



National Aeronautics and
Space Administration
Washington, DC 20546

Grant Information Circular

GIC 19-01

February 2019

PURPOSE: The purpose of this Grant Information Circular (GIC) is to reiterate to Grants Officers that appropriated funds may not be used for permanent improvement of private property (e.g., research facilities and other real property), unless NASA has specific statutory authority to fund such improvements. This GIC also reiterates that, where NASA does have such authority, Grants Officers shall follow agency procedures that will ensure that implementation of permanent improvements, funded through grants, is within NASA's legal authority, technically adequate, reasonable in cost, and adequately documented in the federal financial assistance file.

BACKGROUND: NASA financial assistance to research projects and programs advances the agency's aerospace science and technology mission for the benefit of the public. Government-wide rules and agency procedures pertaining to the allowability of costs serve to ensure that grant awards primarily benefit the public. NASA's experience shows that the reiteration of the prohibition on unauthorized funding of permanent improvements to private property is warranted at this time.

GUIDANCE: When a Grants Officer receives a proposal for NASA to fund permanent improvements to private property, the Grants Officer must identify specific statutory authority to fund the improvement and follow agency procedures in evaluating, accepting and implementing the proposal.

Section 4.0, paragraphs 7 and 8, of the NASA Grants and Cooperative Agreement Manual (GCAM) directs Grants Officers on how to handle proposals for facilities grants, as well as any proposal to fund permanent improvement of private property under any other type of assistance agreement, such as research grants and cooperative agreements, (including modifications and supplements to such agreements). The GCAM direction is applicable to all NASA grants and cooperative agreement awards involving proposed construction and lease expenditures.



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As outlined in GCAM, Section 4.0, ¶ 7-8, Grants Officers shall be aware of the following:

- a) While NASA has general authority to award grants and cooperative agreements under the Space Act, 51 U.S.C. § 20113(c)(5), specific statutory authority is required to fund improvement of private property, including construction, maintenance, and disposition of facilities of any kind. Facilities include, but are not limited to, property used for production, maintenance, research, development, or testing.
- b) Where the agency lacks specific statutory authority, the grant officer should ordinarily reject a proposal for permanent approval of private property.
- c) Grants Officers must obtain prior approval from the Director of Grants Policy before implementing a proposal for permanent improvement of private property. Grants Officers shall support requests for approval with requisite documentation and shall obtain field center legal counsel review of such requests and documentation to ensure legal sufficiency.
- d) Any proposal for permanent improvement to private property that cannot be supported by statutory authority as well as all required documentation, but that the Grants Officer nonetheless believes to be appropriate for agency consideration, shall be referred to the Director of Grants Policy, who shall consult with the Office of General Counsel. Any subsequent action at the field center on such a proposal shall be as directed by the Director of Grants Policy. It is unlikely that such a proposal will be accepted and funded.
- e) Although GCAM Section 4.0, ¶ 8, outlines the requisite documentation in detail, this GIC reiterates that such documentation must include a copy and full citation of the statutory authorization, the dollar value of the recipient's proposal, organizational identifiers (e.g., recipient's name, address, and contact information), the recipient's proposal, and the technical and cost evaluations (including a reasonable description of the work and adequate justification of the proposed budget).
- f) The GCAM review and approval process is in addition to, and does not replace, the requirement that the Grants Officer evaluate the proposal following the procedures in 2 C.F.R. § 200.204 and 205, to ensure the technical soundness and cost reasonableness of the proposal.

As outlined in GCAM, Section 6.6, Grants Officers shall also be aware of the following agency guidance, which may be relevant to the implementation of permanent improvement proposals depending upon the type and value of equipment involved:

- a) Providing existing government equipment or property, or allowing acquisition of property by a grant recipient, should only be allowed in situations where the recipient justifies the need for the property and cannot carry out the effort with existing property already in the possession of the recipient.



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- b) Prior approval of property acquisitions is required for special purpose equipment with a unit cost over \$5,000 and general purpose equipment with a unit cost over \$5,000, (unless a lower threshold has been established by the recipient).
- c) Requests by grant recipients for the acquisition of equipment with a unit cost over \$5,000 shall be supported by written documentation setting forth the description, purpose, and acquisition value of the equipment, and include a written certification that the equipment will be used exclusively for research. (A change in the model number of a prior approved piece of equipment does not require re-submission for that item.) Grants Officers shall not approve the expenditure of grant funds for the acquisition of equipment unless the recipient's justification for the equipment demonstrates that the equipment will be used exclusively for research activities.
- d) For awards to educational institutions and non-profit organizations, special purpose and general purpose equipment costing in excess of \$5,000 (unless a lower threshold has been established by the recipient) acquired by the recipient under a grant or cooperative agreement for the purpose of research shall be titled to the recipient as "exempt" equipment as set forth at § 1260.133(b).

Grant Officers shall document and include all supporting documentation, such as the required analyses and approvals in the respective financial assistance award files for each award reviewed.

EFFECTIVE DATE: This GIC is effective as dated.

REGULATION OR TERM AND CONDITION CHANGES: None.

HEADQUARTERS CONTACTS: Antanese Crank, Office of the Chief Financial Officer, Policy Division, Grants Policy & Compliance, 202.358.4683, e-mail: Antanese.n.crank@nasa.gov