

## Grants and Research during the COVID-19 Epidemic

Version 3.0

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Below is a list of frequently asked questions that NASA has received from personnel within the agency as well as award proposers and recipients (both recipients with COVID-19-related awards and those with other types of NASA awards) affected by the COVID-19 crisis. Please note that these administrative relief flexibilities as outlined in the OMB Memo M-20-17 are time-limited and will be reassessed on June 18, 2020. After that point, NASA will reassess its guidance to determine whether additional updates are required.

### **1. Can universities pay soft-money researchers from NASA grants while the labs are closed?**

Universities may allow the payment of soft-money researchers using NASA grant funds, as well as graduate students, post-docs, and other lab staff during the COVID-19 epidemic if the institution's policies allow it. According to the OMB Memo (M-20-17):

*Agencies may allow recipients to continue to charge salaries and benefits to currently active Federal awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Awarding agencies may allow other costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. Recipients are required to maintain appropriate records and cost documentation as required by 2 CFR § 200.302 – Financial management and 2 CFR § 200.333 - Retention requirement of records to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services.*

In addition to maintaining records and documentation as required by 2 CFR 200.302 and 200.333, all expenditures incurred specifically due to COVID-19 must be documented as such.

### **2. What is the process for issuing incremental funding? How will funding increases be addressed when work has not been able to proceed? No-cost extensions (NCEs) are not enough due to paying individuals to maintain lab capability during closures.**

As in the response to #1 (above), OMB Memo M-20-17 allows for institutions to charge restart costs to their grants:

*Awarding agencies may allow recipients to continue to charge salaries and benefits to currently active Federal awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Awarding agencies may allow other*

*costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. Awarding agencies may also evaluate the grantee's ability to resume the project activity in the future and the appropriateness of future funding, as done under normal circumstances based on subsequent progress reports and other communications with the grantee. Awarding agencies must require recipients to maintain appropriate records and cost documentation as required by 2 CFR §200.302 — Financial management and 2 CFR §200.333 — Retention requirement of records to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services.*

Individual NASA programs are able to make use of the 2 CFR 200 flexibility stated above to allow costs associated with resuming funded grant activities to be charged to currently active grants. However, the decision as to if awards negatively impacted by the COVID-19 crisis will be provided additional funding will have to be made on a program-by-program basis. Award recipients must not assume that NASA will be able to provide additional funding to cover funding losses associated with the COVID-19 crisis. In addition to maintaining records and documentation as required by 2 CFR 200.302 and 200.333, all expenditures incurred specifically due to COVID-19 must be documented as such.

### **3. How will unreleased grant funding be impacted?**

Currently, several staff members at the NASA Shared Services Center (NSSC) routinely work remotely; therefore, there is no anticipated interruption of grant processing at this time.

### **4. Personal Protective Equipment (PPE) and viral DNA isolation kits were purchased using grant funding. Can supplies and equipment be donated to hospitals, medical centers, and other local entities serving the public for the COVID-19 response?**

Yes. Donating supplies and equipment required to support the COVID-19 response, such as Personal Protective Equipment (PPE) and viral DNA isolation kits, purchased with NASA grant funding to hospitals, medical centers, and other local entities serving the public for the COVID-19 response is allowed under awards directly related to the COVID-19 emergency response and awards not related to the COVID-19 response on a case-by-case basis. However, the recipient should not assume that supplemental funds in addition to the funds already obligated on their award are available should the costs of donating the equipment or supplies result in a shortage of funding or equipment and supplies at a later date. Additionally, prior to donating any resources, recipients must submit a request and obtain approval from their cognizant NASA Technical Officer. Each request should specify the supplies or equipment to be donated and any anticipated impacts of the donation on the scope of the project. If the anticipated impact of the donation will result in a change in award objectives or scope, the recipient must obtain prior approval from their cognizant Grant Officer and Technical Officer to allow a change to their objectives or scope. NASA program offices are required to submit a bi-

monthly report on donated items to the Office of the Chief Financial Officer, Grants Policy and Compliance Branch (see item 7 below).

**5. Can other resources, such as labor or contract services, be donated to support the COVID-19 response?**

Yes. Award-funded resources other than supplies and equipment, such as labor and contract services, may be donated to support the COVID-19 response on a case-by-case basis. Prior to the donation of labor or contract services, recipients must submit a request and obtain approval from their cognizant NASA Technical Officer who will consult with the NASA Office of the General Counsel (OGC) to ensure that the donation does not violate programmatic statute or appropriations law. Each request should specify the resources to be donated and any anticipated impacts of the donation on the scope of the project. By submitting a request, the recipient is certifying that the resource is being donated to a hospital, medical center, or other local entity serving the public for the COVID-19 response. The recipient should not assume that supplemental funds in addition to the funds already obligated on their award are available should the costs of donating the resources result in a shortage of resources at a later date. If the anticipated impact of the donation will result in a change in award objectives or scope, the recipient must obtain prior approval from their cognizant Grant Officer and Technical Officer to allow a change to their objectives or scope. NASA program offices are required to submit a bi-monthly report on donated items to the Office of the Chief Financial Officer, Grants Policy and Compliance Branch (see item 7 below).

