Guidance for Mid-Scale Projects on Supplemental Funding Requests due to COVID-19 Impacts  
NSF Large Facilities Office  
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For mid-scale projects in the implementation/construction stage with funding shortfalls due to pandemic-related issues, there are four potential options:

1. Re-budgeting,
2. Supplemental funding,
3. Reduction in project scope, or a
4. Combination of the above options.

The focus of this guidance is on supplemental funding. However, Recipients are reminded of the re-budgeting authority allowed per the award terms and conditions. Recipients must document any re-budgeting and the costs due to COVID-19. Recipients should seek guidance from the Program Officer regarding when to submit a supplemental funding request and whether to consider any scope reduction to offset COVID-19 impacts.

Per NSF Proposal & Award Policies & Procedures Guide (PAPPG) and Major Facilities Guide (MFG) Section 5 and NSF Guidance related to OMB Memorandum M-20-26, the following principles apply regarding COVID-19 impacts and associated supplemental funding requests:

- Recipients should not use budget contingency identified as part of the Total Project Cost (TPC) to offset COVID-19 impacts.
- The No Cost Overrun Policy does not apply to Mid-scale research infrastructure projects per Section 5 of the MFG.
- Any added costs due to COVID-19 should be tracked separately to help document and justify any future supplemental funding requests.
- Recipients may submit a supplemental funding request to NSF when the costs are sufficiently understood. Ideally, one supplemental funding request should be processed to cover the COVID cost impacts. See Section I below for further discussion on the process.
- The standard rules for supplemental requests as outlined in the PAPPG and other internal NSF procedures apply to these requests.
- Per internal guidance, supplemental funding requests are typically processed when nearly all funds are exhausted, or when plans to exhaust the funds in the near-term can be projected. However, Program may consider supplemental funding requests at any time in alignment with Program’s priorities.

I. COVID-19 Supplemental Funding Process and Documentation:

A. For each project, the Program Officer and the Recipient will collectively determine when the COVID-19 situation has stabilized sufficiently, and the impacts of COVID-19 can be reasonably bounded to start the supplemental funding process, or when immediate funding is needed.

B. Supplemental funding requests should be presented in the cost categories by the work breakdown structure (WBS) and the NSF budget categories. Provide budget justification with the overall basis of estimate for the additional funding in each WBS cost category as distinguished from the original funding. COVID-19 cost impacts should be determined by an assessment of:

1. Costs incurred to date,
2. Estimated future costs due to COVID-19 (i.e., reduced efficiencies due to new safety
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