



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

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1. **Will there be 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 will be additional requirements placed on awards made with Recovery Act funds.

Each NSF award that includes funds provided by the Recovery Act will contain specific conditions identifying the funding as coming from the Recovery Act, and reference the specific awardee reporting responsibilities mandated by Section 1512c. of the Recovery Act and the Office of Management and Budget. In addition, awardees will be required to separately track and monitor for Recovery funds as such funds cannot be commingled with non-Recovery Act funds.

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. With the exception of the Academic Research Infrastructure Program, the Science Masters Program, and the Major Research Instrumentation 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. **Will there be 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 the White House memo of 3/20/09 (posted on this site) which states that Recovery Act funds may not be used for several entities. The entities most relevant to NSF appear to be aquariums and zoos.

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

Each NSF award that includes funds provided by the Recovery Act will contain specific conditions identifying the funding as coming from the Recovery Act, and reference the specific awardee reporting responsibilities mandated by Section 1512 of the Recovery Act. In addition, awardees will be required to separately account for Recovery funds as such funds cannot be commingled with non-Recovery Act funds.

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. Does NSF expect an increase in proposal submissions from the research and education community and in requests to the community to review proposals in response to the Recovery Act?

The Recovery Act supplements NSF fiscal year 2009 funding by \$3.0 billion. NSF currently has many highly rated proposals that it has not been able to fund. For this reason, NSF is planning to use the majority of the \$2 billion available in Research and Related Activities for proposals that are already in house and will be reviewed and/or awarded prior to September 30, 2009. In most cases, review arrangements (including establishment of panels, where appropriate) have already been made. Thus, the Foundation does not anticipate a substantial increase in proposal submissions or requests to review proposals beyond what has already been put in place for FY 2009. NSF does not expect to have any of this Recovery Act funding available in Research and Related Activities for expenditure on FY 2010 awards.

6. 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 and retained will be provided to institutions.

7. What advice can NSF provide to proposers that did not submit earlier this fiscal year and who therefore do not have a proposal already in-house at NSF that may be considered for Recovery Act funding?

NSF is planning to use the majority of the \$2 billion in Research and Related Activities provided by the Recovery Act for proposals that are already in-house. There are upcoming deadlines, however, to which proposers can still submit for NSF FY 2009 funding.

In addition, NSF plans to post solicitations this spring for the Academic Research Infrastructure program (funded at \$200 million), the Science Masters program (funded at \$15 million) and the Major Research Instrumentation Program (funded at \$300 million). Proposers are invited to review the requirements in these solicitations when they are posted, and, if they meet the criteria, to apply to the program(s).

8. Will NSF approve requests to increase the budgets on proposals that are currently in-house or were declined and are now being considered for Recovery Act funding?

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. The policies concerning revisions to proposals made during the review process are found in Chapter III.D of the NSF Grant Proposal Guide.

9. Are there any special considerations for proposals with an international

component?

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, the policies contained in the NSF *Grant Proposal Guide* apply.

10. 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.

11. 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.

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

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

13. 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 application. 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.

14. 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.

15. 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.

16. If a previously declined proposal is now being considered for Recovery Act funding, how will that process work?

In addition to in-house proposals, NSF also will consider funding proposals declined on or after October 1, 2008, with Recovery Act funds. The reversal of the decision to decline must be based on both the high quality of the reviews received on the initial submission and the lack of available funding at the time the original decision was made. The cognizant Program Officer will contact the Authorized Organizational Representative of the organization (with copies to the PI and any identified co-PIs) if

and when a reversal is being considered by NSF, and will identify the information that must then be submitted to NSF.

17. 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:

1. Ten calendar days following the end of each calendar quarter (or, for the first report by July 10, 2009), all grantees are required to file a report on use of funds provided by the Recovery Act. The specific content and submission instructions for these reports are currently being finalized by the White House Office of Budget and Management but, at a minimum, will include the data requirements specified in Section 1512c of the Recovery Act.
2. 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.

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.