Memo

To: UPCI Researchers
From: Maryann Donovan, MPH, PhD
Date: August 20, 2008
Re: Change in Allowable Requested Budget Levels of Renewal (Type 2) R01, U01, and P01 Applications for the National Cancer Institute


Summary: In most cases, direct costs requested for renewal R01, U01, and P01 applications cannot exceed an increase of 10% over the direct costs in the last year of the prior project period.

Since Fiscal Year 2001, the NCI has had a policy that limits (to 20%) the increase in first-year direct costs that may be requested in any Type 2 R01, U01, or P01 renewal application (formerly called “competing continuation” application) over the award amount in the last year of the prior project period (i.e., over the last Type 5 award). In order to more closely align budgets proposed in renewal applications with actual funding levels, the NCI is revising this direct cost “cap” policy.

For all Type 2 R01, U01, and P01 renewal applications, regardless of the amount of budget request or budget format (modular or non-modular), the direct cost budget request for the first year cannot generally exceed an increase of 10% over the direct cost budget awarded for the last year of the prior project period (the last Type 5 award). This change is effective for renewal applications that have receipt/submission dates on and after October 1, 2008.

In certain justifiable situations (assessed on a case by case basis), the NCI may allow applicants to use an alternate way to calculate permissible direct costs. Cases which may qualify include renewals of projects in which the last Type 5 award was substantially lower than awards made in preceding years, projects which require variable budget allocations for one or more years, and projects with a currently active supplemental award.

All Investigators planning submission of renewal applications that may be affected by this policy are urged and applicants interested in using the alternate method to calculate permissible direct costs are required to consult with their current NCI Program Directors (Program Officials) and Grants Management Specialists listed on the current Notices of Award. These individuals should be contacted as early as possible (at least 30 days prior the intended application submission is recommended) to discuss the available options and maximum budgets that would be permissible for the renewal of specific current awards.