

GAO Highlights

Highlights of [GAO-25-107362](#), a report to congressional requesters

Why GAO Did This Study

NIH is the largest public funder of biomedical research in the U.S. According to NIH, more than 80 percent of its budget funds extramural research on a broad range of health-related topics. NIH grants management staff and program officers are the primary staff for ensuring that award recipients follow requirements.

GAO was asked to review NIH's policies and procedures for overseeing extramural research funding. This report focuses on grants and cooperative agreements and, among other things, (1) describes trends in NIH extramural funding and oversight staffing from FY 2014 through 2023, (2) assesses the extent to which NIH policies ensure appropriate use of these funds, and (3) assesses NIH's policies and procedures for limiting carryover of unused funds in extramural awards.

GAO reviewed agency policies, documents, and data through FY 2023 and performed checks on NIH monitoring data. GAO also interviewed federal officials, including officials from four NIH institutes, which GAO selected based on factors such as funding, staffing, and mission.

What GAO Recommends

GAO is recommending that NIH (1) identify and address the factors contributing to delinquent final financial and progress reports, (2) develop an informational resource for managing unused award balances, and (3) require that NIH institutes and centers track unused balances across their award portfolios. NIH concurred with all three recommendations.

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NATIONAL INSTITUTES OF HEALTH

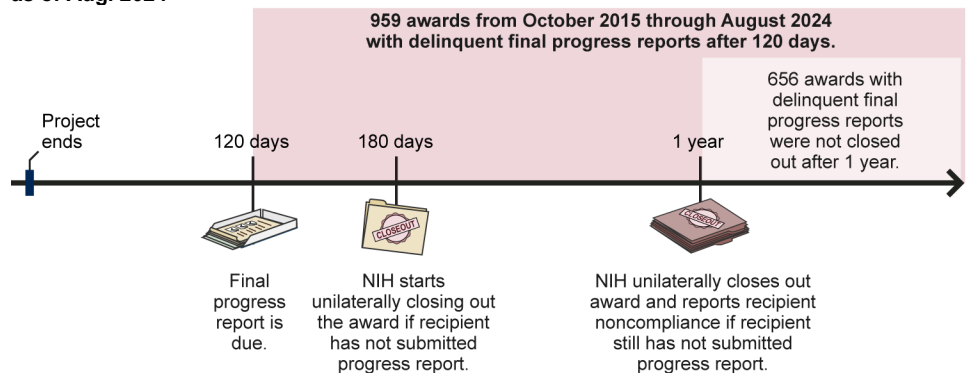
Monitoring of External Research Can Be Improved

What GAO Found

The National Institutes of Health (NIH) supported nearly 65,000 ongoing research grants and other awards to external entities in fiscal year (FY) 2023 (the most recent year of data available at the time of GAO's review). These "extramural" awards go to entities such as universities and totaled more than \$35 billion in FY 2023—an increase of nearly 30 percent from FY 2014 (after adjusting for inflation). During this period, NIH also increased its oversight staff by about 400 positions (20 percent). GAO requested, but NIH could not provide, information about the effect of recent administration actions on oversight staffing levels.

NIH reviews recipients' financial and progress reports as part of its oversight of awards. For example, NIH program officers check whether recipients' progress is satisfactory and whether recipients have a plan to address challenges. However, GAO found that NIH has not always closed out awards when recipients do not file final reports within 1 year of a project's end in accordance with its policy. As of August 2024, nearly 1,000 final progress reports were delinquent, or about 0.2 percent of awards made from FY 2014 through 2024 (see figure). NIH has made recent efforts to better ensure timely closeout, but it has not identified or addressed the factors that contribute to late reports. As a result, NIH cannot ensure that it is holding recipients accountable and identifying misspent funds.

NIH Grant and Cooperative Agreement Closeout Steps and Delinquent Final Progress Reports as of Aug. 2024



Source: GAO analysis of National Institutes of Health (NIH) information and guidance; GAO (icons). | GAO-25-107362

During certain grants, projects may carry over unobligated funds that remain unused at the end of a budget period into the next period. If NIH determines that some funds are not needed, it can restrict the recipient's ability to automatically carry over funds in the future. NIH allows for flexibility in how its institutes and centers manage carryover, but it has not developed an informational resource to help them choose the best option. Moreover, NIH does not require institutes and centers to track unused balances, even though NIH data show that large unused balances are common. Without an informational resource or tracking requirement, NIH cannot be assured that it is implementing carryover practices effectively and maximizing its funding for higher-value projects.