



OAAM

OFFICE OF ACQUISITION AND AGREEMENTS MANAGEMENT

Financial Assistance Reference Guide

Essential tips for your NIST award



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WELCOME TO THE NIST FINANCIAL ASSISTANCE COMMUNITY!

Congratulations on your new grant or cooperative agreement from the National Institute of Standards and Technology (NIST). This Reference Guide is designed to provide you with the essential elements and most commonly asked questions of NIST financial assistance recipients (referred to as non-Federal entities throughout this guide). This document contains a multitude of carefully selected topics designed to assist you from acceptance of your award to close-out after it is completed.

The information in this packet is a summary of the numerous regulations and policies affecting your award and is intended to provide guidance, including specific information regarding NIST's implementation of various topics found herein; it is not a replacement for the actual authorities governing your award. In addition to always reviewing the terms and conditions in your award, including any specific award conditions, you should always go back to the original text of the regulations that apply for further information or clarification. Unless otherwise specified in your award, all awards are required to follow 2 CFR § 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards found at [The U.S. Government Publishing Office website](#).

Your Grants Specialist and Federal Program Officer are here to help you and your project reach your goals. Your contact person for questions related to award terms and conditions is your Grants Specialist, while your Federal Program Officer will assist with programmatic matters. Contact information may be found on page 2 of your award agreement, form CD-450, as well as in the Special Award Conditions incorporated in the agreement.

We are excited about your project and want to ensure that it is successful. When in doubt about how to proceed with any component of your grant or cooperative agreement, reach out to your NIST grants team! We look forward to working with you throughout the duration of your award.

Again, welcome to the NIST financial assistance community!

Regards,


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Definitions

Below is a list of selected terms/phrases and their corresponding definitions for use throughout this Reference Guide. This list is not intended to be exhaustive; please refer to [2 CFR 200, Subpart A](#) for additional definitions.

ADMINISTRATIVE CHANGE LETTER: A letter issued by the Grants Officer notifying the non-Federal entity of changes or modifications to the award for certain no-cost administrative changes, such as clearance of a special award condition.

ALLOWABLE (COSTS): An allowable cost is one that meets the criteria for authorized expenditures in the Cost Principles; principally, that it is necessary and reasonable for the performance of the award and allocable to the award, and not otherwise specifically prohibited. May also refer to only those categories of costs which have funding included in the approved budget.

AMENDMENT (CD-451): DOC form entitled, "Amendment to Financial Assistance Award." Any substantive change made to an award is issued on this form.

AUTOMATED STANDARD APPLICATION FOR AWARD PAYMENT (ASAP): A secure Web-based application sponsored by the Department of Treasury that allows the non-Federal entity to draw funds from accounts pre-authorized by federal agencies.

AWARD AGREEMENT (CD-450): DOC form entitled, "Financial Assistance Award." Only new awards representing initial funding not previously funded by NIST are issued on the SF-450.

BUDGET CHANGES: These are deviations from approved budget that do not involve changes in planned activities or new budget categories. Changes may need Grants Officer approval, depending on the aggregate amount of change, the total award amount, and set of terms and conditions that apply.

CHANGE IN SCOPE: A change that modifies, adds, or removes key activities, milestones, goals or objectives of the project. Changes in scope always require Grants Officer and Program Officer approval.

DRAW-DOWN FUNDS: For project expenditures, funds drawn down utilizing an automated Government payment system, such as ASAP; distinct from funds invoiced using a Standard Form such as the SF-270.

FINANCIAL REPORT: Form SF-425, "Federal Financial Report," submitted by the non-Federal entity summarizing financial performance during the reporting period specified.

FOREIGN ORGANIZATION: Generally, an entity that is a public or private organization located in a country other than the United States and its territories that is subject to the laws of the country in which it is located, irrespective of the citizenship of project staff or place of performance.

PROGRESS REPORT: A report submitted by the non-Federal entity summarizing project performance during the reporting period specified. Also known as "Performance" or "Technical" reports to distinguish it from financial reports.

SPECIAL AWARD CONDITIONS: These are award-specific conditions imposed when justified by circumstances. These may contain relevant provisions included in the award agreement, such as publication guidelines, or special restrictions placed on the non-Federal entity as a result of Grants Officer's determinations

SUBSTANTIAL INVOLVEMENT: Collaboration between NIST (the awarding agency) and the non-Federal entity as outlined in the terms of a *cooperative agreement*. The collaboration must be programmatic in nature and provides benefits that would otherwise be unavailable to the non-Federal entity (e.g. specialized equipment, subject matter expertise).

Roles and Responsibilities

Grants Officer (GO)

The GO is the NIST official whose name appears on the Award Agreement (CD-450) and is the official responsible for overseeing the business management and administrative aspects of grants and cooperative agreements. These activities include, but are not limited to, approving awards and amendments that obligate or de-obligate funds, approve scope changes, suspend or terminate individual awards, evaluate grant applications for administrative content and compliance with statutes, regulations and guidelines.

Grants Specialist (GS)

The GS is a NIST employee with assigned responsibility for the day-to-day management of a portfolio of NIST grants. The GS is the primary point of contact for the non-Federal entity when dealing with award administration-related issues.

Federal Project Officer (FPO)

The FPO is the NIST official responsible for the programmatic, scientific, and/or technical aspect of assigned applications and grants/cooperative agreements. The FPO responsibilities include, but are not limited to, develop programs to meet the NIST mission; prepare funding opportunity announcements, provide programmatic technical assistance, post-award monitoring of project/program performance, including review of progress reports and making site visits.

Non-Federal Entity (NFE)

Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or sub-recipient. For purposes of this guide, the definition of non-Federal entity is expanded to include for-profit and international organizations unless explicitly stated otherwise.

Non-Federal entity Authorized Organizational Representative (AOR)

The AOR is the designated representative of the non-Federal entity with authority to act on the organization's behalf in matters related to the award and administration of grants and cooperative agreements. In signing the award agreement (CD-450) and any amendments (CD-451), this individual agrees that the organization will assume the obligations imposed by applicable Federal statutes and regulations and other terms and conditions of the award, including any assurances. These responsibilities include accountability both for the appropriate use of funds awarded and the performance of the grant-supported project of activities as specified in the approved application.

Principal Investigator/Program or Project Director (PI/PD)

The PI/PD is the individual designated by the non-Federal entity, responsible for the scientific, technical, or programmatic aspects of the award and for day-to-day management of the project or program. The PI/PD is a member of the non-Federal entity team responsible for ensuring compliance with the financial and administrative aspect of the award. This individual works closely with designated officials within the non-Federal entity to create and maintain necessary documentation, including both technical and administrative reports; prepare justifications; appropriately acknowledge Federal support in publications, news programs, and other media; and ensure compliance with other Federal and organizational requirements. The PI/PD is encouraged to maintain contact with the FPO with respect to the scientific, technical, or programmatic aspects of the project or program and, as applicable, the GO concerning the business and administrative aspects of the award.

