Department of Surgery Policy regarding spending authority over institutional allowance on NIH F32 and T32 training grants.

August 2011

**Background:**

There are two types of fellowships awarded by NIH under their National Research Service Award (NRSA) program:

- T32 is an institutional training award which has a Principal Investigator and the award is allocated a certain number of “no-name” trainee slots which are subject to recruitment and selection. Each year of the T32 award there is an institutional allowance of $7850 per trainee.

- F32 fellowships are individual NRSA awards which were won through a competitive process by an individual trainee applicant. Whereas, the F32 awards also come with $7850 of institutional allowance, this fellowship is different in having a named fellow who is the direct recipient of the award.

**Appropriate use of the institutional allowance:**

The current NIH allocation of $7850 per trainee, whether on a T32 or F32 funding mechanism is provided by NIH to “the institution” as a direct cost that recognizes that the institution has a cost burden associated with the sponsoring of each trainee, including administrative costs due to the high administrative burden required to maintain training awards. This allocation is intended to first cover the cost of health insurance and then to help defray other expenses for the individual fellow such as research supplies, equipment, and travel to scientific meetings as allowed by NIH policy.

*Health insurance is #1 priority:* Since it is mandatory that all trainees are provided with health insurance and that is not covered by the stipend portion of the T32 or F32 award, the health insurance cost for each trainee that is owed by Department of Surgery is first priority for charging against the institutional allowance, consistent with the intentions of the agency providing the funds. For T32 awards, the cost of “self-only” insurance is maximum allowable charge to the award, whereas dependent coverage can be charged to an F32 award.

*Residual after health insurance may be spent by the faculty on supplies and services for their research*

*Who is in charge of deciding how the residual of institutional allowance, after health insurance is spent?*

While technically the entire institutional allowance is available to the department, as noted above, historically the Department of Surgery has made available to the trainees the remaining institutional allowance, after deducting health insurance costs, for their research project-related travel, supplies and services expenses. For T32 awards this amount is allocated evenly among the fellows and on F32 awards the named fellow can spend at his/her discretion for costs associated with their research program.