

Frequently Asked Questions (FAQs) About the Coronavirus Disease 2019 (COVID-19) for National Science Foundation (NSF) Major Facility Cooperative Agreement Recipients

May 18, 2020

The following are questions received from NSF's Major Facilities Cooperative Agreement (CA) Recipients seeking guidance or clarification on CA administration related to the COVID-19 pandemic. Recipients are encouraged to remain apprised of current and future COVID-19 guidance from the Office of Management and Budget (OMB) and NSF's Implementation of such guidance, which are available on [NSF's COVID-19 website](#).

Questions regarding CA oversight, particularly where a recipient perceives a discrepancy between the terms of its CA and emerging COVID-19 guidance, should be addressed with the cognizant NSF Grants and Agreements Officer while copying the following e-mail address: COVID19_DACs@nsf.gov. NSF will update this FAQ document on an ongoing basis to address incoming recipient questions.

F1. A subrecipient is providing 80 hours of emergency leave to all full-time employees (prorated for part-time employees) who cannot work some or all hours from a remote location. Employees have been instructed by the subrecipient institution to use this leave before their normal accrued sick or vacation leave, and this directive is published on the subrecipient's website. Does NSF allow the COVID-19 leave used by employees to be charged to the subaward/NSF award, provided it is done in a manner consistent with the subrecipient's policy of paying salaries with all other federal/non-federal funding sources?

See Section 6 of [NSF's Implementation of OMB Memorandum M-20-17](#), which provides that *"Recipients are authorized to continue to charge salaries, stipends, and benefits to currently active NSF awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal."* Accordingly, the COVID-19 emergency leave described in the example would be considered allowable subject to these provisions (i.e., the leave policy being applied in a manner consistent with the recipient's/subrecipient's leave policy and from all funding sources, Federal and non-Federal).

F2. We understand at least one agency has permitted recipients to donate Personal Protective Equipment (PPE) acquired with award funds to local hospitals and health care facilities to support COVID-19 efforts. May the funds be re-budgeted to repurchase supplies at a later date or purchased using unobligated balances? May a supplemental funding request be made of NSF to repurchase these supplies?

NSF has authorized recipients to donate medical supplies to support COVID-19 responses. Recipients must submit their request to donate items or resources via use of "Other Request" in the Notifications and Requests module in Research.gov. For the requirements please refer to the [NSF Implementation of OMB Memorandum M-20-20](#), which provides in relevant part that *"recipients must not assume that supplemental funding will be available should the donation result in a shortage of funds to eventually carry out the project. Recipients are required to maintain appropriate records to substantiate the donation in support of COVID-19 emergency response activities."* With respect to rebudgeting of funds, please refer to the major facility award-specific terms and conditions for any specific restrictions on rebudgeting. Recipients must

follow their established policies and procedures and all governing requirements when rebudgeting award funds.

F3. Should NSF be notified or be involved in employee retention agreements for individuals benefiting from additional COVID-19 leave or labor benefits?

NSF does not generally intercede in employer-employee relationships for recipients, including requiring the recipient to have a particular form of employment agreement with its employees. The recipient is charged with executing the NSF cooperative agreement in accordance with the requirements and parameters of the cooperative agreement, but NSF does not direct the recipient's hiring or other employment practices. Recipients are encouraged to consult their private legal counsel on matters such as negotiating employee retention agreements in accordance with best practices including the recipients' personnel policies and to ensure such agreements are negotiated in a way that represents reasonable, allowable, and allocable costs under a Federal financial assistance award.

F4. Due to delays or other changes necessitated by impacts of COVID-19, my organization and subrecipients are rebudgeting funds to perform other in-scope activities. Is NSF requiring additional or separate financial tracking beyond standard financial accounting we and our subrecipients follow for performing the work of the award?

NSF policy does not require a particular financial tracking related to the rebudgeting of in-scope activities for major facilities awards. Please refer to the major facility award-specific terms and conditions for any specific restrictions on rebudgeting. Recipients must follow their established policies and procedures and all governing requirements when rebudgeting award funds. With regard to expenses necessitated by impacts of COVID-19, these must be clearly documented, justified, and segregated within accounting records to the extent possible. If the recording of these expenses cannot be segregated within accounting records, then the recipient is encouraged to keep supplementary manual records to track COVID-19 related expenses.

F5. When NSF is the cognizant Federal agency for indirect cost rate negotiations. Are expenses directly related to COVID-19 excluded or included from the Modified Total Direct Cost Base?

The fact that the costs are COVID-19 related do not change their treatment from an indirect cost rate calculation perspective. COVID-19 related expenses should continue to be allocated to direct and indirect as they normally would. Costs that would normally be allowable and included in the direct cost base would continue to be allowable, even if they are COVID-19 related.

Per section 6. of the [NSF's Implementation of OMB Memorandum M-20-17](#), costs that the Grants and Agreements Officer would deem to be unallowable (either COVID related or other costs disallow through the award letter/terms and conditions) would need to be removed as they have been determined to be unallowable.

F6. I am scheduled to attend an NSF-funded meeting. What do I do?

Meetings funded via NSF grants, cooperative agreements, or contracts that are scheduled to take place at NSF headquarters through September 30, 2020, will be converted to virtual meetings or rescheduled for later dates.

Meetings funded via NSF grants or cooperative agreements scheduled to take place elsewhere through September 30, 2020, will be reassessed for sufficiency in consultation with the receiving organizations for their organizational policies and practices. Organizers should consider moving to all-virtual participation or rescheduling the meetings for later dates.

Meetings funded via NSF contracts scheduled to take place elsewhere through September 30, 2020, will be converted to virtual meetings or rescheduled for later dates, unless there is an exceptional circumstance. NSF staff will determine if exceptional circumstances necessitate a different approach.

NSF will provide updated guidance on NSF-sponsored meetings scheduled to take place on or after October 1, 2020, no later than June 30, 2020

F7. Can budget contingency funds be used for Major Facility projects to cover the cost impacts of COVID-19?

NSF policy does not allow contingency funds to be used to cover COVID-19 related costs, as these costs are an unforeseen event beyond the control of the Recipient. Budget contingency can only be used to manage the impacts of known project risks. If justified, additional funds would need to be identified to supplement the project if the intent is to maintain the original scope. Please note that changes in the scope or objective of the project require NSF approval; see [NSF's Implementation of OMB Memorandum M-20-17](#), Question 8." For guidance contact the cognizant NSF Program Officer.