

Frequently Asked Questions (FAQs) Relating to NSF’s Implementation of OMB Memorandum M-20-26 for NSF Proposers and Awardees and NSF Major Facility Cooperative Agreement Recipients

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FAQs for Proposers and Awardees

The following addresses questions relating to NSF’s implementation of OMB Memorandum [M-20-26](#), “*Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations*,” dated June 18, 2020.

All prior sets of FAQs regarding NSF’s implementation of OMB COVID-19-related Memoranda have been rescinded in their entirety¹. A separate set of [FAQs for Major Facility Cooperative Agreement Recipients](#) is provided below.

1. **Question:** NSF’s latest COVID-19 flexibility guidance, which implements OMB Memorandum M-20-26, requires recipients “to exhaust other available funding sources to sustain its workforce and implement necessary steps to save overall operational costs (i.e., rent renegotiations, travel, training, utilities, major purchases, etc.) during this pandemic period in order to preserve Federal funds for the ramp-up effort.” Who is responsible for determining whether other sources of funding are available and what steps can/should be taken to save costs?

NSF Response: NSF recipients are responsible for making determinations on the availability of other funding sources, as they are for efforts to potentially reduce costs. If the recipient determines that other funding sources are not available to sustain its workforce, the NSF award may be charged in accordance with OMB M-20-26.

2. **Question:** Is recipient documentation required of efforts to identify other appropriate funding sources to support the project and to reduce overall operational cost?

NSF Response: Yes; recipients are responsible for maintaining appropriate records and cost documentation as required by 2 CFR § 200.302 and 2 CFR § 200.333 to substantiate the charging of any salaries and other project activity costs to the award that are related to interruption of operations. This includes the non-availability of other funding sources and efforts to reduce overall cost.

¹ OMB M-20-17, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID19) due to Loss of Operations* (March 19, 2020), and OMB M-20-20, *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)* (April 9, 2020), were rescinded effective June 16, 2020. Any requests for use of flexibilities specified in OMB Memoranda M-20-17 or M-20-20 that were submitted prior to June 16th are actionable by NSF if included in the Foundation’s implementation.

3. Question: Does this latest NSF guidance dictate any specific actions that recipients must take regarding their staff if other funds are determined to be unavailable?

NSF Response: In conjunction with the determination on the availability of other funding sources to support project costs, recipient organizations should follow their own policies and procedures related to staffing decisions under unexpected or extraordinary circumstances. Recipients should contact the cognizant NSF Program Officer to discuss any potential shortfalls.

4. Question: Is there any time-sensitivity on submitting a supplemental funding request?

NSF Response: Recipients must not assume that supplemental funding will be available and should contact the cognizant NSF Program Officer to discuss any potential shortfalls. Nevertheless, for most awards, there is likely ample time available to better understand the long-term impacts before supplemental funding is requested/processed. Recipients should also be cognizant of the amount of un-spent funds currently obligated to awards and their ability to re-budget funds and propose modifications to award scopes, as appropriate. All supplemental funding requests must be well-documented and justified.

5. If a PI is working outside the U.S. for an extended period of time, but they plan to continue to oversee the NSF-funded project remotely, does this need to be reported to NSF?

NSF Response: In accordance with the terms and conditions of an NSF award, if a named PI plans to or becomes aware that he or she will: (1) devote substantially less effort to the work than anticipated in the approved proposal (defined in 2 CFR § 200.308(c)(iii) as a reduction of 25% or more in time devoted to the project); (2) sever his or her connection with the grantee; or (3) be disengaged from the project for a continuous period of more than 3 months, or otherwise relinquish active direction of the project, he or she shall advise the appropriate official at the grantee organization, who shall initiate action appropriate to the situation in accordance with the guidelines described in PAPPG Chapter VII.B.2. NSF will then take appropriate action based on the specifics of the request. If these conditions do not apply, then the grantee organization is responsible for making the determination regarding the PI's capacity to continue to oversee the project. Any further questions should be addressed to the cognizant NSF Program Officer.

6. **New Question:** I have a graduate student (or post-doc) who is overseas and unable to return to the United States at this time because of the ongoing pandemic. Is it permissible for me to pay that graduate student (or post-doc) from an approved NSF grant if they can complete their research from their remote location?

NSF Response: If all of the following conditions are met, a recipient is authorized to continue support of a postdoctoral researcher to conduct work on an NSF-funded project abroad:

- a. The postdoctoral researcher has an pre-existing relationship with the institution and a pre-existing role on the project and his/her work has been progressing satisfactorily;
- b. The organization is confident that the postdoctoral researcher's work can satisfactorily be performed from a remote location (for example, there is no need to access specialized equipment or facilities);
- c. The research will not be conducted at a foreign organization or location not already identified in the proposal submission without prior NSF approval; and
- d. The charging of such costs must be consistent with NSF's Implementation of OMB Memorandum [M-20-26](#), "*Extension of Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations*" dated June 18, 2020, as well as with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Recipients are reminded of the requirement to maintain appropriate records and documentation necessary to support charges to NSF awards.

FAQs for NSF Major Facility Cooperative Agreement Recipients

7. Question: Does NSF’s latest COVID-19 flexibility guidance apply to both grants and cooperative agreements for Major Facility and Mid-scale Research Infrastructure awards?

NSF Response: Yes.

8. Question: The latest NSF guidance states that recipients “must not assume that supplemental funding will be available should the charging of such costs or other fees result in a shortage of funds to eventually carry out the original goals of the project.” If a Major Facility construction project or operations program is impacted and additional effort is needed to complete the effort, is it still possible to submit a supplemental funding request?

NSF Response: Yes; all supplemental funding requests will be subject to NSF policy as specified in the [Proposal & Award Policies & Procedures Guide](#) (PAPPG), as well as the availability of funds.

If a shortfall is anticipated and additional work will be required to complete the project or program, the recipient can either propose to reduce the scope of work, re-budget available funds, or submit a supplemental funding request, as appropriate. As noted elsewhere in these FAQs, recipients must not assume that supplemental funding will be available and should contact the cognizant NSF Program Officer to discuss any potential shortfalls.

9. Question: On Major Facility construction and operations awards, besides charging salary and benefits, is it possible to charge the cost of added work that was not previously included in the budget estimate (i.e., the project baseline for construction) but is now necessary to complete the project or program (e.g., repairs due to shut-down, start-up costs, additional documentation, extra testing, extra design work, etc.)?

NSF Response: No; activities or work not included in the original award scope or project baseline estimate should be covered through a supplemental funding request. Budget contingency, if included in the original award, cannot be used either since the impacts are the result of unexpected or extraordinary circumstances (i.e., unforeseen event). For operations awards, recipients can also propose to reduce the level of science support. For construction projects, recipients should consider the extent to which work packages can be re-planned to save costs.

However, if costs can be associated with work packages or activities already included in the original scope of the award in some way, then re-budgeting may be possible. For example, if Personal Protective Equipment (PPE) was part of the original scope, then additional PPE could be covered through re-budgeting of funds saved elsewhere. In contrast, if a major repair or additional contractor support is needed as a direct result of the pandemic and re-budgeting is determined to be inappropriate or inadequate, then the recipient should consider a supplemental funding request. NSF will rely on the recipient to propose the appropriate approach based on the scope of the project.