Key Personnel

Key personnel are the Project Director, Principal Investigator, or other designated personnel named in the award as chiefly responsible for programmatic activities conducted under the award.

How do I identify my NIST "grant team"?

Both Recipient and NIST personnel are identified in the Special Award Conditions. Additionally:

Grants Officer

The GO is the NIST official who signed the CD-450, Award Agreement.

Grants Specialist

The GS is identified, with complete contact information, on page 2 of the award agreement.

Federal Program Officer

The FPO is identified, with complete contact information, on page 2 of the award agreement.

Getting Started: Accepting and Setting Up a New Award

Upon receipt of your CD-450 Award Agreement, the following steps will help you get started in accepting and setting up your new NIST award.

Accepting the Award

The Authorized Organizational Representative is responsible for reviewing and accepting the award. The Authorized Organizational Representative should always review the entire grant agreement, including the applicable terms and conditions and any Special Award Conditions that have been included in the award agreement. The full text of any referenced regulation or term must always be reviewed to ensure the non-Federal entity fully understands the applicable authorities.

The CD-450 award agreement must be signed and returned within 30 days from the date the grant award agreement packet is mailed in order to remain eligible for the grant award. The signed agreement can be returned via email to the Grants Specialist identified in the CD-450 form.

Identify and Setup for Payment/Reimbursement

Most non-Federal entities are eligible to use ASAP to electronically “draw-down” Federal award funds, on an as needed basis, to cover allowable grant related expenses. Non-Federal entities must register in ASAP prior to initiating a request for funds; therefore, you are encouraged to register as soon as possible if you have not previously done so. If the non-Federal entity does not maintain domestic U.S. banking services, or the award contains a specific award condition limiting the use of ASAP, the non-Federal entity will need to utilize the Request for Advance or Reimbursement Form, SF-270, which requires advanced setup of Automated Clearing House (ACH) banking information with NIST. For more detailed information on how-to identify the proper payment method and complete registration, review the [Payments](#) helpful hints page.

Identify Financial and Progress Report Due Dates

Most awards issued by NIST require semi-annual [progress and financial reporting](#) in accordance with the DoC Standard Terms & Conditions, while some require quarterly reporting and few others require unique intervals of reporting (*see: the chart below of the most common reporting schedules*). If your program or award deviate from the DoC standard semi-annual reporting schedule, your award agreement will include a Special Award Condition specifying both report frequency and schedule. Unless otherwise received in writing from the Grants Officer, reports are due, regardless of activities completed, dollars spent, or time elapsed since award (or lack thereof). Failure to comply with reporting requirements may have adverse impacts to your current and future funding from NIST. The table below outlines the most common reporting due dates; please review your award agreement to ensure you fully understand the applicable reporting requirements.

Semi-Annual Reporting Deadlines *(This is the standard DoC Semi-Annual reporting schedule)*

Financial Reports are due *April 30* and *October 30*, and *90 days* after the award end date.

Progress Reports are due *April 30* and *October 30*, and *90 days* after the award end date.

Quarterly Reporting Deadlines *(A Special Award Condition would be included in the award for this schedule)*

Financial Reports are due *January 30*, *April 30*, *July 30* and *October 30*, and *90 days* after the award end date.

Progress Reports are due *January 30*, *April 30*, *July 30* and *October 30*, and *90 days* after the award end date.

What are the terms, regulations and conditions guiding my award?

The combination of the following elements provides the framework which your award must follow. It is imperative as a non-federal entity receiving financial assistance from NIST that you review and understand all of these elements.

Federal Regulations (Uniform Guidance)

[2 CFR § 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#), [the Department of Commerce Financial Assistance Standard Terms and Conditions](#)

Award Terms and Conditions, as identified in your award:

[DoC Standard Terms & Conditions](#); or [NSF Federal-Wide Research Standard Terms & Conditions](#)

Special Award Conditions

Elements related specifically to your new award contained within your award agreement.

Monitoring, Compliance & Mandatory Reporting

Identifying and Reporting Conflict of Interest

In accordance with [2 CFR §200.112](#), NIST requires each non-Federal entity to maintain an appropriate written and enforceable policy regarding Conflict of Interest, and to disclose in writing any potential conflict of interest to NIST or the pass-through entity as defined in [2 CFR §200.74](#). Further, for those awards containing [DOC Standard Terms & Conditions, Section J.01](#), the non-Federal entity must maintain written standards of conduct to establish safeguards to prohibit an Interested Party from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain in the administration of an award. *If, at any time throughout your award, you believe you have a potential conflict of interest or have any questions regarding identifying or reporting of a conflict of interest, please contact your Grants Specialist immediately.*

Mandatory Disclosures

The non-Federal entity or applicant for a Federal award must disclose in writing to NIST, or a pass-through entity, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award ([2 CFR §200.113](#)). In addition, if you receive federal awards (currently active grants, cooperative agreements, and procurement contracts) greater than \$10,000,000 for any period of time during the period of performance of an award/project you are required to maintain the currency of information disclosed in the System for Award Management, [SAM.gov](#), (and made available in the [Federal Awardee Performance and Integrity Information System \(FAPIS\)](#)) any information about criminal, civil, and administrative proceedings, and/or affirm that there is no new information to provide. For further information about this requirement, you may refer to [2 CFR 200 Appendix XII](#).

Procurement Requirements

The Uniform Guidance requires all non-Federal entities to maintain procurement policies and standards in their procurements made under a Federally funded assistance agreement. In general, non-Federal entities must award procurement contracts in accordance with their documented procurement procedures and provide documentation, upon request by the awarding agency, that substantiates their procurement process. The guidance stipulates such requirements as full and open competition, methods of procurement to be followed, the Simplified Acquisition Threshold (currently \$150,000), cost and price analysis for every procurement over the threshold, and increasing contracts to minority and women-owned businesses. [The Procurement “Bear Claw”](#) summarizes the methods of procurement and general standards. The full text of procurement standards is found in the Uniform Guidance from [2 CFR §200.317-326](#).

Sub-Recipient Risk Assessment & Monitoring

As a non-Federal entity, or pass-through entity, you must require all sub-recipients, including lower tier sub-recipients, under the award to comply with the terms & conditions of the award, including applicable provisions of the Uniform Guidance that flow down to the sub-awardee. This process includes a risk assessment, an evaluation of the sub-recipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the sub-award. Consideration of these risk factors will assist in the determination of appropriate methods for monitoring. Your risk-based assessment will result in utilization of appropriate monitoring tools such as reports, on-site visits, audits, and technical assistance, to ensure performance goals are met. See [2 C.F.R. § 200.331](#) for additional requirements of sub-recipient monitoring.

NIST Project Monitoring & Site Visits

NIST Project monitoring is the joint responsibility of the Grants Officer, Federal Program Officer, non-Federal entity, and their designees. NIST personnel will actively monitor the status and progress of each grant or cooperative agreement. Monitoring can include phone discussions, e-mails, meetings and events, reviewing of progress and financial reports, conducting site visits, or any other form of communication deemed appropriate by the Grants Officer or Federal Program Officer to track your progress. The purpose of monitoring is to ensure the terms and conditions of awards are fulfilled, and that Federal funds are managed appropriately to achieve project outcomes. Site visits and other monitoring activities will also assist the non-Federal entity to identify current or potential problems and help in resolving issues.

