

Cleared: April 6, 2020; Revised: May 26, 2020

USDA National Institute of Food and Agriculture

U.S. Department of Agriculture (USDA) National Institute of Food and Agriculture (NIFA) Implementation of [OMB Memorandum M-20-17](#)

LEGISLATION, REGULATION OR OMB REFERENCE:

[OMB 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” dated March 19, 2020

APPLICABILITY: All NIFA Staff, Applicants and Recipients

BACKGROUND AND PURPOSE: Consistent with federal government agencies across the United States in the face of the new and unique challenges in confronting the COVID-19 epidemic, USDA NIFA is prioritizing the health and safety of the research community. USDA NIFA understands the effects this challenge will have on USDA NIFA-funded research and facilities, and we are committed to providing the greatest flexibilities to support the health and safety of applicants, grantees and employees. USDA NIFA is continually updating guidance and our online resources, including deadline extensions and frequently asked questions, to keep staff and partners informed. USDA NIFA is also accepting proposals for certain important research and activities related to coronavirus. The latest information is available on our website at: <https://nifa.usda.gov/coronavirus>

The purpose of this guidance is to implement flexibilities authorized by Office of Management and Budget (OMB) Memorandum [M-20-17](#) from specific administrative, financial management, and audit requirements contained in 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, without compromising accountability requirements. USDA NIFA recipients are reminded of the requirement to maintain appropriate records and documentation necessary to support charges to USDA NIFA awards.

Please note that, pursuant to OMB guidance, these administrative relief flexibilities are intended to be time limited. OMB plans to reassess their applicability within 90 days and USDA NIFA will update our guidance, as needed, at that time. Except where noted below, the following flexibilities are applicable to USDA NIFA proposers and awardees affected by the loss of operational capacity and increased costs due to the COVID-19 crisis.

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POLICY AND PROCEDURES:

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

Current registrants in the System for Award Management (SAM) with active registrations expiring before May 16, 2020, automatically will be afforded a one-time extension of 60 days.

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

USDA NIFA has extended the deadline dates for specific funding opportunities. A list of these extensions is available at <https://nifa.usda.gov/announcement/nifa-deadline-extensions-due-covid-19>.

If the application is delayed for valid extenuating circumstances, the applicant should let the program contact listed in the Request for Application (RFA) know about the delay and submit all the required documentation after the application has been submitted to USDA NIFA. USDA NIFA will consider the request at that time based on the information provided.

USDA NIFA's policies for accepting late applications are available at <https://nifa.usda.gov/resource/late-application-consideration>.

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

USDA NIFA will take advantage of this flexibility as needed for emergency publication of NOFOs and in accordance with the requirements in [M-20-17](#).

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

For competitive grants, recipients are generally allowed no-cost extensions of up to 12 months without prior approval. They must follow standard policies and procedures specified in the terms and conditions of their USDA NIFA grant with regard to these no-cost extensions.

Due to potential impacts from social distancing, USDA NIFA will also allow no-cost extensions for non-competitive capacity grants expiring September 30, 2020 with a remaining balance. Five-year grants will be allowed a six-month extension, and two-year grants will be allowed a one-year extension. The period of performance will be extended accordingly. Recipients with grants in this disposition will be notified in early August 2020 with a list of grants eligible for this no-cost extension and will be provided instructions on how to submit the request with a deadline of September 1, 2020 for response.

Non-Competitive Capacity Grant	Primary Statutory Reference(s)
Smith-Lever 3(b) & (c) and UDC	7 U.S.C. 341-349 and P.L. 93-471
Hatch	7 U.S.C. 361a-i
Hatch Multistate	7 U.S.C. 361a-i
Research at 1890s (Evans Allen/Section 1445)	7 U.S.C 3222
Extension at 1890s (Section 1444)	7 U.S.C. 3221

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Non-Competitive Capacity Grant	Primary Statutory Reference(s)
Animal Health and Disease Research*	7 U.S.C. 3195
McIntire-Stennis	16 U.S.C. 582a-582a-7
Renewable Resources Extension Act Capacity	16 U.S.C. 1671-1676
Expanded Food and Nutrition Education Program	7 U.S.C. 3175
Smith-Lever Special Needs	7 U.S.C. 341-349

**Potential implications to calculation of future awards.*

For grantees requesting a no-cost extension with either an unsubmitted, or unapproved annual progress report that were scheduled to come in from March 1, 2020 to December 31, 2020, USDA NIFA will accept a brief, written statement from recipients to verify that they are in a position to resume or restore their project activities.

