



2024 NSF POLICY OFFICE
WEBINAR SERIES

Revision of the NSF Award
Conditions
to Implement the Revised 2 CFR





Speaker



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Revising 2 CFR – Background



- The Office of Management and Budget (OMB) directed agencies to incorporate 2 CFR revisions by October 1, 2024.
 - NSF will apply 2 CFR to new awards and funding amendments to existing awards made on or after October 1, 2024.
- The Council on Federal Financial Assistance (COFFA) has included revisions and associated documents on its website.

The screenshot shows the COFFA website interface. At the top left is the COFFA logo (Council on Federal Financial Assistance). To the right is a search bar and a 'Contact Us' link. Below the logo are navigation links: 'About Us', 'Major Initiatives', and 'Resources'. A green button labeled 'Controller Alerts' is on the right. A large blue banner features a clipboard icon with a checkmark and the text 'Uniform Guidance: Title 2 of the Code of Federal Regulations'. Below the banner, there is a sidebar with 'Overview' and 'Uniform Guidance Revisions & Resources' sections. The '2024 Revisions' section lists several items: 'Federal Register Notice', 'Redline Edits', '2 CFR Crosswalk 2024', 'Implementation Memorandum (M-24-11) on revisions', 'Federal Agency Implementation', and 'Reference Guides'. A blue box highlights the '2024' year in the sidebar.



Revising 2 CFR – Suite of NSF Terms and Conditions



- Grant General Conditions (GC-1)
- Cooperative Agreement Financial and Administrative Conditions (CA-FATC)
- Cooperative Agreement Modifications and Supplemental Financial and Administrative Terms and Conditions for Major Multi-User Research Facility Projects and Federally Funded Research and Development Centers
- Cooperative Agreement Modifications and Supplemental Financial and Administrative Terms and Conditions for Mid-Scale Research Infrastructure Projects
- Special Terms and Conditions for Administration of NSF Conference or Travel Grants (FL 26)
- Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) Terms and Conditions
- International Research Terms and Conditions (IRTC)
- Special Terms and Conditions for Administration of NSF Conference or Travel Awards Made to International Organizations (FL 26 for IRTC)



Revising 2 CFR – NSF Implementation Process



- Unless otherwise specified, the Grant General Conditions (GC-1) will apply to all recipients of NSF grant awards, including:
 - Institutions of Higher Education (IHEs);
 - Non-profit, non-academic organizations;
 - For-profit organizations (other than Small Business Innovation Research/Small Business Technology Transfer recipients);
 - State and local governments; and
 - Tribal Nations.
- The Research Terms and Conditions (RTC) will no longer be referenced in awards made on or after October 1, 2024.
- In the case of any inconsistency between the coverage contained in the NSF Proposal and Award Policies and Procedures Guide and 2 CFR (including 2 CFR part 200), the coverage specified in 2 CFR applies.



Revising 2 CFR – NSF Implementation Process (Cont'd)



- The following statement will appear on NSF program pages:

NSF Financial Assistance awards (grants and cooperative agreements) made on or after October 1, 2024, will be subject to the applicable set of award conditions, dated October 1, 2024, available on the [NSF website](#). These terms and conditions are consistent with the revised guidance specified in the [OMB Guidance for Federal Financial Assistance](#) published in the Federal Register on April 22, 2024.
- The following will appear as a header in each PAPPG (NSF 24-1) Chapter:

In the case of any inconsistency between the coverage contained in the *NSF Proposal and Award Policies and Procedures Guide* and 2 CFR (including 2 CFR part 200), the coverage specified in 2 CFR applies.



Summary of Changes Made to the GC-1



Recipient Responsibilities and Federal Requirements

- Clarified to note that unless otherwise specified, GC-1 applies to all recipient types.
- Updated to cross-reference recipient responsibilities to notify NSF when a significant development that could impact the award occurs between project reporting dates.

Prior Approval Requirements

- Specific information on flow down provisions has been removed, given that the recipient is responsible for addressing the relevant requirements in subaward instruments.
 - GC-1 also has been revised to consolidate the prior approval requirements in one location in the document.

Participant Support Costs

- Updated to incorporate the revised definition of participant support costs specified in 2 CFR § 200.1.