Payments

All Payments must be issued in accordance with [2 CFR §200.305](#) and [DoC Standard Terms and Conditions, Section B.03](#). Payments for most NIST awards are made through the Department of Treasury's Automated Standard Application for Payment system ([ASAP](#)). Only specific entities or awards as outlined herein should utilize the SF-270, Request for Advance or Reimbursement of Funds. ASAP eliminates the need for hard-copy invoice submission and allows non-Federal entities to electronically "draw-down" grant funds, as needed, to cover allowable expenses through direct transfer to a U.S. bank account. If you are already enrolled in ASAP, please provide the Grants Specialist with the seven-digit number for your ASAP account upon receipt of the CD-450.

ASAP is the preferred method of payment and is accessible for most non-Federal entities. All users must have a U.S. bank account, therefore foreign organizations, which do not maintain domestic U.S. banking, are not eligible to use this system. If any of the following apply to your organization, you must submit reimbursement forms (SF-270) and ACH payment information: 1) entities/individuals without a U.S. bank account, 2) specific award conditions have been added to your award mandating the use of the SF-270, or 3) an extraordinary reason that was agreed upon, in writing, with your Grants Officer.

ASAP for Payments

How do I enroll in ASAP?

The Federal agency has the responsibility for enrolling your organization into ASAP. To initiate the ASAP enrollment process, the non-Federal entity needs to provide to the Grants Specialist with the ASAP Point of Contact (see chart below) for your organization, including name, email address, mailing address, telephone number, and the organizational EIN and DUNS numbers. The ASAP enrollment is a multi-step online process.

The remaining steps are completed by the non-Federal entity within the ASAP system (e.g. adding all required personnel and bank account information in an ASAP account). See below for more detailed instructions on each step. Once the non-Federal entity enrollment is initiated, the Point of Contact can contact the ASAP Customer Support Team (contact information below) to create a profile in ASAP.

The entire ASAP enrollment process can take up to 2 – 4 weeks, so it is very important to initiate the process as soon as the award is accepted. Do not wait until you need grant funds.

ASAP User Roles (as identified by ASAP)

POINT OF CONTACT (POC) is responsible for adding, modifying, and deleting the non-Federal entity officials in ASAP. This person's contact information should be sent to the Grants Specialist when initiating enrollment.

HEAD OF ORGANIZATION (HOO) is the non-Federal entity management official who approves or rejects the officials named by the Point of Contact. The HOO can add officials but not delete officials. Only one person may be designated as the Head of Organization.

RE-DELEGATED HEAD OF ORGANIZATION (RHOO) can act on behalf of the Head of Organization to approve officials.

AUTHORIZING OFFICIAL (AO) confirms the non-Federal entity's information and identifies users (e.g. payment requestor) who need access to ASAP. This role is not synonymous with, and should not be confused with, the Authorized Organizational Representative identified in the award agreement.

FINANCIAL OFFICIAL (FO) enters the bank account information for the non-Federal entity.

PAYMENT REQUESTORS (PR) can request funds from the non-Federal entity's ASAP account.

ASAP Enrollment Process

There are a series of steps to assign designated personnel for each role and financial institution information. Enrollment steps must be completed within 30 days from when initiated or the enrollment process will be terminated. Each person identified will receive their own unique user ID and password from the Department of Treasury.

1. The *Point of Contact* must login to ASAP and complete the following: 1) accept the role as *ASAP Point of Contact*; 2) verify all organizational information entered by NIST, and 3) add personnel for the *Head of Organization*, *Authorizing Official*, and *Financial Official* roles. Individuals can be assigned to more than one role.
2. The *Head of Organization* must subsequently login to ASAP and approve the *Authorizing Official* and *Financial Official* added by the *Point of Contact*.
3. The *Authorizing Official* must then login and complete the non-Federal entity's basic information in the organization's profile and add the *Payment Requestor(s)*. At least one *Payment Requestor* is required for ASAP.
4. The *Financial Official* must login and add the bank account information for the entity. **This must be a U.S. Bank account.**
5. The U.S. Department of Treasury will then validate the account information (this may take up to 7 days). After validation, NIST will finalize the ASAP enrollment.

For enrollment assistance and questions contact the ASAP Customer Service Center:

Bureau of the Fiscal Service - Kansas City Financial Center
Phone: (855) 868-0151
E-mail: kfc.asap@fms.treas.gov
Hours of Operation: 6:30 AM - 5:30 PM Central Time (Monday – Friday).
Please listen and follow the prompts for ASAP.

How are Federal funds transferred to the non-Federal entity using ASAP?

The designated *payment requestor(s)* is the authorized individual with access to ASAP to request Federal funds (draw-down) as needed to pay for allowable grant costs. Funds drawn down in advance through ASAP must kept in an interest bearing account and be spent within 3 business days; it is rare that all funds will be drawn down at once. Funds drawn down that are not spent within 30 days should be returned to ASAP.

If your award contains special award conditions limiting your ability to draw down funds in advance (e.g. reimbursement only), your award will outline the necessary steps for requesting reimbursement through ASAP. As always, you are encouraged to discuss any questions you have with your Grants Specialist.

Non-ASAP Reimbursement of Funds

How do foreign organizations and non-ASAP non-Federal entities request a reimbursement?

Non-Federal entities should submit the Request for Advance or Reimbursement Form, SF-270, via email directly to the designated Grants Specialist. The *Financial Representative* or *Authorized Organizational Representative* must sign and submit the SF-270. Upon review of the SF-270, funds will be transferred electronically to the financial institution designated by the Recipient based on the banking information supplied to NIST on the ACH Vendor/Miscellaneous Payment Enrollment Form, SF-3881. **The ACH Vendor/Miscellaneous Payment Enrollment Form SF-3881 must be returned to NIST within 30-days of the effective date of award.**

How do I return funds paid via an SF270?

The non-Federal entity must submit all refund checks for overpayments to the NIST Grants Office identified below. All checks must identify on their face the awarding agency (NIST), the award number, and no more than a two-word description to identify the reason for the refund.

Submit to:
National Institute of Standards and Technology
Grants Management Division
100 Bureau Drive, Stop 1642
Gaithersburg, MD 20899-1642
Attn: Grants Specialist [NAME]

Fillable, electronic versions of the forms are available as follows:

- Request for Advance or Reimbursement – SF 270: <http://www.whitehouse.gov/sites/default/files/omb/grants/sf270.pdf>
- ACH Vendor/Miscellaneous Payment Enrollment Form - SF-3881: <http://www.gsa.gov/portal/forms/download/116290>

Financial and Progress Reports

There are reporting requirements associated with every NIST grant or cooperative agreement. These reports are due at specific, pre-defined times during the life cycle of a grant; always refer to your award agreement to determine the applicable reporting. It is important that all reports are accurate, complete, and submitted on time. Reports are required even if no activity has occurred on the project or grant. Progress reports cover only activities occurring during the reporting period, while Financial reports are cumulative through the life of the award.