**6. Can an award be repurposed to support the COVID-19 response? What is an example of a repurposed award?**

Yes. An award can be repurposed to support the COVID-19 response. However, prior to the repurposing of an award – which requires a significant change in award objectives or scope – to support the COVID-19 response, the recipient must obtain prior approval from their cognizant Grant Officer and Technical Officer, who will consult with NASA's Office of the General Counsel (OGC), to allow a change to their objectives or scope. As an example, if a recipient has an award to conduct research on malaria, and they would like to repurpose their time, effort, and resources to conduct research on COVID-19, then they would need to request a change in scope to their award. The NASA Technical Officer will need to consult with OGC to ensure that the scope change does not violate programmatic statutes or appropriations law. The recipient must also document and maintain records on all resources donated in response to COVID-19. Recipients must not assume that supplemental funding in addition to the funding already established for their award will be available should the repurposing of their award result in a shortage of funds to eventually carry out the original purpose of the award.

**7. Do NASA program offices have a responsibility to report resources that award recipients donate in response to the COVID-19 crisis?**

Yes. On the 15<sup>th</sup> and 30<sup>th</sup> of each month, NASA program offices are required to submit a bi-monthly report on donated resources to the Chief of Grants Policy and Compliance, Antanese Crank, in the Office of the Chief Financial Officer, Grants Policy and Compliance Branch (GPC). NASA program offices must provide a report that includes a list of the donated resources, the quantity of each resource, and the award number on which the items were originally purchased. Negative reports are not required. GPC will share this data with the NASA Shared Services Center's (NSSC) grants team for their records and will use this data to respond to future data calls, should they occur. Should a program office have any questions about compliance with the purpose of appropriations and any restrictions in programmatic statutes, appropriations, or fiscal laws, they should contact NASA's Office of the General Counsel for guidance.

**8. How will NASA programs address funding opportunity due dates and proposals submitted late due to the COVID-19 crisis?**

On a program-by-program basis, NASA may extend the deadlines for specific funding opportunities or may allow proposals started before the due date but submitted after the due date as a result of the COVID-19 crisis to be considered for funding. All funding opportunities and their current due dates can be found on the NASA Solicitation and Proposal Integrated Review and Evaluation System (NSPIRES) and Grants.gov. If a current funding opportunity deadline remains unchanged and a proposer cannot meet that deadline due to COVID-19, then the proposer should contact the cognizant NASA program office to discuss the issue.

**9. Can fringe benefits policies be amended to incorporate emergency paid leave for staff retention purposes?**

Recipients are authorized to continue to charge salaries and benefits to currently active Federal awards consistent with the recipient organization's policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. The recipient must also document and maintain records to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services. In addition to maintaining records and documentation as required by 2 CFR 200.302 and 200.333, all expenditures incurred specifically due to COVID-19 must be documented as such.

**10. Is there a limitation on when salaries and benefits can be charged to an award?**

OMB Memo M-20-17 offers relief to recipients impacted by COVID-19. If salaries and benefits are budgeted items of an award, then anyone budgeted to perform activities under that award would be allowed to charge their salary and benefits to the award as long as there is funding available and as long as it is consistent with the entity's policy for paying salaries. The recipient must also document and maintain records to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services due to COVID-19.

**11. Does NASA plan to address changes to Indirect Cost rates that may have occurred because of increased costs in certain activities?**

No, recipients may continue to use the currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs on Federal awards. Agencies may approve grantee requests for an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. Agencies may also approve grantee requests for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.

**12. What is NASA’s guidance for entities whose System for Award Management (SAM) registration have expired or set to expired in 60 days?**

Current registrants in the System for Award Management (SAM) with active registrations expiring between March 19 and May 17, 2020, will be automatically afforded a one-time extension of 60 days. The General Services Administration (GSA) has initiated 60-day extensions to SAM.gov registrations that have expiration dates within this range, and it will take the GSA until March 28, 2020 to complete all extensions. This effort is intended as relief for those otherwise required to re-register during that period.

GSA anticipates 61,298 registrations will be impacted by these extensions and plans to process the extension under the following timeline:

<b>Date</b>	<b>Action</b>
3/18/2020	Registrations expiring on 3/19/2020 extended to 5/17/2020.
3/19/2020	Registrations expiring from 3/20/2020 to 3/23/2020 extended by 60 days.
3/23/2020 to 3/27/2020	Registrations expiring from 3/24/2020 to 5/17/2020 extended 60 days. Extensions will be processed at a rate of about twelve thousand per day.
3/28/2020	Actions Complete

**13. Does the relief identified in M-20-17, “Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations” flow down to subawards or subcontracts issued under a NASA grant or cooperative agreement? Did OMB and/or NASA issue guidance about contracts?**

The flexibilities in M-20-17 and NASA’s subsequent policy document adopting the flexibilities in M-20-17 are changes to 2 CFR 200. Given that 2 CFR 200 only applies to grants and cooperative agreements, these flexibilities do not flow down to subcontracts issued under a grant or cooperative agreement. The flexibilities only apply to NASA prime grant and cooperative agreements, and subawards issued under a NASA grant or cooperative agreement.

On March 20, 2020, OMB issued separate guidance for Federal contracts titled “[Managing Federal Contract Performance Issues Associated with the Novel Coronavirus \(COVID-19\)](#).” Additionally, NASA’s Office of Procurement released Procurement Information Circular (PIC) 20-01 entitled “[Emergency Acquisition Flexibilities for Novel Coronavirus Disease 2019 \(COVID-19\)](#).” NASA’s POC for PIC 20-01 is Andrew O’Rourke, [andrwe.orourke@nasa.gov](mailto:andrwe.orourke@nasa.gov).