

## 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:** Effective the January 2026 Council round, this framework provides the 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 prior to the effective date.

**Background:** All ICOs support NIH's mission to seek fundamental knowledge about the nature and behavior of living systems and to apply that knowledge to enhance health, lengthen life, and reduce illness and disability. While each ICO has its own strategic plan, it is complementary and aligned to the NIH's Strategic Plan. Similarly, NIH is establishing an agency-wide approach for harmonizing ICO 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. All ICO funding policies should:

- Align with the NIH's mission
- Prioritize scientific merit; ICOs should consider peer review information in its entirety
- Integrate a breadth of topics and approaches relevant to the ICO's priorities
- Consider investigator career stage and promote sustainability of the biomedical research workforce
- Promote broad distribution and geographic balance of funding, considering the total amount and type of NIH funding already available to each investigator
- Align with the availability of ICO funds

Peer review continues to be essential for assessing the scientific and technical merit of a proposal. Payline funding decisions use only the [overall impact score](#), without necessarily considering the additional valuable information provided by peer review. As such, ICOs must not rely on funding "paylines" (i.e., a "cutoff" in overall impact scores to determine which applications ICOs would fund) in developing their pay plans.<sup>1</sup> A core function of the ICD and the extramural staff within an IC is to consider peer review outcomes within the context of the ICO's and NIH's 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 recommendations on policy and program development, program implementation, evaluation, and other matters of significance to the mission 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](#)). IC Directors will continue to have the delegated authority to decide what is funded by their ICOs.

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 evaluated by peer reviewers, as peer review is just one input in setting award budgets.

**Implementation:** The NIH website will display this policy, and 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 investigator, 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, to NIH leadership and the public, their decision-making to this effect.

---

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