When are the financial and progress reports due?

For most NIST awards, the progress and financial reports are due on a semi-annual basis as stated in the DoC Financial Assistance Terms and Conditions section A.01 and B.02 for the period ending March 31 and September 30, or any portion thereof, unless otherwise specified in a Special Award Condition (SAC). Some programs might require quarterly, annual or off-period reporting. Interim Reports are due 30 days following the end of each reporting period. Final reports are due *90 days* after the end date of the award; please refer to the [closeout section](#) of this guide for additional detail on final report requirements.

EXAMPLE: Your award is effective August 1, has a 12-month period of performance, and a semi-annual reporting requirement. The first reporting period will cover August 1 through September 30 and is due October 30. The second report will include the period of October 1 through March 31 and is due April 30. The final report will cover the period of April 1 through July 31 and be due October 31.

What should the progress report include?

The progress report will generally include the following elements. Please review your award agreement and discuss any specific requirements with your FPO; including formatting or additional submission requirements.

AWARD INFORMATION: Award Number, Project Title, Agency, Principal Investigator, Award Period, and Reporting Period.

PROJECT SUMMARY: A summary of the activities in the approved award and corresponding project description. The focus should be on activities that were anticipated to be completed within the reporting period.

PROGRESS AND OUTCOMES: Discussion of the activities and progress of the project that occurred **within the reporting period**, including data, results of any monitoring or data collection activities. To the greatest extent practicable, performance must be tied back to funds spent in the progress report ([2 CFR §200.301](#)).

CHALLENGES: Any challenges encountered, anticipated problems, delays with the project, or budget transfers, including explanation.

OTHER REQUIREMENTS: Please always review the [Special Award Conditions](#) regarding other reporting requirements for the subject reporting period. Deviations from the award (e.g. scope, milestones, budget) should be discussed with your FPO in advance to ensure additional [prior approval](#) is not required.

What is the financial report?

The financial report must be submitted utilizing the Federal Financial Report, [SF-425](#). Obligations and expenditures must be reported per the required reporting schedule identified in the award; the report must match the data as reported in ASAP or as substantiated by the SF-270. [Official whitehouse.gov instructions on completing the SF-425](#).

What if I'm late submitting my reports?

Non-compliance of reporting requirements will be treated as failure to comply with the terms and conditions of the award. [Enforcement actions](#) can begin starting 15 business days after the due date if the report has not been received, or if late reports are an on-going problem. Ramifications may include withholding of funds pending compliance, additional oversight actions, or implications on future awards with NIST. Please contact your Grants Specialist as soon as possible if you are having problems with the reporting deadline; NIST utilizes an automatic reminder system to help prevent late reporting. Discuss all challenges as soon as possible with your Grants Specialist to keep your award in good standing.

Note: A progress report is not considered submitted until Federal Program Officer approval is received by the Grants Specialist. Please submit your report in enough time to allow the Federal Program Officer adequate time to review and approve it.

How do I submit the reports*?

PROGRESS REPORTS must be submitted via email to the Federal Program Officer with a copy to the Grants Specialist.

FINANCIAL REPORTS must be submitted via email directly to the designated Grants Specialist.

*Some programs may specify a designated portal for submitting reports; the award agreement Special Award Conditions provides direction on any deviation from these requirements (e.g. Manufacturing Extension Partnership).

Identifying Prior Approval Requirements

NIST utilizes two different sets of financial assistance [Terms and Conditions](#) based upon the specifications of each program: 1) The Department of Commerce Standard Terms and Conditions or 2) The National Science Foundation's (NSF) Research Terms and Conditions. Each Award Agreement, CD-450, will specify the set of Terms and Conditions that apply to the financial assistance award. As the non-Federal entity, it is your responsibility to ensure a full and complete understanding of, and compliance with, the terms and conditions applicable to your NIST financial assistance award.

Certain actions, while often common over the life of a grant or cooperative agreement, may require prior written approval from the Grants Officer. The table below highlights several of the key differences in the DOC Standard Terms and Conditions and the NSF Research Terms and Conditions as it relates to the requirement of prior approval; this is not an exhaustive list of Prior Approval requirements for either set of terms and conditions. The DOC has waived certain prior approvals for those awards incorporating the Research Terms and Conditions, as outlined below. For those awards incorporating the DOC Standard Terms and Conditions, actions requiring prior approval are further delineated in [2 CFR §200.308](#), Revision of budget and program plans and [2 CFR §200.407](#), Prior Written Approval.

For all prior approval award action requests, the non-Federal entity must submit the request, in writing, to the Federal Program Officer, with a copy to the Grants Specialist, unless otherwise specified in this guide or the award agreement. A request requiring prior approval is not authorized until received in writing from the Grants Officer. The Grants Officer will make the final determination of the vehicle required to authorize the change (e.g. CD-451 Amendment or letter authorization).

Award Action Request	Prior Approval Required		Reference Page (this guide)
	NSF Research Terms & Conditions	DOC Standard Terms & Conditions	
Change in Scope	Yes	Yes	Page 9
Change of PI	Yes	Yes	Page 10
Initial No-Cost Extension (up to 12m)	No	Yes	Page 11
Additional Funding	Yes	Yes	Page 12
Re-budgeting Among Direct & Indirect Categories	No	Maybe	
Equipment Not Approved in Budget	No	Yes	Page 14
Costs Requiring Prior Approval in Cost Principles	No	Yes	
Travel Costs	No	Yes	

NOTE: Just because an action does not require prior approval, there may be reporting and notification requirements. In addition to the guidance in this reference guide, always refer to the Terms and Conditions, including any Specific Award Conditions, for additional information. If you are ever in doubt if an action requires Prior Approval, ask your Grants Specialist.

Change in Scope

Sometimes, the work being performed by the non-Federal entity as part of a grant or cooperative agreement requires, or would be improved by, altering key elements that were part of the original, approved scope of work; albeit necessary, these changes are often a Change in Scope and require amendment of the award and written authorization by the Grants Officer (CD-451).

The non-Federal entity must report any programmatic changes, which often include changes in scope, to NIST ([2 CFR Part 200.308](#)). To ensure compliance, the non-Federal entity is encouraged to always discuss potential or anticipated changes with NIST prior to initiating a change; requests must be submitted to the Federal Program Officer and Grants Specialist. All approved changes should be discussed in your [progress reports](#). Not all requests are guaranteed to be approved due to program requirements, funding, regulation and other restrictions.

Ask yourself:
Will this change modify the overall [goals] [milestones] [objectives] [activities] of the project? If the answer is YES, it requires a change in scope, subject to concurrence and approval by NIST.

