an additional ground for termination of a research project grant as follows:

§ 52.15 Termination.

(b) Termination by Secretary. Any grant award may be revoked or terminated by the Secretary in whole or in part at any time within the project period whenever in his judgment he determines that the grantee has failed in a material respect to comply with the regulations of this part. The grantee shall be promptly notified in writing of any such determination and given the reasons therefor.

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8. As renumbered pursuant to amendment 7, above, Part 52 is amended by adding after § 52.22 the following new § 52.23 relating to publications of the results of a research project grant awarded under Part 52:

§ 52.23 Publications and copyright.

Except as may otherwise be provided under the terms and conditions of the award, the grantee may copyright without prior approval any publications, films, or similar materials developed or resulting from a research project supported by a grant under this part, subject, however, to a royalty-free, nonexclusive license or right in the Government to reproduce, translate, publish, use, disseminate, and dispose of such materials and to authorize others to do so.

9. As renumbered pursuant to amendment 7, above, Part 52 is amended by adding after § 52.24, the following new § 52.25:

§ 52.25 Nondiscrimination.

Attention is called to the requirements of title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. 2000d et seq.) and in particular section 601 of such act which provides that no person in the United States shall, on account of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Regulations implementing title VI have been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80) and apply with respect to research project grants awarded under this part.

10. The second sentence of paragraph (a) of former § 52.23, renumbered § 52.24 pursuant to amendment 7, above, is deleted and the following new language substituted in lieu thereof:

§ 52.24 Records, reports, inspections.

(a) * * * Such records shall be retained, as follows:

(1) Records may be destroyed 3 years after the end of the budget period if audit by or on behalf of the Department of Health, Education, and Welfare has occurred by that time.

(2) If audit by or on behalf of the Department of Health, Education, and Welfare has not occurred by that time, the records must be retained until audit or until 5 years following the end of the budget period, whichever is earlier.

(3) In all cases an overriding requirement exists to retain records until resolution of any audit questions relating to individual grants.

§ 52.23 [Amended]

11. Paragraph (d) of § 52.23 is amended by deleting the citation “Executive Order 11114 of June 22, 1963 (28 F.R. 6485)” contained in the third sentence and inserting in lieu thereof the citation “Executive Order 11246 of September 24, 1965, as amended (30 F.R. 12319).”

(Sec. 215, 58 Stat. 696, as amended, 42 U.S.C. 2000d)


CHARLES C. EDWARDS,
Commissioner of Food and Drugs.

CHARLES C. JOHNSON, Jr.,
Administrator,
Environmental Health Service.

JOSEPH T. ENGLISH,
Administrator, Health Services
and Mental Health Administration.

ROBERT Q. MARSTON,
Director,
National Institutes of Health.

MARY E. SWITZER,
Administrator, Social and
Rehabilitation Service.

Approved: March 26, 1970.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 70-3998; Filed, Apr. 1, 1970; 8:47 a.m.]