Summary of Changes Made to the GC-1 (Cont'd)



Equipment

- Revised to specify that, unless specifically identified in the award as exempt property, title to equipment purchased or fabricated under the award conditionally vests upon acquisition in the recipient for consistency with 2 CFR § 200.313(a).
- Unless NSF provides alternative disposition instructions no later than 120 days after the end date of the NSF-supported project for which it was acquired, NSF grants unconditional title to equipment in the recipient or subrecipient.
- NSF reserves the right to transfer the title to the Federal Government or a third party named by the Federal Government at any time during the award period or in disposition instructions issued no later than 120 days after the end date of the NSF-supported project for which it was acquired.
- The required inventory information for Federally-owned property has been updated for consistency with 2 CFR § 200.313.



Summary of Changes Made to the GC-1 (Cont'd)



Allowable Costs

- Expanded to include references to the cost principles that are applicable to IHEs and non-profit, non-academic organizations.

Payments

- Recipient requests for payment updated to emphasize the requirements in 2 CFR § 200.305 regarding timing of payments

Project Reporting Requirements

- Language included that addresses significant developments that occur between project reporting due dates.
- The OMB-designated integrity and performance system has changed from Federal Awardee Performance and Integrity System to SAM.gov.

Responsible and Ethical Conduct of Research

- Incorporated into GC-1 and only applies to IHEs.



Summary of Changes Made to the GC-1 (Cont'd)



Reporting Subawards and Executive Compensation

- Incorporates the revised award term from Appendix A to Part 170.

System for Award Management (SAM.gov) and Universal Identifier Requirements

- Incorporates the revised award term from Appendix A to Part 25.

Academic Technology Transfer and Commercialization of University Research

- Incorporated into GC-1 and only applies to IHEs.

Copyrighted Material

- The term “nontransferable” has been deleted and the royalty-free license rights language has been updated for consistency with the revised 2 CFR part 200.



Summary of Changes Made to the GC-1 (Cont'd)



Program Income

- Full definition of program income from 2 CFR § 200.1 has been incorporated for greater transparency.

Intangible Property

- Links to the National Institute of Standards and Technology (NIST) Bayh-Dole Regulations for Federal Funding Inventions and the current Interagency Domestic Manufacturing Waiver Form have been added to this term and condition.

Audit and Records

- Language has been added from 2 CFR § 200.337 regarding right of access to records of the recipient and subrecipient pertinent to the Federal award.

Termination and Enforcement

- Updated for consistency with the suspension and termination requirements contained in the revised 2 CFR part 200.



Summary of Changes Made to the GC-1 (Cont'd)



Whistleblower Protection

- Information on the overall requirements and applicability of 41 U.S.C. § 4712 has been incorporated for greater transparency.

Build America, Buy America

- Updated for consistency with 2 CFR part 184.

Foreign Financial Disclosure Report (FFDR) (CHIPS and Science Act of 2022)

- Incorporated into GC-1 and applies only to IHEs.

Resolution of Conflicting Conditions

- Updated to indicate if GC-1 is silent on a specific area covered by 2 CFR (including 2 CFR part 200), 2 CFR applies.
- A new provision also has been added indicating the order of precedence should there be an inconsistency between 2 CFR (including 2 CFR part 200) and the NSF Proposal and Award Policies and Procedures Guide (PAPPG).



Summary of Changes Made to the GC-1 (Cont'd)



National Policy Requirements for Recipients of NSF Awards

- Revised to solely list those requirements that are applicable to NSF grants and has been renamed *National Policy Requirements for Recipients of NSF Awards*.

Prior Approval Matrix

- Updated for consistency with the revised 2 CFR part 200.
- Revised to solely list those requirements that are applicable to NSF grants and has been renamed the *NSF Prior Approval Matrix*.