<p>EXAMPLE 1: The original timeline had the date of the workshop in April the following year. Due to scheduling challenges and a late winter storm, the workshop was changed to June. This change will not impact the other grant activities.</p> <p><i>This is NOT a change in scope, but the change SHOULD be documented in the progress report. Minor modifications to the activity timeline, generally, will NOT trigger a change in scope.</i></p>
<p>EXAMPLE 2: Following on to the above example, you decide to change the content of that workshop from the latest nanofabrication techniques to teaching marketing strategies for end designs.</p> <p><i>This would be a major change in the activities and require a change in scope and written approval.</i></p>

This change will obviously improve my project; it's okay to just make the change, right?

No! Any changes in scope or major programmatic changes require a written request for a change in scope. **Changes should not be implemented until the non-Federal entity receives approval (CD-451 Amendment) from NIST.** If the change is not approved, the non-Federal entity will be responsible for repaying any Federal funds expended in connection with the change in scope. Certain changes, or repetitive noncompliance, may result in additional [enforcement actions](#). It is encouraged to always discuss any modifications, no matter how minor, with your Grants Specialist in advance to prevent an inadvertent change in scope.

Minimum Requirements of a Request for Change of Scope

A request for a change in scope must include a justification for the change, including a revised project plan and budget narrative. Often a budget change is also required to either re-allocate or move funds between direct line items. You are encouraged to submit as much supporting documentation as necessary to substantiate the request.

How do I know if my change is approved?

The content and extent of the change will dictate the notification process. All changes in scope will be issued via a CD-451 Amendment with the change(s) included; typically, one amendment will address all requested changes (e.g. programmatic, budget, etc). Requests for a change of scope will be reviewed just as thoroughly as the original proposal during the initial review period. Therefore, approval may take considerable time and is never guaranteed.

How do I submit a change in scope request?

Requests must be submitted in writing, preferably via email, detailing the request. The request should be submitted to the Federal Program Officer with a copy to the Grants Specialist by either the *Authorized Organizational Representative* or the *Principle Investigator*.

Non-Federal Entity Personnel

Change in Key personnel and Principle Investigator/Project Director

Any changes in key personnel or Principal Investigator (PI) requires approval from the Grants Officer. Please discuss any changes with your NIST Grants Specialist and Federal Program Officer as soon as possible. In some cases, the selection of an application for award is made partly on the qualifications of the Principal Investigator. NIST may wish to consider alternative remedies (e.g. transferring the award to the current PI's new organization). A request to change the official PI or Key Personnel must be submitted via email to the Federal Program Officer with a copy to the Grants Specialist. The request for a change in PI or Key Personnel is not approved until the Grants Officer issues a written approval via an Administrative Change Letter or CD-451 Amendment.

No Cost Extensions

NIST might authorize a one-time extension of the expiration date of the award of up to 12 months if additional time beyond the established award end date is required to assure adequate completion of the original scope of work within the funds already made available. Requests must be submitted at least **30 days prior** to the expiration of the award; a request signed by the Authorized Organizational Representative must be submitted via email to the Federal Program Officer with a copy to the Grants Specialist. For awards that incorporate the NSF Research Terms and Conditions, all no-cost extensions requests invoking the “expanded authority” right must be submitted at least 10 or more days prior to the award end date; see “What is ‘expanded authority?’” below for instructions specific to this authority.

This one-time extension may not be exercised merely for the purpose of using unliquidated balances, or perform new activities not already described in the approved project narrative. Non-Federal entities are not authorized to extend an award that contains a zero balance.

What should my request include?

For non-research awards, requests should include a letter or document outlining the need for a no-cost extension with the following required information:

- Narrative of all remaining work to be completed; this **MUST NOT** include any new work that was not included in the most currently approved scope of work. Any new work will be denied.
- Explain why the work was not completed during the original award period.
- The requested extension date (the date to which the period of performance is being extended).
- Total amount of unobligated funds remaining.
- Provide a budget for the remaining work to be completed during the extension period; specify the Federal and non-federal share.

How do I submit the request?

The no cost extension request (or notification of extension if you have expanded authority) must be submitted in writing by the Authorized Organizational Representative via email to the Federal Program Officer, with a copy to the Grants Specialist.

My award already expired, can I reopen it?

Typically, reopening an award after expiration is not permissible. A no cost extension **request should be made prior to the award end date**. If you have an extreme circumstance, promptly contact your Grants Officer to discuss options.

What is “Expanded Authority”?

The NIST awards that support research are under the provisions of the NSF Research Terms and Conditions. These awards may have expanded authority. The expanded authority allows you to notify NIST you are extending the award for up to 12 months. After timely notification, at least 10 days prior to the award end date, is received by the Grants Office and a review for compliance is completed, an amendment CD-451 will be issued to amend the award with the new end date. The requirements for a non-Research no cost extension request are *not applicable* to the notifications for expanded authority. The notifications can be submitted via email to the Federal Program Officer with a copy to the Grants Specialist. Not all awards have expanded authority, and this authority can only be used once.

Budget Changes and Transfer of Funds Among Categories

The set of [Terms and Conditions](#) incorporated into your award will dictate the level of prior approval required for budget changes and transfers of funds. Non-Federal entities with the Research Terms and Conditions have minimal requirements for prior approval in regards to budget changes; while non-Federal entities under the DOC Standard Terms & Conditions are often required to obtain prior approval from NIST for budget plan revisions, in accordance with [2 CFR § 200.308](#) and [DoC Financial Assistance Standard Terms and Conditions Section B05](#). Requests for prior approval must be reviewed by the Grants Officer who will make the final determination on such requests and notify the non-Federal entity in writing. In no event may a non-Federal entity create new budget/cost categories that were not previously approved by the Grants Officer. Standard budget categories include personnel, fringe, equipment, supplies, sub-contracts, etc. All non-Federal entities are required to report deviations from budget, project scope or objective in the next [progress report](#).

Transfer of Funds within the approved budget categories

Awards of \$150,000 or Less and Awards Incorporating the Research Terms & Conditions

If the Federal share of the award is \$150,000 or less, or an award of any value incorporating the NSF Research Terms and Conditions, the non-Federal entity may transfer funds between existing budget categories without Grants Officer approval.

Awards of \$150,000 or More

If the Federal share of the award is greater than \$150,000, the non-Federal entity must receive approval, in writing, from the Grants Officer unless the following applies:

- The requested transfer is between existing direct budget categories; and
- The aggregate of all transfers (previous and current request) is less than 10% of the total budget approved by the Grants Officer. The total budget is the total Federal and non-Federal funds most recently approved by the Grants Officer.

EXAMPLE: The specialty supply item that you needed to build the monitoring device went up by \$500 from when you received the original quote included in your budget. This item was listed in the “supplies” category in your original approved budget. Fortunately, you were able to arrange free lab space for another portion of your project, so the \$500 you had in your approved budget for that purpose under “other” will not be needed. Additionally, your award incorporates the Research Terms & Conditions. You are allowed to move the funds from the “other” into the “supplies” to cover the increased cost of the item, without approval from NIST because awards incorporating research terms and conditions do not require prior approval to move funds. However, this change must be documented and discussed in your progress report.

