

GEORGE E. BROWN, JR.

**RANKING MEMBER
COMMITTEE ON SCIENCE
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CHAIRMAN
CALIFORNIA DEMOCRATIC
CONGRESSIONAL DELEGATION**

**Congress of the United States
House of Representatives
Washington, DC 20515-0542**

**42nd DISTRICT OF
CALIFORNIA**

**U.S. CONGRESS
WASHINGTON, D.C. 20540
CALIFORNIA
U.S. NORTH CAROLINA
U.S. CALIFORNIA
DUPLICATE**

March 3, 1999

**Dr. Harold Varmus
Director
National Institutes of Health
8000 Rockville Pike
Bethesda, MD 20892**

Dear Dr. Varmus:

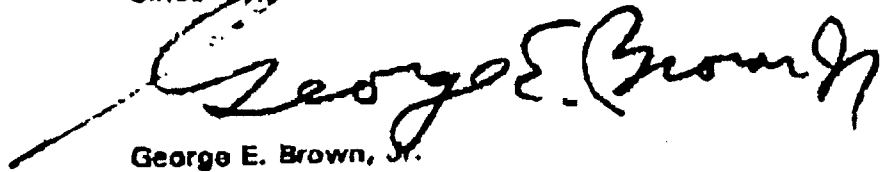
I am writing to make an inquiry of the National Institutes of Health (NIH) regarding policies in place for monitoring the use of federal research grant funds awarded by your agency. University of California (UC) research investigators, and many other researchers at other universities, have regularly built cost-of-living adjustments (COLA's) for laboratory research, scientists and technicians into multi-year grant applications. NIH provides a "standard escalation factor" in most of its recent grants and assumes that this funding is used by the host institution to provide COLA's to these workers.

I am in receipt of information from a group of these research professionals that these cost-of-living increases have not been passed on to the UC laboratory professional staff. These research professionals claim that their wages are below prevailing area wages and this leads to high turnover rates at UC laboratories and a corresponding disruption in research activities. They claim that the salary COLA funds provided to the UC research institutions are not being spent to correct this situation but rather are being used for other university functions. They estimate the total amount of these unaccounted for salary funds runs as high as \$18 million over the past six years. All of this information is contained in a study provided to my office by these research professionals, a copy of which I have appended to this letter.

I need your assistance in evaluating these serious claims. I would like to know if you have a monitoring system in place to verify if funding being provided for salary adjustments is actually being used for that purpose? I would also like to know if the use of these COLA funds for other purposes is permissible and under what conditions. Finally, I would like to know if you have some estimate of what NIH has provided, nationally, in the State of California, and to UC in salary COLA's for research professionals.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink that reads "George E. Brown, Jr." The signature is written in a cursive style with a long, sweeping underline that extends to the left.

George E. Brown, Jr.
Member of Congress

enclosure

cc: Dr. Richard Atkinson