

NASA Implementation of OMB Memorandum M-20-17

On March 19, 2020, the Office of Management and Budget (OMB) released memorandum M-20-17, entitled “*Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations,*” to authorize agencies to provide administrative relief to grant and cooperative agreement recipients affected by the loss of operational capacity and increased costs due to the COVID-19 crisis. The memorandum provides short-term relief for administrative, financial management, and audit requirements under 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, without compromising Federal financial assistance accountability requirements.

NASA’s guidance herein adopts the OMB’s flexibilities outlined in M-20-17. NASA award recipients are reminded of the requirement to maintain appropriate records and supporting documentation necessary to support all charges to NASA awards. Award recipients must also document and track all expenses incurred due to the COVID-19 crisis separately from expenses incurred for reasons unrelated to COVID-19. Additionally, please note that these administrative relief flexibilities are time limited. OMB plans to reassess their applicability within 90 days of March 19, and NASA will update our guidance at that time. Unless additional guidance is provided, the NASA-specific flexibilities and waivers described below will be reassessed on June 18, 2020. Except where noted below, the following flexibilities are applicable to all NASA proposers and award recipients (both recipients with COVID-19-related awards and those with other types of NASA awards) affected by the COVID-19 crisis.

1. Flexibility with SAM registration. (2 CFR § 200.205)

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 time frame.

2. Flexibility with application deadlines. (2 CFR § 200.202)

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, and if a program chooses to extend a funding opportunity due date, then the new due date will be reflected in these systems. 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 seek additional guidance.

3. Waiver for Notice of Funding Opportunities (NOFOs) Publication. (2 CFR § 200.203)

For competitive grants and cooperative agreements, NASA can publish emergency Notice of Funding Opportunities (NOFOs) to NSPIRES and Grants.gov for less than thirty (30) days without separately justifying the shortening of the submission timeframe for the NOFO. NASA program offices that publish NOFOs for less than thirty (30) days must document and track each NOFO that is published under this emergency waiver.

4. No-cost extensions on expiring awards. (2 CFR § 200.308)

The NASA Grant and Cooperative Agreement Manual (GCAM) already provides for flexibilities in initiating first time no-cost extensions. Recognizing this, NASA has not fully adopted the OMB's guidance in M-20-17 related to no-cost extensions. NASA and award recipients should follow standard policies and procedures specified in the GCAM, Section 6.4, and applicable award terms and conditions regarding submission of grantee- and NASA-approved no-cost extensions. If a recipient has already initiated a one-time no-cost extension per the GCAM, and they require an additional no-cost extension due to the COVID-19 crisis, then they may initiate an additional no-cost extension for any length of time not to exceed 12 months. If the recipient chooses to initiate an additional no-cost extension, they must inform their cognizant program office and Grant Officer of their action and the length of time they are extending the period of performance of their award. Additionally, the no-cost extension request must be submitted using the NASA Shared Services Center's (NSSC) request submission website, which is located at <https://www.nssc.nasa.gov/nocostextension>. Upon approval of the new no-cost extension, recipients will be issued an updated NASA Grant and Cooperative Agreement form.

5. Abbreviated continuation requests. (2 CFR § 200.308)

The NASA GCAM and Guidebook for Proposers provides for flexibilities when requesting award continuations. Recognizing this, NASA has not fully adopted the OMB's guidance in M-20-17. NASA and award recipients should follow standard policies and procedures specified in the GCAM, Section 5.6; the NASA Guidebook for Proposers, Appendix F; and applicable award terms and conditions regarding the submission of continuation requests on multiple-year awards.

6. Allowability of salaries and other project activities. (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405)

Recipients are authorized to continue to charge salaries and benefits to currently active NASA awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Recipients are also authorized to charge other costs to NASA awards that are necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. *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 project.* If a shortfall is

anticipated, recipients must contact the cognizant NASA Grant Officer to discuss the situation. NASA will 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 project reports and other communications with the recipient. 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 the interruption of operations or services. When salaries and other project activities are charged to an award as a result of the COVID-19 crisis, the award recipient must notate in their records that the expense was incurred for this reason.

