

**From:** Schuttinga, James (NIH/OD) [E] [mailto:Schuttij@od1tm1.od.nih.gov]  
**Sent:** Friday, February 22, 2008 1:02 PM  
**To:** Fixler, Dennis; Galler, David  
**Cc:** Bond, Charlotte Anne; Payson, Steven (NIH/OD) [F]; Moyer, Brian  
**Subject:** Request for Continuance of Survey of NIH Extramural Institutions for BRDPI Expenditure weights

Dr. Fixle and Dr. Galler;

The National Institutes of Health (NIH) is satisfied with the survey conducted by the Bureau of Economic Analysis, Department of Commerce of institutions that receive awards from the NIH. We hope that OMB will clear the survey under the Paperwork Reduction Act for another three years.

The survey provides timely, essential data on the cost structure of award recipients used to estimate expenditures weights for the Biomedical Research and Development Price Index (BRDPI). It currently has sufficient response rates and coverage to provide data of satisfactory quality for our purposes. NIH would be adversely affected if the expenditure survey were to be interrupted.

The BRDPI measures changes in the weighted-average of the prices of all the inputs (e.g., personnel services, various supplies, and equipment) purchased with the NIH budget to support research. The weights (including those derived from the survey or extramural institutions) are used to construct the index to reflect the actual pattern (or the proportion) of total NIH expenditures on each of the types of inputs purchased.

The BRDPI supports analysis of trends in NIH expenditures and the development of future budgets. It informs such policy decisions as by how much to adjust the budgets for intramural labs and the average size of extramural awards to compensate for inflation.

## Jim

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