National Policy Requirements for Recipients of NSF Awards			
This listing of statutory/regulatory/and executive requirements is provided for information purposes only and may not reflect all requirements that are applicable to a specific award.			
Statutory/Regulatory/and Executive Based Requirements	Type of Award	Type of Recipient	Specific Situation
a) Nondiscrimination			
By signing or accepting funds under the agreement, the recipient agrees that it will comply with applicable provisions of the following, national policies prohibiting discrimination:			
a. On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by:	Grants, cooperative agreements, and other financial assistance	All	All
45 CFR Part 611			
b. On the basis of race, color, religion, sex, or national origin, in Title VII of the Civil Rights Act of 1964 (42 U.S.C. 11246, as implemented by Department of Labor regulations at 29 CFR Part 1601)			
c. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.).			
45 CFR Part 618			
d. On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 19151, et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.			
45 CFR Part 617			
e. On the basis of handicap, in:			
1. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 7940), as implemented by Department of Justice regulations at 28 CFR Part 41			
45 CFR Part 605			

NSF Prior Approval Matrix October 1, 2024			
	2 CFR 200 Reference	NSF Reference (where applicable)	Required or Waived
Prior Written Approval (prior approval)*	200.407		
Cost sharing	200.407(a)	PAPPG** Chapter VII.C	
Use of unrecovered indirect costs, including indirect costs on cost sharing	200.306(c)		Waived
Use of current fair market value to determine the value of recipient or subrecipient contributions of services and donations of property for the purposes of cost sharing	200.306(d)(2)		Waived
Costs of the fair market value of equipment or other capital assets and fair rental charges for land when the award supports activities that require use of equipment, buildings or land	200.306(h)(2)		Required
Program Income	200.407(b)	PAPPG Chapter VIII.D.4	
Use of program income during the period of performance (additive method)	200.307(b)(2)		Waived
Revision of budget and program plans	200.407(c)		
Change in the scope or the objective of the project or program	200.308(f)(1)	PAPPG Chapter VII.B.1.a	Required
Change in Principal Investigator (PI) and any co-PIs identified by name or position on the project	200.308(f)(2)	PAPPG Chapter VII.B.2	Required
Disengagement from the project for more than three months, or a 25 percent reduction in time and effort devoted to the project over the course of the period of performance, by the approved PI	200.308(f)(3)	PAPPG Chapter VII.B.2.a	Required
Inclusion, unless waived, of costs that require prior approval in accordance with Subpart E as applicable	200.308(f)(4)	GC-1*** Term and Condition No. 11	Waived ¹
Transfer of funds budgeted for participant support costs to other budget categories	200.308(f)(5)	GC-1 Term and Condition No. 3	Required ²
Transfer of funds into the participant support cost category	200.456	PAPPG Chapter X.A.3	Waived ³
Subaward activities not included in the proposal and approved in the award; this requirement does not apply to procurement transactions for goods and services.	200.308(f)(6)	PAPPG Chapter VII.B.4	Required
Changes in the total approved cost-sharing amount	200.308(f)(7)	PAPPG Chapter VII.C	Required
Need arises for additional Federal funds to complete the project	200.308(f)(8)	PAPPG Chapter VI.E.5	Required
Transferring funds between the construction and non-construction work under a Federal award	200.308(f)(9)	GC-1 Term and Condition No. 2	Required
Initiate a one-time extension of the period of performance by up to 12 months	200.308(g)(2)	PAPPG Chapter VI.D.3.c	Waived
A no-cost extension or extension of more than 12 months	200.308(f)(10)	PAPPG Chapter VI.D.3.c	Required
Incur project costs 90 calendar days before the start date of the award	200.308(g)(1)	PAPPG Chapter X.A.2.b	Waived
Incur project costs more than 90 calendar days before the start date of the award	200.308(g)(1)	PAPPG Chapter X.A.2.b	Required
Carry-forward unobligated balances to subsequent budget periods	200.308(g)(3)	PAPPG Chapter VI.D.1.d	Waived



Resources



NSF Proposal and Award Policies and Procedures Guide (PAPPG) (NSF 24-1)

<https://new.nsf.gov/policies/pappg/24-1>

NSF Award Conditions

https://www.nsf.gov/awards/managing/award_conditions.jsp?org=NSF

National Policy Requirements for Recipients of NSF Awards

<https://www.nsf.gov/bfa/dias/policy/gc1/policyreqs/oct24.pdf>

Prior Approval Matrix for Recipients of NSF Awards

<https://www.nsf.gov/bfa/dias/policy/gc1/priorapprovals/oct24.pdf>

Council on Federal Financial Assistance (COFFA)

<https://www.cfo.gov/coffa/>