



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 23, 2022

MEMORANDUM TO THE CHIEF FINANCIAL OFFICERS AND FEDERAL
FINANCIAL ASSISTANCE POLICY OFFICIALS

FROM: Deidre A. Harrison
Deputy Controller

SUBJECT: Administrative Relief for Grantees Impacted by Hurricanes Fiona & Ian
and the Alaska Flood & Landslide

In light of the effects of Hurricanes Fiona and Ian, and the Alaska flood and landslide on the performance of grantees located in the affected areas, the Office of Management and Budget (OMB) has worked with the Federal agencies to coordinate activities that will assist grantees, where possible, in resuming the operations of the grantee organizations, particularly in the performance of Federal program objectives. The major disaster and emergency declarations under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the "Stafford Act") are the following: Hurricane Fiona (FEMA-4671-PR), the Alaska storm, flooding, and landslides (FEMA-4672-AK) and Hurricane Ian (FEMA-DR-4673-FL, FEMA-EM-3585-SC, FEMA-EM-3586-NC). Some of the most important actions needed to address the resumption of grant activities are being handled by the Federal awarding agencies on a project-by-project basis. Therefore, agency program officials, or an agency single point of contact, should post information prominently on their website, so that grantees may contact them for hurricane and flood disaster-related questions.

In accordance with 2 CFR § 200.102 (a), Exceptions, and working together with the Federal agencies, we have identified the flexibilities to relieve short-term administrative, financial management, and audit requirements under the Uniform Guidance at 2 C.F.R. Part 200 — "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" — without compromise to the grantee accountability requirements. These steps are being implemented consistently, as appropriate, across all of the Federal agencies, for grantees located in a county or a parish where a major disaster has been declared under the Stafford Act as a result of Hurricane Fiona, Hurricane Ian, and the Alaska flooding and landslides.

In addition to the flexibilities provided in this Memorandum, agencies are reminded of their existing flexibility to issue exceptions on a case-by-case basis in accordance with 2 CFR § 200.102 (b), Exceptions.

Federal agencies are free to take the actions listed in Appendix A, as they deem appropriate and to the extent permitted by law, with respect to the administrative provisions that apply to grantees in the affected disaster areas. These exceptions are time-limited and will end 90 days after issuance of this Memorandum.

Questions regarding the above administrative relief provisions should be directed to Office of Federal Financial Management Grant link at GrantsTeam@omb.eop.gov.

Appendix A – Administrative Relief Exceptions for Hurricane Fiona & Ian and the Alaska Flood & Landslide

Federal awarding agencies are authorized to take the following actions, as they deem appropriate and to the extent permitted by law, with respect to the administrative provisions that apply to grantees affected by Hurricanes Fiona and Ian and the Alaska storm, flooding, and landslides. Awarding agencies are required to maintain records on the level of particular exceptions provided to recipients. For items 4 and 5, awarding agencies must require recipients to maintain appropriate records and documentation to support the charges against the Federal awards.

1. Waiver for Notice of Funding Opportunities (NOFOs) Publication. (2 CFR § 200.204)

For competitive grants and cooperative agreements, awarding agencies can publish emergency Notice of Funding Opportunities (NOFOs) for less than thirty (30) days without separately justifying shortening the timeframe for each NOFO. Awarding agencies would still be required to document and track NOFOs published for less than thirty (30) days under this emergency waiver.

2. No-cost extensions on expiring awards. (2 CFR § 200.308)

To the extent permitted by law, awarding agencies may proactively extend awards which were active as of September 18, 2022 and scheduled to expire prior or up to December 31, 2022 at no-cost for a period of up to twelve (12) months. This will allow time for recipient assessments, the resumption of many individual projects, and a report on program progress and financial status to agency staff. Project-specific financial and performance reports will be due 90 days following the end date of the extension. Awarding agencies will examine the need to extend other project reporting as the need arises.

3. Abbreviated non-competitive continuation requests. (2 CFR § 200.308)

For continuation requests scheduled to come in from September 18, 2022 to December 31, 2022, from projects with planned future support, awarding agencies may accept a brief statement from recipients to verify that they are in a position to: 1) resume or restore their project activities; and 2) accept a planned continuation award. Awarding agencies should post any specific instructions on their website. Awarding agencies will examine the need to extend this approach on subsequent continuation award start dates as recipients have an opportunity to assess the situation.

