

Additional administrative relief for U.S. Geological Survey (USGS) applicants and recipients affected by COVID-19

Effective Date: March 19, 2020

This guidance supplements the OMB guidance and Department of the Interior (DOI) Office of Grants Management (PGM) guidance. OMB provided short-term relief of certain [Title 2 Code of Federal Regulation \(CFR\)](#) requirements without compromising accountability. Per OMB, these flexibilities are time limited. OMB will reassess their applicability by June 17, 2020. We will update this guidance over time as needed to reflect current [OMB guidance](#) and [DOI PGM guidance](#) and to provide answers to frequently asked questions we receive related to this guidance.

The following flexibilities are available for USGS *applicants and recipients experiencing loss of operational capacity and increased costs* due to the COVID-19 public health emergency, as described in this guidance. To request administrative relief provided through this guidance, recipients should contact the USGS Project Officer and Grant or Contract Specialist identified in their notice of award and provide a description of how the COVID-19 emergency has affected their project and the action they want the USGS to take. Recipients and subrecipients must continue to maintain all appropriate records and cost documentation as required by 2 CFR §200.302, “Financial management” and 2 CFR §200.333, “Retention requirement of records.”

Both USGS and Recipients must maintain appropriate records and documentation of these exceptions. Recipients should not assume additional funds will be available should the donations or repurposing of funds result in any type of shortage.

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

At their discretion, USGS programs may consider requests for application due date extensions on a case-by-case basis. To request an application due date extension, applicants should contact the program point of contact identified in the funding opportunity posting before the current closing date. Programs must clearly describe in all funding opportunities the effect of missing a deadline, including if the program will consider late submissions under certain circumstances and, if so, what an applicant must do or provide to request consideration of a late submission. Recipients conducting competitive financial assistance programs under a USGS award may also extend this flexibility to their applicants.

2. Waiver for Notices of Funding Opportunity (NOFO) Publication (2 CFR §200.203)

OMB has authorized the publication of *emergency* funding opportunities for less than 30 days without separately justifying shortening the timeframe for each. We are required to document and track any NOFOs published per this flexibility. Prior to publication, USGS programs must notify the OAG National Grants Branch Chief of the need to publish an emergency funding opportunity for less than 30 days.

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

Both OMB memos provides agencies with the option to approve an additional no-cost extension request for recipients that have already received a no-cost extension for up to 12 months on awards that were active as of March 31, 2020 and scheduled to expire on or before December 31, 2020. Awards issued on or after April 1, 2020 may still request a no-cost extension for up to 12 months in accordance with 2 CFR §200.308. Recipients must still submit a formal request for a no-cost extension to USGS. This flexibility may not be available or may be limited if the awarding program is subject to a law prescribing specific award period of performance end or sunset dates. Recipients may also extend this flexibility to subrecipients.

When approving period of performance extensions, the USGS Contract Officer must not approve an award period of performance end date that is later than the known funds cancelation date for any outstanding balance of funds on the award. Best practice is not to set a period of performance end date that is within 180 calendar days of the earliest funds cancelation date for the funds obligated for the budget period that ends on the period of performance end date. For fixed appropriations, the funds cancelation date is September 30 of the fifth fiscal year after the period of availability for obligation ends.

USGS is required to modify the agreement to extend the budget period and/or period of performance even when the scope remains unchanged. USGS does not have a mechanism to extend an award without a modification.

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

A non-competitive continuation request is the application or other documentation a USGS program may require from recipients of continuation awards to request the next increment of funding. For any such requests scheduled to come in between now and December 31, 2020, USGS programs may waive the normally required documentation and instead accept a brief statement from the recipient verifying that they are in a position to continue, resume, or restore project activities and accept the next increment of funding. USGS programs implementing this flexibility should provide specific instructions to their affected recipients. Recipients should contact the USGS Contract Officer with any questions related to this flexibility.

