Changes to NSF PAPPG Effective for Proposals Submitted/Due on/after 2/24/14

A new version of the NSF Proposal & Award Policies & Procedures Guide (PAPPG), (NSF 14-1) has been issued. The PAPPG is comprised of documents relating to the Foundation's proposal and award process and consists of the:

(a) Grant Proposal Guide (GPG) for guidance on the preparation and submission of proposals to NSF; and

(b) Award & Administration Guide (AAG) to guide, manage, and monitor the award and administration of grants and cooperative agreements made by the Foundation.

This new version of the PAPPG will be effective for proposals submitted, or due, on or after February 24, 2014.

While this version of the PAPPG becomes effective on February 24, 2014, in the interim, the guidelines contained in the current PAPPG (NSF 13-1) continue to apply.

NSF 14-1 January 2014
AAG Summary of Changes

Chapter II.B.2.d(ii), Long-Term Absence of the PI/PD or co-PI/co-PD, has been revised to describe the steps that should occur in the event that the PI/PD or co-PI/co-PD will be temporarily working for NSF as an IPA (Intergovernmental Personnel Act employee) or VSEE (Visiting Scientist, Engineer or Educator).

Chapter II.E, Annual and Final Project Reports, has been amended to emphasize that annual and final project reports are not cumulative and should be written specifically for the most recently completed budget period, as well as add that reports should be submitted electronically in Research.gov.

Chapter V.B.8.a, Participant Support Costs, General, has been revised to add that, for colleges and universities, participant support costs may include fellowships, scholarships, and other forms of student aid; and to emphasize that indirect costs are not allowed on participant support costs.

Chapter V.C.3, Rental or Lease of Facilities or Special Purpose Equipment, has been updated to add that rental costs of facilities owned by the awardee or under common control by related parties may be limited to the actual cost of ownership as opposed to fair market rental value.

Chapter V.C.4, Relocation Costs, has been updated to add guidance regarding inclusion of visa costs.

Chapter VI.L, Environmental Compliance, has been added to affirm that, prior to making an award, NSF considers the anticipated environmental impacts associated with the activities
described in the proposal. If, while performing the work required by the award, the awardee learns of any potential or actual unanticipated environmental impacts, the awardee shall immediately notify NSF of such impacts and cease all work anticipated to cause or causing such impacts until NSF has had a reasonable opportunity to assess the situation, comply with all relevant environmental laws, and provide further direction to the awardee.

Clarifications and Other Changes to the AAG

**Chapter V.A, Basic Considerations**, has been updated to clarify the awardee’s responsibilities for ensuring that all costs charged to NSF awards meet the requirements of the applicable cost principles, grant general terms and conditions, any other specific requirements of both the award notice and the applicable program solicitation, and their own internal policies and procedures. This part also has been updated to add language on establishing an advance agreement or understanding about charging an item of direct cost that might otherwise subsequently be disputed.

**Chapter V.A.2.c, Post-Expiration Costs**, has been revised to provide an example of a valid commitment made on or before the expiration date of the grant that may be liquidated subsequent to the expiration date. This part also explains that the grantee should not purchase items of equipment, computing devices, or restock materials and supplies in anticipation of grant expiration where there is little or no time left for such items to be utilized in the actual conduct of the research.

**Chapter V.A.3.b, NSF Prior Approval Policy**, has been amended to add that awardees should ensure that all costs are fully disclosed in the budget justification. Costs not specifically budgeted in an NSF award may be allowable provided that prior approval is not required, the costs are incurred consistently with the applicable cost principles and the grantee’s written policies and procedures, and proper documentation to explain and support the charge to the NSF award is maintained.

**Chapter V.B.1.b, Fringe Benefits**, has been updated to add that fringe benefits that are not accrued but are charged as direct costs and incurred under “pay as you go plans” may be subject to reasonableness determination where the benefits are earned under other work and charged to the last activity the employee was working on. This is of particular concern for large lump sum payments for leave, disability, pregnancy, or other employee fringe benefits.

**Chapter V.B.6.a, Consultant Services**, has been augmented to clarify that all consultant costs should be fully disclosed and explained in the accompanying budget justification.

**Chapter V.C.4, Relocation Costs**, has been supplemented to explain that relocation costs charged to an NSF award that were not included in the approved budget must be fully documented in the awardee’s records and be in accordance with the awardee’s established policies and procedures.
Chapter V.C.5.k, Meetings and Conferences, has been updated to add that gifts, souvenirs, t-shirts and other memorabilia are not typically considered allowable costs to an NSF grant.

Chapter VI.G.4, Passports and Visas, has been updated to include guidance on the allowability of visa costs. Restrictions concerning directly charging visa costs to an NSF award are described in GPG II.C.2.g.(vi)(f).