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

Federal and state guidance has been evolving rapidly during the COVID-19 public health crisis. Penn State will continue to monitor emerging Federal guidance and will update this FAQ accordingly.

***Charging personnel costs during periods of interrupted work***

**Our project personnel are unable to perform work due to COVID-19 related research restrictions. May I continue to charge their salaries to sponsored funds?** *Under normal circumstances, individuals who are not working on a project may not charge effort to that project. However, in extraordinary circumstances, Penn State policy may permit the charging of salaries (or proportions thereof) to sponsored programs in accordance with prior commitments (*[*RA64*](https://policy.psu.edu/policies/ra64#B4)*). Such costs should be tracked and separately documented in case we are later asked to transfer them from sponsored funds or required to justify such expenditures. Please note that individuals who can perform project-related activities (e.g., remotely) are still expected to do so to the maximum extent possible. A decision tool for determining appropriate salary charges can be found* [*here*](https://www.research.psu.edu/node/4032)*.*

**Has the Office of the Senior Vice President for Research and the Corporate Controller’s Office identified the current situation as an “extraordinary circumstance”?** *Yes. The US Secretary of Health and Human Services has declared a* [*public health emergency*](https://www.hhs.gov/about/news/2020/01/31/secretary-azar-declares-public-health-emergency-us-2019-novel-coronavirus.html) *for the entire United States. The Governor of Pennsylvania also has proclaimed the existence of a* [*disaster emergency*](https://www.governor.pa.gov/wp-content/uploads/2020/03/20200306-COVID19-Digital-Proclamation.pdf) *throughout the Commonwealth. The period associated with this determination began March 24, 2020, when on-campus research was reduced to “*[*essential research-related activity*](https://www.research.psu.edu/covid_labs)*.” Much of the* [*relevant Federal guidance*](https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf) *is scheduled to expire on June 17, 2020, unless further extended. The University has provided* [*additional guidance*](https://news.psu.edu/story/617057/2020/04/23/administration/message-penn-state-president-eric-j-barron?utm_source=newswire&utm_medium=email&utm_term=617036_HTML&utm_content=04-23-2020-22-23&utm_campaign=Penn%20State%20Today) *through June 30, 2020.*

**Will my sponsor allow personnel costs associated with individuals who cannot currently work on my project?** Please see the [Decision Tool](https://www.research.psu.edu/node/4032) for more detailed guidance. *Most Federal agencies, including* [*DoD*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.darpa.mil%2Fattachments%2FDoDTermsandConditionsforCOVID19Waivers.pdf&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423524291&sdata=3BmECMYen7yW%2Fmtaj3RLxTpy%2B7XyvpH1wjImY1FGYS0%3D&reserved=0)*,* [*ONR*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.onr.navy.mil%2F-%2Fmedia%2FFiles%2FContracts-Grants%2Fdocs%2FONR-FAQs-to-Current-and-Prospective-Grant-Recipients-Impacted-by-COVID-19_v2-02-APR-2020.ashx%3Fla%3Den&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423534288&sdata=vwUHyLNvjhVsX9gBWOM8wGS97y0Qjcgp4%2FLrREuOYZM%3D&reserved=0)*,* [*NIH*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgrants.nih.gov%2Fgrants%2Fguide%2Fnotice-files%2FNOT-OD-20-086.html&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423544279&sdata=q6eLjcWK35jR4liALQr6yzsZPaFmIUo2OrstpGeSDAk%3D&reserved=0)*,* [*NSF*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.nsf.gov%2Fbfa%2Fdias%2Fpolicy%2Fcovid19%2Fcovid19_nsfombimplementation.pdf&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423544279&sdata=b3ht0wHIY7V%2FdSwt556L0lUfkBUCOpPJkN5%2FTd9fhik%3D&reserved=0)*,* [*USDA NIFA*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fnifa.usda.gov%2Fsites%2Fdefault%2Ffiles%2Fresource%2FNIFA-20-006-Coronavirus-OMB-M-20-17.pdf&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423554275&sdata=Y0wOHWjNCC%2BEz56%2F3ZtL%2FM4p2%2FLnq8y4KFYbtouwXwk%3D&reserved=0)*,* [*DOE*](https://www.research.psu.edu/sites/default/files/COVID-19%20Attachment%202%20DOE-NNSA%20Implementation%20of%20OMB%20Memorandum%20M-20-17.pdf)*,* [*NASA*](https://www.research.psu.edu/sites/default/files/NASA_s_Implementation_of_M-20-17_COVID-19.pdf)*,* [*NOAA*](https://www.noaa.gov/sites/default/files/atoms/files/Notice_NOAA%20Guidance%20Regarding%20Administrative%20Relief%20for%20Recipients%20and%20Applicants%20of%20Federal%20Financial%20Assistance%20Directly%20Impacted%20by%20COVID-19_0.pdf)*,* [*HRSA*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.hrsa.gov%2Fgrants%2Fmanage-your-grant%2FCOVID-19-frequently-asked-questions&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423554275&sdata=LZ8s0XtUEQri8O1Mb1qotR5vut%2BIyI4OcJSxl2n0m34%3D&reserved=0)*,* [*CDC*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.cdc.gov%2Fgrants%2Fpublic-health-emergencies%2Fcovid-19%2Ffaqs%2Findex.html&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423564270&sdata=sVOys%2FD8B6oXH003Wap0wQK5O9vko7qw0Edl1qJJKBw%3D&reserved=0)*,* [*IMLS*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.imls.gov%2Fcoronavirus-covid-19-updates%2Finformation-imls-grant-applicants-and-awardees&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423564270&sdata=FwccFLGis5kuIO%2FvvfDftNvRcu0zfHLypkH%2BTM2oE7M%3D&reserved=0)*,* [*NEH*](https://nam01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.neh.gov%2FCOVID19_FAQs&data=02%7C01%7Cjhh6%40psu.edu%7C1e075b3292024375566208d7dcab7dda%7C7cf48d453ddb4389a9c1c115526eb52e%7C0%7C0%7C637220501423574264&sdata=ccYbEK5Z4T53V0VGnvVtxxK4s85R1U0awpmCVRYdad4%3D&reserved=0)*, or* [*USAID*](https://www.research.psu.edu/sites/default/files/USAID%20MemorandumAuthorizingCOVID-19FlexibilitiesM-20-17rev.pdf)*, have indicated that they will cover such costs on grants and cooperative agreements, provided that such coverage is consistent with University policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Such costs also may be covered on certain DoD contracts in accordance with the CARES Act. (See* [*here*](https://www.acq.osd.mil/dpap/policy/policyvault/Implementation_Guidance_CARES_3610_DPC.pdf) *and* [*here*](https://www.acq.osd.mil/dpap/pacc/cc/docs/covid-19/FAQ_Implementation_Guidance_CARES_Act_Sec_3610_2020.04.17.pdf) *for DoD guidance and implementation FAQs.) Other sponsors may disallow salaries of non-working individuals, especially if researchers are unable to meet proposed deliverables. Please consult with your sponsor to discuss the possibility of extensions and supplements, as needed. You also may wish to discuss with your sponsor the possibility of modifying your scope of work to permit performance of remote activities complementary to your original objective.*

