



**NSF IMPLEMENTATION OF THE
OCTOBER 5TH OMB/OSTP JOINT ANNOUNCEMENT
ENTITLED, *HURRICANE RELIEF ON FEDERAL RESEARCH AWARDS***

Except as clarified below, NSF automatically will apply the flexibilities announced in the October 5th OMB/OSTP Joint Announcement entitled, *Hurricane Relief on Federal Research Awards*, <<http://www.ostp.gov/html/Hurricane%20relief1.pdf>>¹ to the following Institutions:

- ◆ Dillard University
- ◆ Louisiana State University, Health Science Center
- ◆ University of New Orleans
- ◆ Loyola University, New Orleans
- ◆ Our Lady of Holy Cross College
- ◆ Southern University, New Orleans
- ◆ Tulane University
- ◆ Xavier University of Louisiana

NSF will consider expansion of these flexibilities to other affected institutions on a case-by-case basis. Contact the Policy Office, in the Division of Institution & Award Support, for further information at (800) 381-1532 or by email at Katrina@nsf.gov.

For your convenience, the text of the OMB/OSTP guidance, followed by any NSF-specific clarification is included below.

1. Flexibility with application deadlines.

Agencies may provide flexibility with regard to the submission of competing applications in response to specific announcements, as well as unsolicited applications. Investigators and institutions are advised to consult agency specific guidance on their hurricane relief web sites, and/or consult with individual agency program officers on future or more specific application deadlines.



Researchers or sponsored projects office staff that are unable to meet stated deadlines should contact the cognizant program office to discuss the issue. NSF will consider extensions to the submission deadline on a case-by-case basis.

¹ See also the September 30, OMB Memorandum from Linda Combs, Controller, Office of Federal Financial Management at <http://www.whitehouse.gov/omb/financial/fin/katrina_admin_relief_093005.pdf>

Dated, October 6, 2005

2. No-cost extensions on expiring awards.

To the extent permitted by law, agencies will extend awards that are active as of August 31, 2005 and scheduled to expire prior or up to December 31, 2005, automatically at no-cost for a period up to twelve (12) months. This will allow time for assessment and, hopefully, the resumption of many individual projects, and a report on program progress and financial status to agency staff. Project-specific financial and performance reports will be due 90 days following the end date of the extension. Agencies will examine the need to extend other project reporting as the requirement arises.

3. Abbreviated continuation requests.

For continuation requests, or progress reports scheduled to come in from August 31 to December 31, 2005, from projects with planned future support, agencies will accept a brief statement from grantee organizations to verify that they are in a position to: 1) resume or restore their project activities, and 2) to accept a planned continuation award. Consult agency specific web sites for specific instructions. Agencies will examine the need to extend this approach on subsequent continuation award start dates as grantee organizations have an opportunity to assess the situation.



For purposes of NSF, the flexibility identified above will be applied to annual project reports submitted under both continuing and standard grants and should be submitted electronically via the FastLane electronic project reporting system at <http://www.fastlane.nsf.gov>.

4. Expenditure of award funds for salaries and other project activities.

Salaries and benefits and stipends may continue to be charged to currently active research, training, and fellowship awards consistent with the grantee organization's policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Other costs may be charged to Federal awards, including those necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. Federal agencies may also evaluate the grantees 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.

5. Prior approval requirement waivers.

Requirements for agency prior approval for the re-budgeting of funds within the scope of the project and automatic carryover of unspent balances are waived for currently active awards issued prior to September 30, 2005. As in item four above, all costs charged to Federal awards must be consistent with Federal cost policy guidelines and the terms of the award. Final charges must also reflect offsets of all recoveries from other parties (e.g., insurance, FEMA).

6. Extension of financial and other reporting.

Institutions may delay submission of Federal cash transaction reports on currently active award accounts up to three (3) months beyond the normal due date. See agency specific directions found on their web sites. However, these reports must be submitted at the end of the postponed period. Institutions may request extensions, as necessary, on other grantee financial and administrative reports, such as the property and invention reports.



The effect of the three-month extension of the Federal Cash Transaction Report (FCTR) (SF 272 Report) deadline is that the FCTR for the period ending September 30, 2005 will now be due February 15, 2006. Contact NSF's Division of Financial Management (Institutional Ledger Section) for further assistance at: http://www.nsf.gov/bfa/dfm/cmeab.jsp#il_pers.

With regard to invention reports, institutions are granted an institution-wide extension of time for all invention reports due at the funding agency under 37 CFR 401.14. Extensions will apply to those reports that are due from 8/1/05 through 12/31/05 for 180 days from the initial due date. This extension does not apply to any statutory period outside of the federal agency's discretion as described in 37 CFR 401.14(c).

7. Extension of currently approved indirect cost rates.

Agencies may allow grantees to continue to use the currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs on Federal awards, if an extension is required. In these cases, institutions may request an extension of the current rate(s) for one additional year without submission of an indirect cost proposal from their cognizant agency. 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.

8. Extension of closeout.

Institutions may postpone submission of pending financial, performance, and other reports required by the terms of the award for the closeout of expired projects by providing proper notice based on instructions on agency specific web sites. This delay in submitting closeout reports may not exceed one year after the award expires.

9. Alternatives for record retention and cost documentation.

Institutions can substitute copies of original records for the original records, as permitted under OMB Circular A-110. Agencies should be able to help grantees reconstruct the supporting project documentation, with copies of the records that are maintained by the agencies, such as indirect cost proposals, cost allocation plans, and past financial status reports.