**FAQ for Grants and Contracts Impacted by COVID-19**

**Programmatic Impacts and Project Extensions**

All communications with external sponsors regarding project impacts from COVID-19 must be coordinated with the Office of Sponsored Programs, the Office of Research Affairs (College of medicine) or the Applied Research Lab (ARL) Business Office. Your college research office can assist you in preparing official correspondence.

**Some research projects have a rigid timeline and we would have a scope of work timeline violation if we deviate from that.  Therefore, there are concerns about a slow down or gap in activities or if staff may need to work from home.**
As soon as it becomes obvious that delayed research activities might result in a missed deliverable or a change in the scope of work, you should contact your program officer to determine whether he or she would be supportive of an extension or a modification to the scope of work. Per Federal guidance, modifications to the scope of work require the prior approval of the grants officer (2 CFR [200.308](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ecfr.gov%2Fcgi-bin%2FretrieveECFR%3Fgp%3D1%26SID%3D4e84f69382b3d1422ad60ca9f1d993be%26ty%3DHTML%26h%3DL%26n%3D2y1.1.2.2.1%26r%3DPART%23se2.1.200_1308&data=02%7C01%7Cjhh6%40psu.edu%7Cb0357a128bcb4b52cda608d7cab285c3%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637200740408986740&sdata=syM731l8AH5T9FdkU3uQLaZ%2B1YI8QQQ9i7V%2BJU3OsXQ%3D&reserved=0)(c)(1)(i)). College research offices and the Office of Sponsored Programs are available to assist you with these formal requests. It is advisable, whenever possible, to discuss proposed changes with your program officer, but all modifications need to be formalized via contractual modification. Industry contracts and other non-federal agreements may be subject to special requirements. Please contact OSP for guidance regarding notifications or amendments associated with performance delays.

**Should I notify my sponsor if certain project activities of a funded research project cannot be completed or have to be suspended as a result of COVID-19?**
Yes.  Please coordinate any communication to a sponsor with the Office of Sponsored Programs, the Office of Research Affairs (College of medicine) or the Applied Research Lab (ARL) Business Office.  Examples of impact include: canceling a funded conference, inability to conduct fieldwork because of travel restrictions, inability to meet the scheduled deliverables or aims/goals/SOW, absence of PI or key person for more than 90 days.

**Will agencies consider longer no cost time extensions if needed to finish a project after disruption?**
Researchers should document the actual impact of COVID-19 on the progress of their grants to provide details for any future no-cost time extension request.  It is not known at this time if agencies will consider longer-than-normal no cost time extensions, or multiple no-cost time extensions in this situation.  For most federal research grants, Penn State has the authority to grant a first no-cost time extension up to 12 months in duration.

**How will a pause in my research impact my grant expenditures?**
Generally, there should not be significant impact to your grant expenditures. All other project-related activities that are not affected by a pause can continue as normal. Additionally, there should not be a significant disengagement of the PI or other key personnel from affected projects.  If you feel that this will not be the case in your project, please contact the Office of Sponsored Programs, the Office of Research Affairs (College of medicine) or the Applied Research Lab (ARL) Business Office. If the award is ending within the next 30-90 days (on or before June 30, 2020), you should coordinate any grant expenditures with your grant manager to ensure expenditures are appropriate/allowable on the grant and reconcile any issues prior to close-out.

**Travel Cancellations:**

**Are travel cancellation costs due to COVID-19 allowable as direct charges to sponsored projects?**
Specific federal guidance on this topic varies by agency . NIH has provided clear guidance: “Non-refundable costs associated with grant-related travel that has been cancelled due to COVID-19 may be charged to the NIH award if they would have otherwise been allowable” ([NOT-OD-20-086](https://grants.nih.gov/grants/guide/notice-files/NOT-OD-20-086.html)). Other agencies are largely deferring to our institutional policy, which can be found [here](https://www.research.psu.edu/node/3916). In general, if an event or conference is cancelled, non-reimbursable travel costs are considered allowable, given the terms and conditions of the sponsored award allow for travel costs. However, “if the employee opts out of travel or the University mandates that the travel not occur, these costs are considered unallowable.” Unallowable costs would have to be transferred to general (non-sponsored) funds. The individual's first priority should be to work with the airline/hotel, as many are waiving change fees or are offering full refunds for trips that you wish to change. In order to be allowable, federal sponsors may require that the traveler has requested and been denied a refund, and that documentation of such a request is retained in the department.

**I am involved with a conference or travel award for a meeting that is taking place in the coming weeks. Should I continue with plans for the meeting?  If I am uncomfortable attending, thus it is a personal choice not to attend, are the charges allowable?**
According to [Penn State policy](https://www.research.psu.edu/node/3916), if a meeting of conference is cancelled, reasonable cancellation fees and other non-reimbursable travel costs are considered allowable. However, “if the employee opts out of travel or the University mandates that the travel not occur, these costs are considered unallowable.” Unallowable costs would have to be transferred to general (non-sponsored) funds.