7. Allowability of Costs not Normally Chargeable to Awards. (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405)

Recipients who incur costs related to the cancellation of events, travel, or other activities necessary and reasonable for the performance of the award, or the pausing and restarting of grant-funded activities due to the public health emergency, are authorized to charge these costs to their award without regard to 2 CFR § 200.403, *Factors affecting allowability of costs*, 2 CFR § 200.404, *Reasonable costs*, and 2 CFR § 200.405, *Allocable costs*. Recipients may charge the full cost to the award when the event, travel, or other activities is conducted under the auspices of the grant. *Recipients must not assume that supplemental funding will be available should the charging of cancellation or other fees result in a shortage of funds to eventually carry out the event or travel.* If a shortfall is anticipated, recipients must contact the cognizant NASA Grant Officer to discuss the situation. 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 cancellation or other fees related to the interruption of operations or services. When cancellation or other fees are charged to an award as a result of the COVID-19 crisis, the award recipient must notate in their records that the expense was incurred for this reason.

8. Prior approval requirement waivers. (2 CFR § 200.407)

NASA is eliminating the requirement that recipients obtain prior approval for the following reasons listed under 2 CFR § 200.308 (c):

(iii) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(iv) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with Subpart E—Cost Principles of this part or 45 CFR part 75 Appendix IX, “Principles for Determining Costs Applicable to Research and Development under Awards and Contracts with Hospitals,” or 48 CFR part 31, “Contract Cost Principles and Procedures,” as applicable.

(v) The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.

Recipients must continue to obtain prior approvals for all other circumstances specified in 2 CFR § 200.308 (c) i, ii, vi, vii, and viii from their cognizant NASA Grant Officer. Additionally, for research awards, the prior approvals specified in the Research Terms and Conditions Prior Approval Matrix (<https://www.nsf.gov/awards/managing/rtc.jsp>) continue to apply, unless waived above. Recipients are reminded that they are to ensure that all costs charged to Federal awards must be consistent with Federal cost policy guidelines and the terms of the award, except as specified in this guidance.

9. Exemption of certain procurement requirements. (2 CFR § 200.319, 2 CFR § 200.321)

NASA has waived the procurement requirements contained in 2 CFR § 200.319(b) regarding geographical preferences and 2 CFR § 200.321 regarding contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

10. Extension of financial and other reporting. (2 CFR § 200.327, 2 CFR § 200.328)

Recipients may submit financial, performance, and other reports up to three (3) months beyond the normal due date. If recipients expect that they will not be able to meet a normal report due date, they must notify their cognizant program office and Grant Officer and note when within the three (3) month extension window they will submit their report(s). Recipients must continue to notify their cognizant program office and Grant Officer of any problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award per 2 CFR § 200.328(d)(1). Please note that the NSSC will continue to issue automatic report deadline reminders based on standard reporting due date; if a recipient notifies their Grant Officer that they need a report deadline extension per the above guidance, then these automatic report reminders may be disregarded.

11. Extension of currently approved indirect cost rates. (2 CFR § 200.414)

Recipients may continue to use the currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs on NASA awards. Recipients may request an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. Recipients also may submit a request to its cognizant agency for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.

12. Extension of closeout. (2 CFR § 200.343)

NASA is not adopting this flexibility. Award recipients must continue to adhere to the final report guidance and submission due dates set forth in the NASA GCAM, the NASA Guidebook for Proposers, and award terms and conditions.

13. Extension of Single Audit submission. (2 CFR § 200.512)

Recipients and subrecipients that have not yet filed their single audits with the Federal Audit Clearinghouse as of the date of the issuance of the OMB Memorandum and that have fiscal year-ends through June 30, 2020, are authorized to delay the completion and submission of the Single Audit reporting package, as required under Subpart F of 2 CFR § 200.501 – *Audit Requirements*, to six (6) months beyond the normal due date. No formal approval for this extension is required; however, recipients and subrecipients must maintain documentation of the reason for the delayed filing. Recipients and subrecipients who currently qualify as a “low-risk auditee” under the criteria of 2 CFR § 200.520(a), and who take advantage of this extension will continue to qualify as a “low-risk auditee”, absent other reasons for a change in qualification.

Any questions about the guidance provided above should be directed to the cognizant NASA Grant Officer and program office.