EXAMPLE: The total Federal share of your award is \$175,000, with a non-Federal match of \$50,000, for a total award budget of \$225,000. You previously transferred an aggregate of \$18,000 between direct cost categories. Now, a piece of specialty equipment essential to the project must be replaced; the original piece of equipment was contemplated and approved as part of your original proposal. The replacement equipment costs \$5,000. You have realized significant cost savings in several other direct budget categories due to unanticipated efficiencies in the project.

This example describes a Transfer of Funds which requires advanced, written authorization by the Grants Officer because 1) the Federal share is in excess of \$150,000 and 2) the \$5,000 transfer now increases the cumulative amount of direct cost category budget transfers to \$23,000 (\$18,000 + \$5,000), which is greater than 10% of the \$225,000 (\$22,500) approved budget.

Requirements for Budget Changes

The request must be submitted by the Authorized Organizational Representative to the Federal Program Officer, with a copy to the Grants Specialist. The request must include the following elements.

1. Justification for the change describing why the budget change is necessary and any programmatic implications resulting from the change.
2. A revised budget narrative. This can be included as part of the justification.
3. A revised SF-424a or R&R budget form (research and related); the form must be consistent with your original application. Fillable PDFs can be downloaded from the [Grants.gov website](#).

What if my request is for a new activity not included in the original award?

Any new activity not included in the original award would need to be submitted and approved by the Grants Officer as a “*Change in Scope*.” If the change in scope impacts the approved budget, a request for budget changes must be submitted and approved. These requests can be done in one step by submitting a request in writing via email to the Federal Program Officer and a copy to the Grants Specialist.

EXAMPLE: Adding a new milestone for testing to the project triggers a change in scope. This new milestone might require shifting some costs to a new category that will exceed 10% of the entire budget.

This example describes a “Change of Scope and budget changes” since you are adding a new milestone that will trigger new activities to your award. This is not a simple budget change and prior approval is required. Refer to the section “[Change in Scope](#)” of this guide for more information.

Cost Principles

Most financial assistance awards with NIST must adhere to the Federal Cost Principles outlined in [2CFR, PART 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E](#). Certain awards with for-profit entities may incorporate [48 C.F.R. Section 31.2](#), Contracts with Commercial Organizations. 48 C.F.R. Section 31.2 only applies if specifically incorporated as part of the terms of the award; absent express incorporation, for-profit entities are subject to the Federal Cost Principles set forth in Subpart E. Please review the applicable regulation during the award period to ensure that all of your costs are allowable.

Allowable cost

An allowable cost is one that meets the criteria for authorized expenditures in the Federal Cost Principles; principally, that it is necessary and reasonable for the performance of the award and allocable to the award, and not otherwise specifically prohibited. [Cost Principles, Subpart E](#) or [48 CFR 31.2](#).

An allowable cost may also refer to only those categories of costs which have funding included in the approved budget.

Allocable Costs

All costs must also be *Allocable* in accordance with [2 CFR § 200.405\(a\)](#). A cost is allocable to a particular Federal award or other cost objective if the goods or services involve are chargeable or assignable to the Federal award or cost objective in accordance with relative benefits received.

EXAMPLE: A staff person who is working on five different projects should be charging their time between those five different projects, based on the percentage of time that is spent on each project. If a staff member is working solely on one project, their full salary may be charged to that grant, if included in the approved budget.

Reasonable

All costs must also be *Reasonable*. A cost is reasonable if it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost (*the Prudent Person Test*). [2 CFR 200.404](#).

Prior Written Approval

[2 CFR § 200.407](#) “In order to avoid subsequent disallowance or dispute based on unreasonableness or non-allocability, the non-Federal entity may seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs. Prior written approval should include the timeframe or scope of the agreement.” For awards with the DOC Standard Terms and Conditions, Section 200.407 provides a list of those items for which prior written approval is required (e.g. travel, pre-award costs, entertainment). In most instances, prior written approval does not apply to awards incorporating the Research Terms and Conditions; refer to the [DOC column in the NSF Research Terms & Conditions Prior Approval and Requirements Matrix](#) for those instances in which prior approval may be required.

**ALL COSTS MUST BE
ALLOWABLE, ALLOCABLE AND
REASONABLE.**

What happens if a cost is unallowable?

The non-Federal entity is required to maintain documentation substantiating expenses. It is the responsibility of the non-Federal entity to ensure that all costs are allowable, allocable and reasonable, and that costs requiring prior approval are so authorized. Payments made for costs determined to be unallowable by NIST must be refunded (including interest) to the Federal government in accordance with instructions from the NIST Grants Office. See guidance in the [2 CFR § 200.410](#)

Indirect Cost Rates

The payment of Facilities and Administrative (F&A) costs are generally based upon rates established through a formal agreement between the non-Federal entity and the cognizant Federal agency. The negotiated rate is applied to the applicable direct cost base to determine the amount of F&A costs to be awarded.

“Indirect (F&A) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.” [2 CFR § 200.56 Indirect \(Facility & Administrative \(F&A\) Costs](#)

The costs of operating and maintaining facilities, depreciation, and administrative salaries, are examples of the types of costs that are usually treated as indirect costs.

There is no universal rule for classifying certain costs as either direct or indirect (F&A) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. It is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect (F&A) cost in order to avoid possible double-charging of Federal awards (e.g. overhead costs directly related to personnel funded through a Federal award). Guidelines for determining direct and indirect (F&A) costs charge to Federal awards are provided in the [2 CFR § 200 Subpart E – Cost Principles](#).

Indirect Cost Rate Definitions

INDIRECT COST RATE: The ratio, expressed as a percentage, of an organization's total indirect costs (numerator) to its direct cost base (denominator). The base can be defined as salaries and wages, modified total direct costs, or some other financial number that provides for an equitable distribution of indirect costs to the benefiting activities. When a rate is established for a specific cost center, the rate represents the ratio of the total allowable indirect costs allocated to the activity to the direct base costs of the activity.

INDIRECT COST PROPOSAL: *Indirect cost rate proposal* means the documentation prepared by a non-Federal entity to substantiate its request for the establishment of an indirect cost rate as described in [2 CFR § 200, Appendix III](#)—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) through [2 CFR § 200, Appendix VII](#)—States and Local Government and Indian Tribe Indirect Cost Proposals of this part, and [2 CFR § 200, Appendix IX](#)—Hospital Cost Principles. If NIST is identified as the cognizant agency for indirect costs in accordance with [2 CFR § 200.19](#), within 90 days of the award start date the non-Federal entity must submit an indirect cost proposal for review. [See guidance below, Where do I submit my Indirect Cost Rate Proposal?](#) Additionally, NIST will include a Special Award Condition with additional information regarding rate negotiation.

RATE AGREEMENT: The document that formalizes the establishment of indirect cost rates and provides information on the proper application of the rates. Certain award programs at NIST may have DoC authorized deviations from the Federally negotiated rate agreement. Please refer to [DOC FAM 2015-02](#) for more information.