A continuation award is a project with a multi-year period of performance for which the USGS agrees to provide a specific level of support on an annual or otherwise incremental basis. This flexibility does not authorize competitive programs to begin issuing non-competitive renewals or continuations of currently or previously funded awards not already established as continuation awards. Competitive programs must compete, approve, and establish continuation awards as such from the start of those awards.

Per USGS policy, obligations of additional funding will not be made if 25% or more of the funding already obligated for the current budget period remains unexpended, unless adequately justified by the Program Office to the Contracting Officer. Through December 31,

2020, USGS is waiving the requirement for prior approval if the total unexpended funding already obligated for the current budget period exceeds \$250,000 or if the total unexpended funding is 35% or more of the funding already obligated for the current budget period.

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

USGS recipients experiencing problems, delays, or adverse conditions related to COVID-19 should contact their USGS Grant or Contract Specialist identified in their notice of award to discuss the situation. Recipients and subrecipients may charge salaries and fringe benefits for employees working, or budgeted to work, on currently active awards when:

- a. Employees continue to work towards the stated award objectives as planned and approved;
- b. The employees are placed on, or are authorized to take, administrative, emergency, extraordinary, or other similarly designated leave. Such leave is allowable when:
 - i. It is authorized under the entity's established (written) leave policy;
 - ii. Charges are made consistent with the entity's policy for compensating staff in the designated leave status regardless of funding source (i.e., also compensates employees whose salaries or benefits are funded from other sources, Federal and non-Federal). Per OMB, due to the unprecedented nature of this event, entities that do not have a written policy for compensating staff while on leave under emergency or extraordinary circumstances may establish one and apply it retroactively back to March 19, 2020; and
 - iii. Charges are allocated consistent with requirements in 2 CFR §200.405; they must be distributed in proportion to the benefits accruing to the USGS award. Entities must document the allocation methodology used. The entity must treat all costs consistently. Reassignment of costs from an indirect cost pool under a negotiated indirect cost agreement requires the approval of the entity's cognizant agency for indirect costs.
- c. Employees are working, but working minimally or not at all towards the planned and approved award objectives. Recipients in such circumstances should contact the USGS Grant or Contract Specialist to discuss the situation. The awarding program may allow the recipient to continue to charge salaries and fringe benefits to the award, if the program determines that continued financial support is necessary to ensure the recipient's capacity to restart the project or achieve future award objectives. When approved, all such costs are subject to the allowability criteria in section 5(b) of this guidance. USGS programs may allow the recipient to charge other costs to the award necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. USGS programs may evaluate the recipient'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 recipient. USGS programs and recipients should note that supplemental funding

to continue the award is subject to the availability of funds and is not guaranteed should recipients exercise this flexibility.

Check the DOI PGM FAQs for additional guidance on allowability of salaries, stipends and other project activities.

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

For USGS awards active as of March 19, 2020, all costs incurred by recipients and subrecipients to stand down approved award activities due to the COVID-19 public health emergency are allowable 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”. This includes the full cost for cancellation of events, travel, or other activities necessary and reasonable for the performance of the award. For all such costs charged to the award, recipients must 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 costs related to interruption of operations or USGSs.

Recipients charging costs to stand down award activities must not assume that the USGS will provide supplemental funding should the charging of such costs result in a shortfall of funding that would prevent them from restarting and carrying out project activities. Recipients anticipating or experiencing such a shortfall contact the USGS Project Officer identified in their Notice of Award to discuss the situation.

USGS programs may allow the recipient to charge other costs to the award necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. USGS programs may evaluate the recipient’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 recipient. Recipients who determine they are able to restart a project stood down or paused due to the COVID-19 emergency should communicate with the USGS Grant or Contract Specialist to discuss the situation and any related costs before resuming project activities.

Check the DOI PGM FAQs for additional guidance on specific cost items.

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

Recipients are not required to request prior approval to incur costs or change the project scope of work to stand down or pause project activities. All costs charged to Federal awards must be consistent with the applicable Federal cost principles and the terms of the award, except where we have specified otherwise in this guidance. As of the date of this guidance, all prior approval requirements not otherwise waived in this guidance remain in effect.

