

## USAMRAA's Supplemental Guidance on Administrative Flexibilities for Grants and Cooperative Agreements in Response to COVID-19 Pandemic

On March 19, 2020 OMB issued [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](https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf>). The Department of Defense (DoD) also recently published [Frequently Asked Questions \(FAQs\)](https://basicresearch.defense.gov/COVID-19/Frequently-Asked-Questions/) (<https://basicresearch.defense.gov/COVID-19/Frequently-Asked-Questions/>). The United States Army Medical Research Acquisition Activity (USAMRAA) will apply, to the maximum extent possible, all the allowed exceptions to our financial assistance awards, including allowance of costs. The following exceptions, aligned with the format in Memorandum M-20-17 and guidance from the DoD, are time limited. OMB anticipates reassessing the exceptions within 90 days.

On April 9, 2020 OMB issued additional guidance in Memorandum M-20-20 *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to COVID-19* (<https://www.whitehouse.gov/wp-content/uploads/2020/04/M-20-20.pdf>). USAMRAA has revised our supplemental guidance to incorporate M-20-20 in items 14 below.

### 1. Flexibility with SAM registration:

- The SAM registration process will be relaxed as outlined in M-20-17.

### 2. Flexibility with application deadlines:

- There are currently no plans to modify existing application deadline dates but please continue to monitor Grants.gov for any potential change(s) to an application deadline.
- The unique and evolving circumstances related to COVID-19 create multiple challenges for conducting reviews that limit the extent to which timelines for funding can be delayed. Current funding opportunity announcement deadlines allow as much time as possible for application submissions, and further modification of application deadlines is not anticipated.
- Please contact the CDMRP Help Desk at [help@eBRAP.org](mailto:help@eBRAP.org) or 301-682-5507 if you need further assistance.
- *This response may be updated at a later date. Please check this page periodically for possible updates.*

### 3. Waiver of Notice of Funding Opportunities Publication:

- USAMRAA has no immediate emergency Program Announcements for grants or cooperative agreements available at this time.
- *This response may be updated at a later date. Please check this page periodically for possible updates.*

4. No-cost extensions on expiring awards:

- USAMRAA's terms and conditions of award already allow for a one-time, no cost extension of up to 12 months, without need to request prior approval, when the recipient notifies the Grants Officer (GO).
- Recipients may notify USAMRAA's GO(s) of a blanket no-cost extension on all active awards (including grant numbers) covered under M-20-17 -- i.e., they do not need to be requested on an individual basis for each award.
- However, please be aware that funding expiration statutes may prohibit extensions. Recipients should contact the USAMRAA GO for award-specific guidance.

5. Abbreviated continuation requests:

- Not applicable for USAMRAA grants and cooperative agreements.

6. Expenditure of award funds for salaries and other project activities:

- Recipients may continue to charge salaries and benefits to currently active awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal.
- USAMRAA will 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. This may include allowing rent on equipment and facilities during this time frame.
  - However, to the maximum extent practicable, recipients must invoke or institute any and all reasonable mitigation actions and practices to lessen the cost to the Government during the crisis period. Such actions may be part of an existing program created by the recipient organization or may be created to respond to this crisis.
- 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.

7. Allowability of Costs not Normally Chargeable to Awards.

- USAMRAA will allow 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*.
- USAMRAA will allow recipients to charge full cost of cancellation when the event, travel, or other activities are conducted under the auspices of the grant.
- *However, 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 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.

8. Prior approval requirement waivers:

- OMB and DoD have authorized awarding agencies to waive prior approval requirements as necessary. Some prior approvals are already waived under the DoD General Research & Development Terms and Conditions and USAMRAA's agency-specific terms conditions.
- Recipients should consult their GO regarding other potential prior approval waivers based on project-specific circumstances.
- All costs charged to Federal awards must be consistent with Federal cost policy guidelines and the terms of the award, except where specified in OMB Memorandum M-20-17.

9. Exemption of certain procurement requirements:

- The procurement requirements contained in 2 CFR 200.319(b) regarding geographic preference and 2 CFR 200.231 regarding contracting with small and minority businesses, women's business enterprises, and labor surplus supply firms are waved in order to expedite the procurement process for needed support during the period outlined in OMB Memorandum M-20-17.

10. Extension of financial and other reporting:

- Recipients may delay submission of financial, performance and other reports on currently active award accounts up to three (3) months beyond the normal due date.
- Contact the GO and Grants Officer's Representative (GOR) for extensions on other milestones and deliverables required in the terms and conditions of the award. If warranted, the same three-month extension may be granted.
- Recipients may continue to invoice for payment of Federal funds without timely submission of reports.
- Reports must be submitted at the end of the postponed period. Additional extensions require prior approval of the GO.

11. Extension of currently approved indirect costs rates:

- 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 contact their cognizant agency for indirect costs to request an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. The cognizant agency may also approve requests for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.

12. Extension of closeout:

- Recipients may delay submission of any pending financial, performance and other reports required by the terms of the award for the closeout of expired projects, provided that proper notice about the reporting delay is given by the grantee to the GO.
- This delay in submitting closeout reports may not exceed one year after the award expires.

13. Extension of Single Audit submission.

- Implemented as stated in M-20-17.

14. Change of grant/cooperative agreement purpose or scope *in whole or in part* to support COVID-19 response:



- Recipients may **not** repurpose the entire amount (or remainder) of the award to COVID-19 response activities.
- Donation of medical equipment, personal protective equipment, medical devices, medicines, and other medical equipment
  - Recipients *must obtain prior approval* of the Grants Officer to donate such items purchased from grant/cooperative agreement funds to support hospitals, medical centers, and other local entities serving the public for COVID-19 response.
  - Recipients must maintain appropriate records and documentation of these exceptions.
  - Further, recipients are advised that they should not assume additional funds will be available for their grant/cooperative agreement should the donations or repurposing of funds result in any type of shortage.
- Donation of other resources (such as labor, supplies, and contract services)
  - Recipients must obtain prior approval from the GO before donating other resources.
  - Recipients must maintain appropriate records and documentation of these exceptions.
  - Further, recipients are advised that they should not assume additional funds will be available for their grant/cooperative agreement should the donations or repurposing of funds result in any type of shortage.
- Appropriated funding authorities and agency delegations stipulate that assistance agreements must support biomedical research and development. Appropriations with Congressional direction must remain within scope of that direction.
- Recipients who wish to repurpose the aims of a current grant/cooperative agreement to focus specifically on COVID-19 research must contact the GO and the Grants Officer's Representative (GOR) to discuss a change in scope. Approval of such changes, however, may be limited by the appropriation/legislative authority or program considerations. NOTE: The U.S. Army Medical Research and Development Command's Congressionally Directed Medical Research Programs recently released new FY20 Peer Review Medical Research Program Funding Opportunities focused on COVID-19 and SARS-COV-2 in the two topic areas "emerging viral diseases" and "respiratory health". See:  
<https://ebrap.org/eBRAP/public/ProgramFY.htm?programFYId=256400>.

NOTE: This guidance does not apply to contracts. For information pertaining to USAMRAA contracts, see the resources posted under "Contracting" at: <https://www.usamraa.army.mil/Pages/COVID-19.aspx>.