



Council On Governmental Relations

**Contracts and Grants Administration (CGA) FAQs
May 8, 2020 VERSION 1.0**

NOTE: These CGA FAQs are current as of May 8, 2020. Like all of the COGR FAQs, these will be updated, as needed, on a regular basis.

CGA FAQ 1: *How should notifications about work stoppages or delays to privately funded agreements and associated charges be handled?*

Work stoppages or delays to privately funded agreements and associated charges should be handled on a case-by-case basis. Sponsored programs staff should talk with their principal investigators and unit/department level leadership to understand the nature of the relationship with the sponsor and review terms and conditions of the agreement (e.g., whether the notice had been given properly, termination clauses, force majeure terms) so institutions can weigh their options when determining how best to proceed. In many cases, the sponsor's action will be fully consistent with the terms of the agreement, and there will be little the institution can do but comply. If the PI/institution has a good relationship with the sponsor, a conversation to consider other options may be worthwhile (remembering that agreements are with the institution and not the principal investigator). In the case where the sponsor's action is not consistent with the terms of the agreement, the institution could choose to challenge the action, but should consider whether it will be worth it, given the level of effort such a challenge will take, along with the likely damage to the relationship. ¹

CGA FAQ 2: *How will institutions handle subawards?*

The institution, as the prime recipient, is expected to continue to fulfill the aims of the project as proposed, unless extenuating circumstances warrant otherwise. Accordingly, most institutions continue to issue subawards if they are able to continue their research and work can still be performed by the subawardee. If an institution receives a stop work order, sponsored programs staff should review the terms of the prime award to determine the necessary steps for its subrecipients. Importantly, costs incurred after receipt of a stop work order would be at the financial risk of the awardee.

¹ Harvard University has developed a comprehensive list of nonfederal sponsor guidance related to COVID-19: <https://osp.finance.harvard.edu/covid-19-guidance-summaries-non-federal-sponsors#AlfredPSloanFoundation>. You can also find this link cross referenced on [COGR's Institutional and Agency Responses to COVID-19 and Additional Resources](#) site.

CGA FAQ 3: Are institutions planning to inform faculty about non-allowability of costs if they are working on grants for which salary is not allowed to be charged for periods of inactivity due to COVID?

While several agencies have [issued guidance](#) allowing salary charges for idle personnel if such charges are consistent with institutional policy and applied consistently regardless of funding source, sponsored programs staff should review the terms and conditions of the relevant award and agency guidance related to COVID-19 where relevant, and work with their principal investigator and/or institutional leadership to discuss next steps. Institutions may need to remind faculty about the institution's policies regarding COVID-19 matters pertinent to grants and agreements (e.g., can other work be performed if work on the agreement is not possible) if on-site research is impacted.²

CGA FAQ 4: How are institutions responding to subawardees/subcontractors that ask if there will be any impacts to subawards due to COVID-19 related shutdowns?

Sponsored programs staff should review the terms and conditions of the prime award, as well as its own ability to continue with the aims of the project before answering. We are hearing that these are isolated cases.

CGA FAQ 5: What happens if funds on an award are depleted but the work on the award is not finished -- how will these obligations be met by institutions?

Institutions should work with their principal investigators to monitor their awards during the period of performance to assess financial capacity in order to determine whether additional time, money or a reduction of scope is necessary. Institutions may consider requesting administrative supplements in these cases in accordance with the agency's guidelines but need to realize that there is no guarantee that funds will be available. Institutions should consider the timing of the request. The NIH FAQs regarding [COVID-19 Flexibilities for Applicants and Recipients, Section VI.D., Question 7](#) state that requesting administrative supplements for additional costs related to COVID-19 exigencies over the next 2-3 months is premature because the full impact of COVID is unknown. Nevertheless, NIH will consider requests for supplements for projects in the following two situations: (1) supplements to existing projects that will allow investigators to immediately address scientific questions of direct relevance to the COVID19 epidemic, and (2) supplements that are needed to address immediate, mission critical needs over the next 3 months. In determining what is considered "mission critical" institutions should consider whether the additional funding is required to accomplish the award goals irrespective of the impact of COVID-19. NSF has indicated "*supplements can be made to address unexpected events that threaten the original scope and objectives of an award but are contingent on the availability of funding.*"³

² COGR has developed a [Federal Agency Guidance Matrix](#) and is tracking agency guidance on salary charges.

³ See: <https://www.nsf.gov/pubs/2020/nsf20053/nsf20053.jsp>

CGA FAQ 6: How are institutions handling the situation in which an employee moves from Grant A to Grant B because they can work remotely on Grant B, but not on Grant A, i.e., will salary be charged to Grant A (original source) or Grant B (benefitting source)?

Salaries should be charged to Grant B (benefitting source). Allocability rules apply. If Grant A is an NIH grant, see [COGR's NIH-Specific FAQs Question 1](#) on notifications of problems, delays, or adverse conditions.

CGA FAQ 7: For institutions that have a policy to cover salaries for all employees in emergency situations, can an idled employee's "non-effort" be allocated to an NIH or NSF award if the employee has exhausted all benefits normally charged as allowable costs?

Some institutional policies provide for employees to charge various forms of leave, including "emergency leave", in the current situation. If an employee exhausts their leave, their ability to charge a grant will depend on the details of the institution's policy as well as guidance from the agency. In order to be charged to the grant, the institution's policy must provide for salaries to continue to be paid regardless of the funding source. In addition, an award cannot be charged for more than the individual's planned effort without prior approval.

For any questions related to these FAQs, please contact COGR Director of Contracts and Grants Administration Jackie Bendall at jbendall@cogr.edu.