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

For awards active as of March 19, 2020, the USGS waives the procurement requirements contained in 2 CFR§ 200.319(b) regarding geographical preferences and 2 CFR§ 200.321 regarding contracting small and minority businesses, women's business enterprises, and labor surplus area firms.

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

USGS recipients experiencing problems, delays, or adverse conditions related to COVID-19 must contact the USGS Project Officer(s) assigned to their award(s) to discuss the situation. Recipients with multiple awards from the USGS that are all equally affected by the COVID-19 emergency (e.g., complete shutdown of organizational operations) may send a single written notice of the situation to the [USGS Bureau Procurement Chief](#).

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

USGS programs must allow recipients with currently active awards as of March 19, 2020 and entities receiving new awards after March 19, 2020 to continue to use their currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs their USGS awards for one additional year past their current rate agreement end date. This is an automatic extension; USGS recipients do not need to request this flexibility from USGS awarding programs on an award-by-award basis. USGS recipients should extend this flexibility to their subrecipients. Recipients and subrecipients should consult with their cognizant Federal agency for indirect costs to request a due date extension of their indirect cost rate proposal submissions to finalize or establish current rates.

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

USGS recipients whose awards are past their period of performance end date and whose final financial and/or performance reports are either past due as of March 19, 2020 or are due between March 19 and June 17, 2020 may qualify for a final report due date extension. This flexibility is limited to no more than 180 days past the period of performance end date. This flexibility is not available to recipients whose final reports are currently past due and the award period of performance end date was March 19, 2019 or earlier. Recipients must contact the USGS Grant or Contract Specialist assigned to their award to discuss the need for a final report due date extension. A final report due date extension does not provide additional time to complete approved project activities. If the recipient needs additional time to complete the project, they must request a no-cost extension.

The USGS Grant or Contract Specialist will review final report extension requests, determine if the recipient qualifies for this flexibility, and then document any approved or denied extension requests in writing to the recipient and in the USGS's official award file. During the final reporting period, recipients are authorized to liquidate (be paid for) any outstanding obligations incurred during the period of performance. If the award has an outstanding

balance of funds in ASAP, the program must also request an ASAP account end date extension that corresponds with the reporting period extension.

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

In its capacity as the cognizant or oversight agency for audit, the Department is allowing recipients and subrecipients that have not yet filed their single audits as of March 19, 2020 for fiscal year-ends through June 30, 2020 to have an additional six months to file those reporting packages. No further action is required to implement or take advantage this flexibility. Entities taking advantage of this flexibility must maintain documentation of the reason for the delayed filing, and should include reference to this flexibility as provided under OMB memorandum M-20-17 in related audit reporting packages. Recipients and subrecipients taking advantage of this extension would still qualify as a "low-risk auditee" under the criteria of 2 CFR § 200.520(a), "Criteria for a low-risk auditee."

13. Donation of Supplies and Equipment Purchased under a USGS Award

Through June 17, 2020, recipients and subrecipients may donate supplies purchased with USGS financial assistance awards to support COVID-19 relief efforts. To qualify for this flexibility, the donations must meet the following conditions:

- a. The supplies are on hand in recipient inventories as of March 19, 2020;
- b. The donation directly supports COVID-19 relief efforts; and
- c. The entity fully documents the donation in the related official award file(s).

USGS also authorizes recipients and subrecipients to temporarily loan or use equipment purchased with USGS financial assistance awards to aid in the direct support of the COVID-19 relief efforts. This flexibility does not authorize the permanent transfer or disposal of equipment. Recipients are still required to request and follow USGS disposition instructions per 2 CFR §200.313(e).

The USGS Contract Officer must ensure that any such donation complies with all legal requirements associated with such funding, including but not limited to compliance with the purpose of the appropriations and any restrictions in programmatic statutes, appropriations, and fiscal laws.