To request an extension or with questions about progress reports due prior to this timeframe, recipients must contact USDA NIFA's Awards Management Division to discuss the situation at awards@usda.gov for competitive grants or capacitygrantquestions@usda.gov for capacity grants.

5. Abbreviated non-competitive continuation requests. (2 CFR § 200.308)

For continuation requests scheduled to come in from April 1, 2020 to December 31, 2020, from competitive award projects with planned future support, USDA NIFA will accept a brief, written statement from recipients to verify that they are in a position to:

- 1) resume or restore their project activities; and
- 2) accept a planned continuation award.

The recipient must follow all other continuation related requirements described in the award terms and conditions. USDA NIFA will examine any future need to extend this approach on subsequent continuation award start dates as recipients have an opportunity to assess the situation.

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, stipends, and benefits to currently active USDA NIFA awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. In general, recipients should utilize the salaries, stipends, and benefits rates and staffing levels in place on March 1, 2020 when President Trump proclaimed that the COVID-19 outbreak in the United States constituted a national emergency.

The recipient also is authorized to charge other costs to USDA NIFA 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.

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If a recipient faces challenges to meet the program objectives of the award, they should contact the National Program Leader in the final year of the award and evaluate how to proceed with the work.

To discuss any concerns related to salaries, stipends, and benefits rates and staffing levels, anticipated shortfalls or other administrative options, which may include no-cost extensions and change in scope, please contact NIFA at awards@usda.gov to consult with a grants specialist about the organization's specific circumstances.

NIFA 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 interruption of operations or services.

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 are 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.

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 interruption of operations or services.

If a shortfall is anticipated, recipients must contact USDA NIFA's Awards Management Division to discuss the situation at awards@usda.gov for competitive grants or capacitygrantquestions@usda.gov for capacity grants.

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

Recipients are required to obtain the prior approvals specified in 2 CFR § 200.308 (c) (i-viii) which must be submitted via awards@usda.gov for competitive grants and for capacity grants via capacityequipment@usda.gov. USDA NIFA will review its agency-specific prior approval requirements and notify grantees if decisions are made to temporarily waive any of these requirements. 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 and conditions of the award, except as specified in this guidance.

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

USDA NIFA 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, performance, and other reporting. (2 CFR § 200.327, 2 CFR § 200.328)

USDA NIFA will automatically allow grantees to delay submission of financial, performance and other reports up to 90 days beyond the normal due date. Grantees may continue to draw down Federal funds from ASAP without the timely submission of these reports. However, these reports must be submitted at the end of the postponed period. In addition, USDA NIFA may waive the requirement for recipients to notify the agency of problems, delays or adverse conditions related to COVID-19 on a grant by grant basis (200 CFR 200.328(d)(1)) during the effective period of the M-20-17.

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 Federal 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 their cognizant agency for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates. Visit <https://nifa.usda.gov/indirect-costs> for more information on USDA NIFA indirect costs.

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

USDA NIFA has automatically extended the due date for submission of all final project reports, financial reports, and Project Outcomes Reports due through June 17, 2020, by 90 days. Additional requests for Extension of Closeout reporting of up to 6 months may be reviewed and approved on a case by case basis for grants expiring through December 30, 2020. Recipients are reminded that USDA NIFA cannot make any new award or supplement any existing award if the PI or any co-PI(s) has an overdue final report; therefore, it is vital that final reports be submitted by the revised due date.

To request a no cost extension of time or reporting that is not subject to an automatic extension, recipients must submit their extension request in writing to USDA NIFA's Awards Management Division with a brief explanation of the reasons and plans to complete the project or report in the requested time to

- awards@usda.gov for competitive grants or
- capacitygrantquestions@usda.gov for capacity grants.

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

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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 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.

Recipients should contact their cognizant agency for audit with any questions related to single audit. For USDA NIFA single audit questions, please email policy@usda.gov.

14. Temporary policy exception for McIntire-Stennis capacity funding carryover limitation.

Capacity funds provided under McIntire-Stennis were previously limited by policy to 50% carryover. Due to COVID-19 impacts, NIFA will automatically approve up to 100 % carryover from FY 20 to FY 21 for capacity grants using McIntire-Stennis funding. This is a one-time approval due to COVID-19 impacts.

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