Types of Indirect Cost Rates

PROVISIONAL RATE: a temporary indirect rate applicable to a specified period used for funding, interim reimbursement and reporting indirect costs, pending the establishment of a final rate.

FINAL RATE: an indirect cost rate applicable to a specified past period which is based on the actual allowable costs of the period. A final audited rate is not adjustable. Once determined, the final rate is used to adjust indirect costs previously claimed using a provisional rate.

PREDETERMINED RATE: a permanent rate established for a specific current or future time based on actual costs from a preceding review period. Typically, this type of rate is not subject to adjustment.

FIXED CARRY-FORWARD RATE: a permanent rate established for a given period that is subject to later adjustment. The initial, fixed rate is based on estimated costs for a future period; when actual costs are incurred a carry forward adjustment is applied. The carry forward adjustment is the amount required to reconcile the difference between the estimated and actual costs for the agreed upon time period.

DE MINIMIS RATE: a flat 10% indirect rate available for non-Federal entities that have *never* negotiated any form of indirect rate with the Federal government.

RATE EXTENSION: a non-Federal entity with a current negotiated rate may apply, to the cognizant agency, for a one-time extension of the existing rate agreement for a period up to four years. *Rate extension is not available for all Indirect Cost Rate types.*

Indirect Cost Rate Definitions Continued

COGNIZANT FEDERAL AGENCY: [2 CFR § 200.19](#): “Cognizant agency for indirect costs means the Federal agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals developed under this part on behalf of all Federal agencies. The cognizant agency for indirect cost is not necessarily the same as the cognizant agency for audit. For assignment of cognizant agencies see Appendix III, IV, V, and VII to § 200.” NOTE: The Department of Health and Human Services will be the cognizant Federal agency for **all** institutions of higher education for purposes of indirect rate negotiation.

MODIFIED TOTAL DIRECT COST (MTDC): [2 CFR § 200.68](#): MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each sub-award (regardless of the period of performance of the sub-awards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, and participant support costs and the portion of each sub-award in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

Are we eligible to charge the de minimis rate of 10% outlined in [2 CFR 200.414\(f\)](#)?

Any non-Federal entity that has *NEVER* had an indirect cost rate agreement with the Federal government (with a few exceptions described in [2 CFR § 200, Appendix VII](#)) may elect to charge a de minimis rate of up to 10% of modified total direct costs (MTDC) which may be used indefinitely. Costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

Negotiation of Rates

If NIST is identified as the cognizant agency for indirect costs in accordance with [2 CFR § 200.19](#), within 90 days of the award start date the non-Federal entity must submit an indirect cost proposal for review. Follow the steps outlined in [2 CFR Part 200, Appendices III-VII](#). NIST will review the indirect cost proposals submitted by the non-Federal entity and, based on these reviews, will negotiate appropriate indirect cost rates with the organizations. If additional information or an audit is deemed necessary, NIST or an auditor working for the Agency will notify the organization of the specific requirements necessary to complete the review of the non-Federal entity’s submission. The Department of Health and Human Services is the recognized cognizant agency for all institutions of higher education (IHE); NIST may not negotiate a rate with an IHE.

Where do I submit my Indirect Cost Proposal?

If NIST is identified as the cognizant agency for indirect costs in accordance with [2 CFR § 200.19](#), within 90 days of the award start date the non-Federal entity must submit an indirect cost proposal for review to:

National Institute of Standards and Technology,
Grants Management Division
100 Bureau Drive, Stop 1650, Gaithersburg, MD
20899
Attn: Indirect Cost Rate Proposal

The results of each negotiation will be formalized by an indirect cost Rate Agreement signed by the appropriate NIST official and an Authorized Organizational Representative of the non-Federal entity. Each [Rate Agreement](#) will include the following provisions:

- a. The agreed upon rate(s) and information directly related to the use of the rate(s) (e.g., type of rate, effective period, direct cost base, etc.).
- b. The treatment of fringe benefits as either direct or indirect costs.
- c. General terms and conditions of the Agreement.
- d. Special terms and conditions of the Agreement, if any.
- e. Additional information (if necessary) that may be needed by the users of the Agreement (e.g., the direct charging of a type of cost that is normally treated as indirect by other non-Federal entities).

Audits

Organization-wide or program-specific audits shall be performed in accordance with the Single Audit Act Amendments of 1996, as implemented by [Subpart F to 2 CFR § 200, "Audits Requirements."](#) Non-Federal entities that are subject to the provisions of Subpart F and that expend \$750,000 or more in a year in Federal awards must have an audit conducted for that year in accordance with the provisions of that Subpart. Within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period, a copy of the audit must be submitted electronically to the Federal Audit Clearinghouse website. Some non-Federal entities not subject to the provisions of [Subpart F](#) may still need to perform program-specific audits, so check your program and award specific terms and conditions for audit requirements. Audit costs are an allowable cost as either an indirect or direct charge.

What does audit encompass?

In summary, the audit will be conducted in accordance with the [Generally Accepted Government Auditing Standards](#) to ensure:

- 1) Financial records and statements are presented fairly.
- 2) Federal award transactions and expenditures are properly identified and tracked.
- 3) Internal controls and procurement procedures are adequate.
- 4) Federal laws, regulations, and terms of the federal award(s) are followed.
- 5) Prior audit findings are corrected.

The auditor must complete and sign the specific sections of the data collection form SF-SAC as required in [2 CFR § 200.512](#). There are three reports generated as a result of the single audit: 1) the auditor's opinion of the non-Federal entities financial statements and if such statements conform with the U.S. Generally Accepted Accounting Principles, 2) status of internal controls as they relate to the non-Federal entity's financial statements and major programs; and 3) opinion regarding the degree to which the non-Federal entity has complied with laws, regulations and terms and conditions of Federal financial assistance awards. Additionally, the audit will specify any findings via a Schedule of Findings and Questioned Costs. More information on the scope of the audit can be found in [§200.514 Scope of audit](#).

Why do we need an audit?

The audit provides an independent, cost-effective tool for obtaining information on the non-Federal entity's financial management practices and administration of Federal funds. As the recipient of Federal funds, you are responsible to manage the award by establishing and maintaining internal controls that provide assurances that all requirements can be met; establishing and maintaining an accounting system that uses generally accepted accounting principles that can adequately accumulate and segregate costs; and promptly and accurately prepare financial statements and related documents.

Who conducts the audit?

Audits are conducted by a qualified independent auditing firm in accordance with the Generally Accepted Government Auditing Standards and guidance provided by Office of Management and Budget (OMB). [Subpart F Audits Requirements of 2 CFR § 200](#) outlines the steps and requirements for an auditor. NIST does not conduct the annual audit, nor can NIST prescribe a specific entity to perform the annual audit.

What happens if there are audit findings?