**What should I do if the airline provides me a credit to be used within the next 12 months?  Can this charge remain on the grant?**
Until we receive different guidance from federal sponsors, the general answer is that this should be funded via institutional funds (i.e., should not be placed on a grant) as it is not clear as to whether this credit will be used at some future date to benefit the initial grant in question, or something else.

**Is traveler’s insurance or change fees an allowable direct cost to the grant?**
Generally, no it is not allowable, although we are still waiting for federal guidance. It should be noted that traveler’s insurance may be prudent, but should be charged to institutional funds (not a sponsored project) until we receive additional federal input.

**How should credits from cancelled travel costs be handled on sponsored projects?**
If a traveler has charged (e.g., through a travel advance) an airline ticket or other travel cost to a sponsored project, and then that trip is later cancelled, the credit must accrue to the sponsored project.

**Charging Effort When Ill and/or Working Remotely:**

**Is the effort of project personnel working remotely during self-isolation allowed to be charged to a grant?**
In general, yes, provided the project personnel remain engaged on the project.  Current sponsor prior approval requirements regarding disengagement and effort reductions remain in effect. This requires supervisor and PI approval to ensure allowability and programmatic support of science.

**What if I am sick and unable to work on my grant project.  Can my salary still be charged to the grant?**
It is generally acceptable to continue charging effort to sponsored programs, even if project personnel are ill, in proportion to their previously established allocation of effort. However, if an individual is going to be disengaged from a project for more than three months, his or her salary should be removed from the project to avoid an undue burden on the sponsored fund. (See [RA64](https://policy.psu.edu/policies/ra64), OTHER LEAVE/EXTENDED LEAVE.)

**If I am required to work from home as a result of either campus closure or self-isolation, am I able to charge supplies related to telework (e.g., laptop, printer, office supplies, etc.) to a grant?**
These types of expenses are considered administrative costs (indirect costs), and generally are not appropriate as a direct cost unless specifically approved by the sponsor. You may wish to talk with your supervisor about your needs in order to be set up to work remotely. Please see Penn State’s [Cost Accounting Standards FAQ](https://www.research.psu.edu/node/819) for more detailed guidance.

**What if my project personnel and I are unable to continue working on my grant because of on-campus research restrictions?**
In certain cases, it may be possible to pivot to other project related activities (e.g., data analysis) that do not require access to on-campus research facilities. In other cases, this obviously will not be possible. However, as long as work interruptions are short-term, and you are eventually able to perform your proposed scope of work and meet your deliverable schedule, it is generally acceptable to continue charging salaries to Federal grants and contracts. (Per Federal guidance: “Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term” (2 CFR [200.430](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ecfr.gov%2Fcgi-bin%2FretrieveECFR%3Fgp%3D1%26SID%3D4e84f69382b3d1422ad60ca9f1d993be%26ty%3DHTML%26h%3DL%26n%3D2y1.1.2.2.1%26r%3DPART%23se2.1.200_1430&data=02%7C01%7Cjhh6%40psu.edu%7Cbba15242a9f141f3c94a08d7cb6e5ba0%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637201547157585148&sdata=qElinZhKbWDO0d5a7qkIVtcU4vqSpagEMtcEnxH7yRc%3D&reserved=0)(i)(viii)(B)).

Please consider the following to determine how and if to continue charging salaries to your project:

* **Is your project approaching an end date or key deliverable due date?** If so, please request an extension as soon as possible. (College research offices and the Office of Sponsored Programs will continue to work remotely to support these requests.)
* **Even if your project is not ending soon, do you anticipate that the research delays will compromise your ability to complete your project on time?** It may be difficult to determine this, since we cannot be certain how long this situation will last. But as soon as it becomes clear that you might miss your deadlines, you should request an extension.
* **Will the on-campus reduction of research activities result in a change in the scope of work?** In some cases, it might not. You might be able to replace suspended activities (e.g., in person interviews) with acceptable alternatives (e.g., online interviews) and still complete the proposed research objectives. Even if you can’t perform the project in an alternative way, a short delay might be something you can recover from later. But as soon as it becomes obvious that the delay might result in a change in the scope of work, you should contact your program officer to determine whether he or she would be supportive of a change. Per Federal guidance, modifications to the scope of work require the prior approval of the grants officer (2 CFR [200.308](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ecfr.gov%2Fcgi-bin%2FretrieveECFR%3Fgp%3D1%26SID%3D4e84f69382b3d1422ad60ca9f1d993be%26ty%3DHTML%26h%3DL%26n%3D2y1.1.2.2.1%26r%3DPART%23se2.1.200_1308&data=02%7C01%7Cjhh6%40psu.edu%7Cb0357a128bcb4b52cda608d7cab285c3%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637200740408986740&sdata=syM731l8AH5T9FdkU3uQLaZ%2B1YI8QQQ9i7V%2BJU3OsXQ%3D&reserved=0)(c)(1)(i)). College research offices and the Office of Sponsored Programs are available to assist you with these formal requests. (Even though you will want to discuss the proposed change with your program officer, you eventually will need to formalize the change via contractual modification.)
* **Changes in key personnel require the prior approval of the grants officer** (2 CFR [200.308](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ecfr.gov%2Fcgi-bin%2FretrieveECFR%3Fgp%3D1%26SID%3D4e84f69382b3d1422ad60ca9f1d993be%26ty%3DHTML%26h%3DL%26n%3D2y1.1.2.2.1%26r%3DPART%23se2.1.200_1308&data=02%7C01%7Cjhh6%40psu.edu%7Cb0357a128bcb4b52cda608d7cab285c3%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637200740408996737&sdata=qvA0vJTzSdwgCmJ3cF06jgT4s0r%2ByGWT%2F04ORwcG5r8%3D&reserved=0)(c)(1)(ii)).
* **If the PI will be disengaged from the project for more than three months, or needs to reduce the time she has devoted to the project by 25 percent or more, that also requires the prior approval of the grants officer** ((2 CFR [200.308](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.ecfr.gov%2Fcgi-bin%2FretrieveECFR%3Fgp%3D1%26SID%3D4e84f69382b3d1422ad60ca9f1d993be%26ty%3DHTML%26h%3DL%26n%3D2y1.1.2.2.1%26r%3DPART%23se2.1.200_1308&data=02%7C01%7Cjhh6%40psu.edu%7Cb0357a128bcb4b52cda608d7cab285c3%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637200740408996737&sdata=qvA0vJTzSdwgCmJ3cF06jgT4s0r%2ByGWT%2F04ORwcG5r8%3D&reserved=0)(c)(1)(iii)). if an individual is going to be disengaged from a project for more than three months, his or her salary should be removed from the project to avoid an undue burden on the sponsored fund. (See [RA64](https://policy.psu.edu/policies/ra64), OTHER LEAVE/EXTENDED LEAVE.)
* **As long as the project does not require any extensions or other approvals (as outlined above), it is generally acceptable to continue charging effort to sponsored programs, even if project personnel are ill, in proportion to their previously established allocation of effort.**
* **Please note that the guidance above only relates to “short term (such as one or two months) fluctuations”** (as per2 CFR [200.430](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=4e84f69382b3d1422ad60ca9f1d993be&ty=HTML&h=L&n=2y1.1.2.2.1&r=PART#se2.1.200_1430)(i)(viii)(B)). If your research is subject to a longer delay, it will be necessary to reevaluate the appropriateness of charging salaries to your grants and contracts. We also should expect emerging guidance from the Federal government and other sponsors to impact the way we manage these issues.

**Summary:**

* If the individual is working remotely and contributing to the project, then salary can be charged to the project.
* If an individual cannot contribute to their current project but can contribute to another sponsored project or school activity, the salary must be moved to that funding source.
* If an individual cannot perform job functions on a sponsored project due to illness, their salary can be charged to the project for up to three months in proportion to their previously established allocation of effort.
* If an individual is temporarily unable to perform on a sponsored project because of campus research closures (for a period not greater than one or two months), their salary can still be charged in accordance with their previously established allocation of effort; however, the sponsor’s prior approval may be required if the temporary work stoppage will result in missed deliverables, a change in the scope of work, a change in key personnel, or the fluctuation lasts beyond a short-term period. Sponsor approval may also be required if the Principal Investigator or other personnel must disengage from the project for more than three months and/or reduce their total effort by 25 percent or more.

**If the agency program officer or grants officer is unavailable (or if the agency is closed) due to COVID-19, can grant personnel continue to work and charge salary to the project?**
In most cases, grantees should be able to continue work until their period of performance and funding is exhausted.  If prior approvals are required, the PI (with applicable institutional coordination and countersignature) should continue to submit their request to the funding agency using the normal mechanism for that agency (email or on-line system.)  In the event approval is not forthcoming within the time period for action allowed by the agency (typically 30 days), please consult with OSP.

**I can’t get to my research site and my research will be severely impacted.  Will the sponsor provide incremental funding and/or additional time so that I can successfully complete the aims of the award?**
We expect federal agencies will recognize the difficulties inherent in this situation and work with institutions to facilitate the conduct of the project. As a reminder, recipients are required to (1) inform their program officer and grants officer if the need arises for additional Federal funds to complete the project; and (2) federal agency notification is required as soon as “problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award” is known (2 CFR [200.328](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=4e84f69382b3d1422ad60ca9f1d993be&ty=HTML&h=L&n=2y1.1.2.2.1&r=PART#se2.1.200_1328)(d)(1)). In the latter case, the notification must include a statement of the action taken or contemplated and any assistance needed to resolve the situation.

(Note: Much of the above FAQ has been adapted from a resource developed by [Duke University](https://research.duke.edu/coronavirus-research-FAQ).)