**I previously reviewed guidance indicating that fluctuations of effort on sponsored projects were permitted, as long as all project objectives were eventually met. Is that still true?** *According to 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), “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.” Thus, even if your sponsor has not made allowances for work disruptions, you still have “one or two months” to get your project back on track before you may have to remove project personnel from a sponsored activity. Please note that this option is not available to individuals who are paid 100% on sponsored projects, since such individuals cannot work more than 100% in future months to “catch up” with work they are not performing now.*

**May we also charge hourly (wage payroll) personnel to sponsored projects if they cannot work remotely on the project?** *Wage personnel can only charge hours to sponsored programs to the extent they are performing* [*allocable effort*](https://policy.psu.edu/policies/ra10#C) *(including remote effort) on a sponsored program. Exceptions may be permitted with the prior written approval of the sponsor. PIs should work with their college research office to secure prior written approval. In the absence of such approval, wages must be removed from sponsored programs. This includes wages that may have been charged to sponsored programs in recent weeks as we were awaiting additional guidance. Costs incurred through 4/30/20 will need to be transferred to institutional funds. After 4/30/20, wage payroll personnel are not to be paid unless they are performing allocable effort.*

**How does President Barron’s** [**commitment to cover salaries**](https://news.psu.edu/story/612766/2020/03/24/administration/penn-state-cover-all-employee-and-student-worker-salaries) **through April 30, 2020 comport with the above?** *The guidance above is intended to determine whether it is appropriate to charge salaries and wages of non-working individuals to sponsored projects. In such cases where it is not appropriate to charge an individual’s effort to sponsored projects, such effort will have to be covered with other University funds.*

**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.)*

**Some of my project personnel are unable to travel/return to the U.S. until restrictions are lifted. Can I still have them work remotely on my sponsored project?** *Individuals working abroad may be subject to local labor laws, sanction programs, and/or export control restrictions. Please consult with your HR Strategic Partner and the Export Compliance Office to make sure payment is appropriate in your specific case. Sponsor prior approval may also be required in some cases. For example, NIH recently added* [*guidance*](https://grants.nih.gov/faqs#/covid-19.htm?anchor=question55901) *stating that a postdoc working remotely outside of the U.S. would constitute of a “foreign component,” which would require NIH’s* [*prior approval*](https://grants.nih.gov/grants/policy/nihgps/HTML5/section_8/8.1.2_prior_approval_requirements.htm?Highlight=prior%20approval#Foreign)*.*

**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.*

***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.

**What should I do if my work has been interrupted or otherwise compromised by the current crisis?** *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. Please consider the following to determine how to manage 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 may wish 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 need to reduce the time she has devoted to the project by 25 percent or more, the grant officer’s prior approval is required ((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)).

**Will the sponsor provide incremental funding and/or additional time so that I can successfully complete the aims of the award?***Supplements are not guaranteed, but we expect federal agencies to be as flexible as they can be to support projects during this difficult time. 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.*

**I am offering a remote Undergraduate Research Experience for this summer. My sponsor is requesting confirmation that we are not going to have resources (housing and labs) to offer the program in person. Can you provide this confirmation?** *At this point, the University is planning to deliver all courses and programming virtually for the Maymester, Summer Session I, and Summer Session II, through a mix of asynchronous online and synchronous remote course offerings. Access to laboratories and on-campus research facilities has been limited to essential research-related activities only. Students should not return to campus at this time, and they will not be able to swipe into their on-campus residence halls. This is critical to the University’s efforts to create as much social distancing as possible and maintain a low level of exposure risk to our students as well as all our local communities. The University will communicate when residence halls will reopen well in advance.*

***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.*

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