In the event the audit report includes findings, the non-Federal entity must prepare a corrective action plan (CAP) to address the findings as required under the Uniform Guidance, 2 CFR 200. The CAP should include the corrective action intended, the party(ies) responsible for implementing the corrective action and the anticipated completion date. The non-Federal entity may request clarification from the auditor and should consider auditor's recommendations. Examples of corrective actions may include modifying internal controls or procurement procedures, training, etc. If the non-Federal entity disagrees with any findings, the CAP should include the response, citing specific reasons for the disagreement. The CAP must accompany the audit when sent to the Federal Audit Clearinghouse.

Federal Audit Clearinghouse

Annual federal audits and accompanying materials need to be uploaded into the [Federal Audit Clearinghouse website](#), maintained by the US Census Bureau on behalf of the Office of Management and Budget (OMB).

Award “Close Out”

“Closeout” is the process by which NIST determines that all applicable administrative actions and all required work under the award have been completed. The Closeout period begins immediately following the period of performance and extends for 90 calendar days. In accordance with [2 CFR §200.343](#) non-Federal entities are to use this 90-day period to finalize administrative tasks related to the task (e.g. paying invoices, final reporting requirements, financial reconciliation, etc.); non-Federal entities are not allowed to use this time to finalize work or activities as described in the grant or cooperative agreement statement of work. Refer to the section of this reference guide on [No Cost Extensions](#) for when additional time is required to complete the scope of work. NIST will issue an official Close-Out letter via email 30-days prior to the end date of the award. This letter will include specific instructions and requirements for your award. The absence of the Close-Out letter does not change the non-Federal entity’s responsibilities for close-out activities.

Final Progress Reports

A final interim progress report is due 90 days after the award period ends. This report will outline the activities and work completed since the last interim progress report was completed; unless specified in your award this is not a comprehensive report. All draw-down of funds or requests for reimbursements must be completed prior to submission of this report. It should be submitted via email to the Federal Program Officer with a copy to the Grants Specialist.

Final Financial Reports

A final financial report is due 90 days after the award period ends; the SF-425 is a cumulative report that follows draw-downs and expenditures throughout the life of the grant. Prior to submitting the Federal Financial Form SF-425, ensure that all funds have been requested and paid by NIST or drawn down in the ASAP.gov system. All invoices and bills must also be paid prior to submittal. There must be zero dollars of cash on hand to closeout an award.

Other Reports & Requirements

- The Tangible Personal Property report SF-428 is the standard report used to report all equipment purchased with an acquisition cost of \$5,000 or more.
- The Real Property Report, SF-429, is the standard report for real property status, when applicable.
- All non-Federal entities receiving financial assistance from NIST are required to comply with the standard patent right clause [37 CFR Part 401](#) and must submit disclosure and elections using the Interagency Edison extramural invention reporting system (iEdison); please speak to your Grants Specialist if there is a compelling reason to submit paper reports related to patents or inventions.
- The terms and conditions, including special award conditions, along with your official Closeout letter will provide any award specific requirements.
- The non-Federal entity must liquidate all obligations incurred under the award prior to Closeout and must refund any unobligated cash that is not authorized to be retained by the non-Federal entity.

Extension to Close Out

Failure to submit your closeout materials by the end of the 90-day closeout period will put your organization out of compliance with the terms and conditions of the award and may result in enforcement actions. Therefore, if you require additional time to complete any of the closeout requirements (e.g. pay receivables, complete required report(s)), you may submit a request for an extension for closeout. The request must be submitted directly to the Grants Specialist. While the same requirements and limitations apply to the extension period (e.g. no work or additional obligations pertaining to the scope of the award), the extension will provide the necessary time to finish all administrative related tasks required for award Closeout. The request must be submitted by the Authorized Organizational Representative and must include an explanation for the extension request. The request will be reviewed by the Federal Program Officer and approved by the Grants Officer. The extension to the closeout period is effective upon receipt of a letter amendment from the Grants Officer. The request should be received prior to the expiration of the 90-day Closeout period.

Post Closeout Responsibilities

There are certain responsibilities that non-Federal entities are required to comply with after the award is closed and all documents submitted, including without limitation, document retention, audits, return of funds for subsequently disallowed costs. [2 CFR §200.344](#) and the terms and conditions of your award delineate these continued responsibilities. If you are unsure or how to comply with any requirements, please discuss with your Grants Specialist.

Remedies for Non-Compliance

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in [2 CFR § 200.207](#), Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, in accordance with [2 CFR § 200.338](#), as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under [2 CFR § 180](#) and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

What situations can trigger a noncompliance enforcement action?

Adhering to rules and regulations outlined in your award and conducting activities as approved in the project and budget narrative will ensure no enforcement actions will be taken on the award. Here are a few situations that can cause enforcement actions.

- Late, incomplete, or inaccurate progress or financial reports.
- Not adhering to federal laws and regulations attached to the grant award, including the applicable set of terms and conditions and special award conditions.
- Certain unauthorized changes to the budget.
- Fraudulent or unlawful activity.

It is your responsibility as the recipient of Federal dollars to be pro-active and engage your Federal Program Officer and Grants Specialist when problems arise, or are anticipated, to avoid or mitigate the use of enforcement actions.

Termination

An award may be terminated by NIST or the non-Federal entity in whole or in part prior to the end of the period of performance. Terminations by NIST may be for cause or convenience depending on the circumstance. See [2 CFR § 200.339](#) for the complete list of paths to award termination, including options for the non-Federal entity to terminate in whole or in part. ***When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in [§200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities](#).***

If an award is terminated for material failure to comply with the award terms and conditions, NIST must report the termination in the Federal Awardee Performance and Integrity and Information System (FAPIS) for consideration by all Federal awarding agencies.

Additional Resources and Links

[2 CFR § 200, Uniform Administrative—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)

[Subpart A – Acronyms and Definitions](#)

[Subpart B – General Provisions](#)

[Subpart C – Pre-Federal Award Requirements and Contents of Federal Award](#)

[Subpart D – Post Federal Award Requirements](#)

[Subpart E – Cost Principles](#)

[Subpart F – Audit Requirements](#)

[2 CFR § 180, OMB Guidelines to Agencies on Governmentwide Debarment and Suspension \(NonProcurement\)](#)

[Department of Commerce Financial Assistance Standard Terms and Conditions, issued on December 26, 2014](#)

[Federal-Wide Research Terms and Conditions](#)

[Prior approval matrix](#)

[Office of Management and Budget - Grants Management Forms](#)

[SF-425 Federal Financial Report](#)

[SF425 Federal Financial Report Instructions](#)

[SF270 Request for Advance or Reimbursement](#)

[SF3881 ACH Vendor/miscellaneous payment Enrollment Form](#)

[Federal Audit Clearinghouse](#)

[Online Resources](#)

[ASAP.gov](#)

ASAP Customer Service

Bureau of the Fiscal Service - Kansas City Financial Center

Phone: (855) 868-0151 E-mail: kfc.asap@fms.treas.gov

Hours of Operation: 6:30 AM - 5:30 PM Central Time (Monday – Friday).

Please listen and follow the prompts for ASAP.

[Council on Financial Assistance Reform \(COFAR\)](#)

[Website](#)

[FAQs](#)