



**National Science Foundation**  
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## **American Recovery and Reinvestment Act (Recovery Act) Frequently Asked Questions**

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1. **Are there any special award terms and conditions or additional reporting requirements placed on awards made with Recovery Act funds?**

The Recovery Act mandates a significant level of transparency and accountability and so, in accordance with that, there are additional requirements placed on awards made with Recovery Act funds.

Each NSF award that includes funds provided by the Recovery Act specify that recipients of ARRA funds must comply with standard NSF award conditions (Research Terms and Conditions or Grant General Conditions, as applicable) as well as the requirements set forth

in ARRA, including, but not limited to, the reporting requirements specified in the award term entitled, "*Reporting and Registration Requirements under Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5*", as well as the accompanying OMB guidance (available on the Recovery.gov website.) As such, ARRA funds cannot be commingled with non-Recovery Act funds. The text of the NSF ARRA Terms and Conditions can be accessed at:

[http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=arra0509](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=arra0509).

Given the goals of the Recovery Act, awardees will be informed that they are expected to expend funds in a timely manner on allowable award costs and that NSF will be monitoring awards for expenditures. If, after 12 months, no allowable expenditures have taken place, NSF may consider reducing or terminating the award and reallocating the funds.

## **2. Are there special priorities for awards that will be made via the Recovery Act?**

Funding of new Principal Investigators and high-risk, high-return research will be top priorities. At NSF, a new PI is defined as an individual who has not served as the PI or co-PI on any award from NSF (with the exception of doctoral dissertation awards, graduate or postdoctoral fellowships, research planning grants, or conferences, symposia & workshop grants.)

With the exception of the Academic Research Infrastructure program, the Science Masters program, the Major Research Instrumentation program, and the EPSCoR Research Infrastructure Improvement Program: Cyber Connectivity (RII C2) Inter-campus and Intra-campus Cyber Connectivity program, the majority of proposals eligible for Recovery Act funding include those that are already in-house and will be reviewed and/or awarded prior to September 30, 2009. NSF also will consider proposals declined on or after October 1, 2008. The process for reversal of the decline decision is outlined in this FAQ document.

## **3. Are there any eligibility restrictions on who may be supported using Recovery Act funds?**

The NSF Director has made a commitment to follow established Foundation policies and procedures for submission, merit review and award of proposals funded under the Recovery Act. Therefore, unless modified by a specific program solicitation, the eligibility policies contained in the NSF *Grant Proposal Guide* Chapter I.E. "Who May Submit Proposals" apply and the Foundation will continue to make funding decisions based on the intellectual merit and broader impacts of submitted proposals. Some exceptions to this general guidance are provided in Section 1604 of the Recovery Act which states that "None of the funds appropriated or otherwise made available in this Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool."

In accordance with this ARRA provision, no awards or subawards may be made using ARRA funds to support any of these types of establishments and/or facilities. In addition, in the March 20, 2009 White House Memorandum, Subject: *Ensuring Responsible Spending of Recovery Act Funds*, President Obama noted that, to the extent permitted by law, agencies "shall not approve or otherwise support funding for projects that are similar to those described in Section 1604 ..." The Memorandum did not elaborate on the types of projects that might be "similar" to those listed in Section 1604. Thus, if an awardee plans to enter into a subaward arrangement (either pre- or post-award) with an establishment and/or facility that may be similar to those projects listed in Section 1604, the awardee must receive written approval from the NSF Office of the General Counsel, prior to the expenditure of funds.

## **4. Will awardees have to separately account for Recovery Act funds?**

Each NSF award that includes funds provided by the Recovery Act specifies that recipients of ARRA funds must comply with standard NSF award conditions (Research Terms and Conditions or Grant General Conditions, as applicable) as well as the requirements set forth in ARRA, including, but not limited to, the reporting requirements specified in the award term entitled, "*Reporting and Registration Requirements under Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5*", as well as the accompanying OMB guidance (available on the Recovery.gov website.) The text of the NSF ARRA Terms and Conditions can be accessed at:

[http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=arra0509](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=arra0509). In addition, awardees will be required to separately account for Recovery funds as such funds cannot be

commingled with non-Recovery Act funds. It should be noted that NSF Fellowship Awards to individuals are exempt from the ARRA quarterly reporting requirement and are subject to different terms and conditions than standard NSF research awards.

Given the goals of the Recovery Act, awardees will be informed that they are expected to expend funds in a timely manner on allowable award costs and that NSF will be monitoring awards for expenditures. If, after 12 months, no allowable expenditures have taken place, NSF may consider reducing or terminating the award and reallocating the funds.

**5. What method should awardees use to demonstrate that they have created or retained jobs as a result of Recovery Act funding received from NSF?**

Awardees will be required to provide, on a quarterly basis, an estimate of the number of jobs created, and the number of jobs retained, as a result of the support of Recovery Act projects. At a minimum, this estimate shall include any new positions created and any existing filled positions that were retained to support or carry out Recovery Act projects or activities managed directly by the awardee, and if known, by sub-recipients. Further guidance for reporting this estimate of jobs created/retained is available on Recovery.gov.

**6. Are there limits or guidelines on the timeframe for expending funds once an award is made?**

Given the goals of the Recovery Act, awardees will be informed that they are expected to expend funds in a timely manner on allowable award costs and that NSF will be monitoring awards for expenditures. If, after 12 months, no allowable expenditures have taken place, NSF may consider reducing or terminating the award and reallocating the funds.