4. Allowability of salaries and other project activities. (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405)

Awarding agencies may allow recipients to continue to charge salaries and benefits to currently active Federal awards consistent with the recipients' policy of paying salaries

(under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Awarding agencies may allow other costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. Awarding agencies may also evaluate the grantee's ability to resume the project activity in the future and the appropriateness of future funding, as done under normal circumstances—based on subsequent progress reports and other communications with the grantee. Awarding agencies must require recipients to maintain appropriate records and cost documentation as required by 2 CFR § 200.302 – *Financial management* and 2 CFR § 200.333 - *Retention requirement of records* to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services. This exception is allowed through December 31, 2022.

5. Allowability of Costs not Normally Chargeable to Awards. (2 CFR § 200.403, 2 CFR § 200.404, 2 CFR § 200.405)

Awarding agencies may allow recipients who incur costs related to the cancellation of events, travel, or other activities necessary and reasonable for the performance of the award, or the pausing and restarting of grant funded activities due to the public health emergency, to charge these costs to their award without regard to 2 CFR § 200.403, *Factors affecting allowability of costs*, 2 CFR § 200.404, *Reasonable costs*, and 2 CFR § 200.405, *Allocable costs*. Awarding agencies may allow recipients to charge full cost of cancellation when the event, travel, or other activities are conducted under the auspices of the grant. Awarding agencies must advise recipients that they should not assume additional funds will be available should the charging of cancellation or other fees result in a shortage of funds to eventually carry out the event or travel. Awarding agencies must require recipients to maintain appropriate records and cost documentation as required by 2 CFR § 200.302 – *Financial management* and 2 CFR § 200.334 - *Retention requirement of records*, to substantiate the charging of any cancellation or other fees related to interruption of operations or services. As appropriate, awarding agencies may list additional guidance on specific types of costs on their websites and/or provide a point of contact for an agency program official. This exception is allowed through December 31, 2022.

6. Prior approval requirement waivers. (2 CFR § 200.407)

Awarding agencies are authorized to waive prior approval requirements as necessary to effectively address the response. All costs charged to Federal awards must be consistent with Federal cost policy guidelines and the terms of the award, except where specified in this memorandum.

7. Exemption of certain procurement requirements. (2 CFR §§ 200.317 through 200.327)

To the extent authorized by applicable Federal law, awarding agencies may waive the procurement requirements contained in 2 CFR §§ 200.317 through 200.327 to ensure expedient responses to the major disaster and emergency events.

8. Extension of financial, performance, and other reporting. (2 CFR § 200.328, 2 CFR § 200.329)

Awarding agencies may allow grantees to delay submission of financial, performance and other reports up to six (6) months beyond the normal due date. If an agency allows such a delay, grantees will continue to draw down Federal funds without the timely submission of these reports. However, these reports must be submitted at the end of the postponed period. In addition, awarding agencies may waive the requirement for recipients to notify the agency of problems, delays or adverse conditions related to the hurricanes on a grant by grant basis (200 CFR 200.328(e)(1)).

9. Extension of currently approved indirect cost rates. (2 CFR § 200.414 (c))

Awarding agencies may allow grantees to continue to use the currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs on Federal awards. Agencies may approve grantee requests for an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. Agencies may also approve grantee requests for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.

10. Extension of closeout. (2 CFR § 200.344)

Awarding agencies may allow the grantee to delay submission of any pending financial, performance and other reports required by the terms of the award for the closeout of expired projects, provided that proper notice about the reporting delay is given by the grantee to the agency. This delay in submitting closeout reports may not exceed one year after the award expires.

11. Extension of Single Audit submission. (2 CFR § 200.512)

A six-month extension is granted for all single audit submissions, as required under Subpart F of 2 CFR § 200.512, that cover recipients in affected areas and have due dates between September 18, 2022 and December 31, 2022. No further action by awarding agencies is required to enact this extension. This extension does not require individual recipients and subrecipients to seek approval for the extension by the cognizant or oversight agency for audit; however, recipients and subrecipients should maintain documentation of the reason for the delayed filing. Recipients and subrecipients taking advantage of this extension would still qualify as a “low-risk auditee” under the criteria of 2 CFR § 200.520 (a) – *Criteria for a low-risk auditee*.