



UNITED STATES DEPARTMENT OF COMMERCE  
**National Oceanic and Atmospheric  
Administration**  
ACQUISITION AND GRANTS OFFICE

**SUBJECT:** NOAA Guidance Regarding Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations

**DATE:** March 27, 2020

Thank you for all you do to support the National Oceanic and Atmospheric Administration (NOAA). The health and safety of all of those working with NOAA is our top priority. As the current COVID-19 events continue to unfold, a number of questions have arisen regarding recipients and applicants of Federal financial assistance. The purpose of this notice is to provide information on guidance set forth by the Office of Management and Budget (OMB) memorandum M-20-17 Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations.

The following explains how the NOAA Grants Management Division (GMD) and Program Offices will address each subject, where needed, outlined in the OMB memorandum:

- 1. Allowability of salaries and other project activities.** (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405) NOAA will permit recipients to continue to charge salaries and benefits to currently active Federal awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. NOAA may allow other costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. NOAA may also 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 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 salaries and other project activities costs related to interruption of operations or services. NOAA does not require prior approval requests to be submitted to authorize these costs.
- 2. No-cost extensions on expiring awards.** (2 CFR § 200.308) To the extent permitted by law, NOAA may extend awards which were active as of March 31, 2020 and scheduled to expire prior or up to December 31, 2020, for a period of up to twelve (12) months. Award recipients should initiate and submit no-cost extension requests in Grants Online no later than 30 days prior to

period of performance end date (or, for research awards, no later than 10 days prior to period of performance end date for first time requests). Extensions will allow time for recipient assessments, 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. NOAA will examine the need to extend other project reporting as the need arises.

- 3. Extension of financial, performance, and other reporting.** (2 CFR§ 200.327, 2 CFR§ 200.328) NOAA permits recipients to delay submission of financial, performance and other reports up to three (3) months beyond the normal due date and waives the requirement for recipients to notify the agency of problems, delays or adverse conditions, if they are related to COVID-19, on a grant by grant basis (200 CFR 200.328(d)(1)). However, delinquency report notifications will continue to be generated from Grants Online and routed to recipients.
- 4. Extension of closeout.** (2 CFR§ 200.343) NOAA permits recipients to delay submission of any pending financial, performance and other reports required by the terms of the award for the closeout of expired projects, if needed. The recipient must submit the request for extension of closeouts in Grants Online no later than the closeout period end date, and may do so for up to 90 days at a time. This delay in submitting closeout reports may not exceed a cumulative one year after the award expires.
- 5. Extension of Single Audit submission.** (2 CFR § 200.512) NOAA permits recipients and subrecipients that have not yet filed their single audits with the Federal Audit Clearinghouse as of the date of the issuance of this memorandum that have fiscal year-ends through June 30, 2020, 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. This extension does not require individual recipients and subrecipients to seek approval for the extension by the cognizant or oversight agency for audit; however, recipients and subrecipients should maintain documentation of the reason for the delayed filing. 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.
- 6. Extension of currently approved indirect cost rates.** (2 CFR§ 200.414 (c)) NOAA permits recipients 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. NOAA will approve recipient requests for an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. NOAA will approve recipient requests for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.

- 7. Allowability of Costs not Normally Chargeable to Awards.** (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405) NOAA will permit 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, 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. NOAA permits recipients to charge full cost of cancellation when the event, travel, or other activities are conducted under the auspices of the grant. Recipients should not assume additional funds 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 will 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. NOAA does not require prior approval requests to be submitted to authorize these costs; and relevant activities/costs must be documented in programmatic reports.
- 8. Flexibility with application deadlines.** (2 CFR § 200.202) NOAA may provide flexibility with regard to the submission of competing applications in response to specific announcements, as well as unsolicited applications. As appropriate, NOAA Program Offices should contact GMD to request Notice of Funding Opportunities (NOFO) deadline extensions in a timely manner.
- 9. Abbreviated non-competitive continuation requests.** (2 CFR § 200.308) At the discretion of the NOAA program office, for continuation requests scheduled to come in from April 1, 2020 to December 31, 2020, from projects with planned future support, NOAA will accept a brief 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. NOAA will post any specific instructions on its website. NOAA will examine the need to extend this approach on subsequent continuation award start dates as recipients have an opportunity to assess the situation.
- 10. Prior approval requirement waivers.** (2 CFR § 200.407) NOAA may waive prior approval requirements as necessary to effectively address the response; however, recipients must continue to submit requests in Grants Online to ensure proper documentation of the Grants File and reflect deviations in programmatic reports. All costs charged to Federal awards must be consistent with Federal cost policy guidelines and the terms of the award, except where specified in this memorandum.
- 11. Waiver for Notice of Funding Opportunities (NOFOs) Publication.** (2 CFR § 200.203) For competitive grants and cooperative agreements, NOAA can publish emergency Notice of Funding Opportunities (NOFOs) for less than thirty (30) days with approved documentation, consistent with our current policy, under this emergency waiver.

**12. Flexibility with SAM registration.** (2 CFR § 200.205) Current registrants in SAM with active registrations expiring before May 16, 2020 will be afforded a one-time extension of 60 days.

**13. Exemption of certain procurement requirements.** (2 CFR§ 200.319(b), 2 CFR§ 200.321) NOAA authorizes waivers of 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.

Questions pertaining to this guidance should be directed to Arlene Simpson Porter, Director, Grants Management Division, at [Arlene.S.Porter@noaa.gov](mailto:Arlene.S.Porter@noaa.gov), or by telephone at (301) 628-1314.