**7. Will there be any restrictions on no-cost extensions for awards made with Recovery Act funds?**

The NSF Director has made a commitment to follow established Foundation policies and procedures for submission, merit review and award of proposals funded under the Recovery Act. As such, standard NSF policies and procedures will be utilized in the processing and approval of no-cost extensions.

**8. Will any Recovery Act awards be made through use of continuing grants?**

Recovery Act funding is a one-time occurrence and therefore, except where noted, all new grants awarded using Recovery Act funds will be made via use of standard grants.

**9. How will awardees receive Recovery Act funds awarded to their organization?**

Awardees will continue to draw down their funds on a pooling basis through the FastLane Cash Request module. Separate draw downs can be done by an organization for Recovery Act and non-Recovery Act funds if it assists the organization tracking the funds.

**10. Will an organization have to establish a separate bank account for the Recovery Act funds?**

No, because NSF disburses funds by organization and not on an individual award. Organizations should track the Recovery Act fund awards and expenditures separately on their books.

**11. How will Recovery Act funding affect the quarterly Federal Financial Report (FFR) process?**

The FFR process will remain the same. Awardees will continue to report their expenditures on a grant by grant basis on the FFR.

**12. What are the quarterly reporting requirements for grantees receiving Recovery Act funds?**

Grantees receiving Recovery Act funds will be required to file two separate quarterly reports as follows:

- a. Ten calendar days following the end of each calendar quarter, beginning October 10, 2009, all grantees are required to file a report on use of funds provided by the

Recovery Act.

- b. Forty days following the end of each calendar quarter, all grantees **are required to** electronically file the standard Federal Financial Report, SF 425, via the NSF FastLane system. Questions regarding completion of the Federal Financial Report may be directed to: [bfadfmils@nsf.gov](mailto:bfadfmils@nsf.gov).

In addition to the above reports, PIs also are required to electronically submit annual project reports at least three months prior to the end of the current budget period via the NSF FastLane system.

**13. Is it possible to include an additional amount for ARRA administrative costs as a direct charge in an NSF proposal budget?**

The Office of Management and Budget has not recognized the allowability of administrative costs associated with complying with the ARRA requirements. Therefore, proposers are not permitted to direct charge ARRA administrative costs to NSF awards.

**14. Will NSF approve award transfer requests for ARRA-funded awards?**

If an ARRA award has been made and no funds have been expended, an award transfer is allowed. Awardees should follow the procedures in the [Award & Administration Guide \(AAG\) Chapter II.B.2h](#)

If an ARRA award has been made and funds have been expended, award transfer is not allowed. It may be possible, however to utilize other options such as subawards.

Information on subawards is available in the [AAG Chapter II.B.3.](#)

**15. Can an ARRA CAREER award be transferred?**

If grants funds have been expended, a CAREER award cannot be transferred (see above). Just as with other ARRA awards, however, the subaward mechanism is an available option in lieu of transfer.

Should this mechanism be used, the subaward institution must meet the organizational eligibility criteria specified in the CAREER solicitation. Although the prime awardee will need to appoint a substitute PI at their institution, the CAREER awardee must be the PI on the subaward. In addition, the Chair at the subawardee institution must submit a letter (email is sufficient) confirming that the PI is in a tenure-track position or on tenured appointment with education responsibilities, and that he/she supports the PI's CAREER goals as outlined in the originally submitted proposal.

**16. Should participants included in the Participant Support cost category (Line F) of the NSF Budget be counted as a job created or retained?**

Generally, those included in the Participant Support cost category are people who are participating in a conference, meeting, symposia, or workshop and are not employed to work on the NSF-supported project. Therefore they would not meet the Office of Management and Budget definition of a job and should not be counted as a job created or retained on the recipient's quarterly ARRA report.

**17. Should those who have fellowship or training grants from NSF be counted as a job created or retained?**

While individual fellows or trainees may not be considered employees by the awardee, these individuals may be reported as jobs created or retained when ARRA funds have been awarded to an individual fellowship or training grant. Each fellow or trainee supported on an award would count as one job created or retained.

**18. Why is it important to maintain current CCR and DUNS registration information?**

It is the recipient's responsibility to ensure that their CCR information is up-to-date, and that their registration is active and will remain active throughout the reporting cycle. CCR registrations must be renewed at least every 12 months. If the registration expires, it will prevent a recipient from submitting a report in FederalReporting.gov until the registration is re-instated. Given that the re-instatement process can take time, recipients should ensure their CCR registration is current prior to the beginning of each reporting cycle. Maintaining

current Points of Contact in the CCR record will assure that CCR renewal reminders are received by the appropriate person(s) at the recipient organization.

It is also the recipient's responsibility to ensure that their DUNS number and entity record is accurate and active with Dun and Bradstreet (D&B). While DUNS numbers don't expire, Dun and Bradstreet does conduct routine and continuous data maintenance and outreach to verify operations at a location. When operations cannot be verified for a particular DUNS number, D&B may flag the DUNS number as "inactive," which could interfere with successful reporting. In order to lookup, review or modify a record at D&B, recipients may use the following resources:

- Utilize the self-service webform at: <http://fedgov.dnb.com/webform>. This application allows a recipient to lookup their DUNS number, review the data on file, request changes if necessary, or request a new DUNS number if one does not already exist;

Call (866) 705-5711 to verify that a DUNS number is active and confirm other details about their entity.