

## HURRICANE RECOVERY OUTREACH CALL

On November 8, 2017, NIH held an outreach call to institutions affected by Hurricanes Harvey, Irma, and Maria. A summary of this call can be found below.

**Megan Columbus:** Thank you for joining NIH today as we reach out to hurricane impacted organizations in Texas, Florida, Puerto Rico and other locations impacted by Hurricanes Harvey, Irma, and Maria. My name is Megan Columbus. I am the communications director for NIH's Office of Extramural Research and will be moderating today's call. Due to the large number of participants on this call we asked for questions to be sent in advance. We will be fielding many of those questions after an opening statement by Dr. Mike Lauer, NIH Deputy Director for Extramural Research. If you have follow-up questions after the call, please submit them to [nihghr@mail.nih.gov](mailto:nihghr@mail.nih.gov).

We've got a large number of participants on this call and so we're going to be fielding the questions that you sent via the web first. But we will be opening up the call for live questions after that point right after we have an opening statement by Dr. Mike Lauer, NIH Deputy Director for Extramural Research.

If you find that even after this call you still have questions to follow up with, please submit them to [nihghr@mail.nih.gov](mailto:nihghr@mail.nih.gov). Don't worry, you don't need to remember that. We will be posting a transcript of the call on the NIH Natural Disaster Website for future reference, and we'll send you a follow-up e-mail that will provide you the direct URL for the transcript and with the e-mail address for follow-up questions.

And now I'd like to introduce Dr. Mike Lauer.

**Dr. Lauer:** Thank you, Megan, and good morning. I want to thank you all for joining us for such an important discussion. We know that you have been facing some extraordinary situations and we hope that you and your loved ones are safe. The enormity of the need for relief efforts on multiple fronts is certainly daunting.

As I mentioned in my letter to your organizations, in emergency situations NIH's immediate concern is for the health and safety of people and animals in the programs we fund. We are also deeply concerned about the health of the biomedical enterprise in the impacted areas and are committed to working with you to do all that we can to ensure that NIH-funded research continues and thrives.

While I know it can feel as though assistance can't come soon enough, please know that NIH leadership, along with my staff, are working hard to coordinate disaster relief within OMB, the Office of Management and Budget, and HHS, the Department of Health and Human Services. We understand that relief cannot come fast enough, but assure you that, we are following the same protocol as in previous disasters. All of this is a delicate balance.

While the temptation is to rush in, we need to work with OMB and HHS and wait for FEMA, that's the Federal Emergency Management Agency, insurance companies, and others to do their work so that we can be sure that NIH efforts complement the assistance provided by other organizations and agencies.

Our goal is to protect institutions and ensure that all payments and disbursed funds are proper. NIH has already taken a number of steps to help our applicants and grantees focus on their immediate safety and on relief and recovery efforts. We'll start by describing them and then go into long-term efforts we've been working on. And finally, we will respond to your questions.

## Short-term Administrative Relief

**Dr. Lauer:** So let me start by talking about short-term administrative relief by highlighting a few of the actions we've already taken and then discuss with you additional actions that NIH is considering.

Working together with other federal agencies, OMB has identified several agency actions to relieve short-term administrative, financial management and audit requirements under the uniform guidance that do not compromise accountability.

Some examples of measures we've already taken include:

### **Flexibility with application deadlines.**

- Although NIH's general policy is to accept applications submitted late due to a natural disaster by no more than the number of days the applicant organization was officially closed, due to the catastrophic damage caused by the Hurricanes we deemed it necessary to provide additional exceptions and guidance.
- So we will accept late applications from these impacted institutions for all funding opportunity announcements with dues dates between September 16 and December 16, 2017 (see [NOT-OD-17-111](#) and [NOT-OD-18-002](#)).
- We encourage a cover letter explaining the reason for late submission *but these letters are not required.*

### **Extension of financial and other reporting.**

- As noted in [NOT-OD-17-111](#) and [NOT-OD-18-002](#), if you are unable to complete and submit progress reports, financial reports, and/or invention reports by the scheduled due date, contact the assigned grants management and/or program official to let them know the reports will be late.
- Financial reports may be submitted up to three (3) months beyond the normal due date.
- Although NIH will accept these late reports, we will delay issuing grant awards until the required reports are submitted and accepted by NIH. This does not prevent the institution from receiving disaster relief supplemental funding, if those funds become available.

### **Prior approval requirement waivers.**

- As a reminder, you already have rebudgeting authority available under NIH Grants Policy Statement [Sec. 8.1.1.2](#); which states, "NIH prior approval is not required to rebudget funds for any direct cost item that the applicable cost principles identify as requiring the Federal awarding

agency's prior approval, unless the incurrence of costs is associated with or is considered to be a change in scope.”

Now let me address some additional allowances we will be able to make:

**Extension of currently approved Facilities and Administration (F&A/indirect cost) rates.**

- For grantee institutions whose federally approved F&A rates are close to expiring, for example in the next two months but less than a year from now, NIH will allow grantees in the affected areas to continue to use the current federally-approved F&A rates, or indirect cost rates. These include predetermined, fixed, or provisional rates to recover their F&A/indirect costs on Federal awards for one additional year without submission of an indirect cost proposal.
- NIH will also approve grantee requests for an extension of the F&A /indirect cost rate proposal submission for up to one year to finalize the current rates and establish future rates.

**Alternatives for record retention and cost documentation.**

- We will allow grantees to substitute copies of original records for the original records, as permitted under [45 CFR 75.363](#).

In order to continue to provide maximum flexibility, now let me address some additional allowances we will be able to make:

**Expenditure of award funds for salaries and other project activities.**

- Remember that, in general, expenditure of award funds to continue paying salaries and fringe benefits to researchers during any period when no work is performed under the award is unallowable.
- However, if your organization’s policy allows it to continue to charge salaries and benefits to currently active Federal awards (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal, then you would be able to continue charging salaries for those budgeted on current NIH grants.
  - Note: NIH awarding Institutes/Centers (ICs) may request documentation for confirmation of such an institutional policy.

**Use of unobligated balances.**

- We are allowing grantees to use unobligated balances on their active grants for immediate recovery efforts, including such efforts to sustain or move animals, cell lines, reagents, etc.
  - This would be an allowable cost as long as it’s within the scope of the original award.
  - We would allow “significant rebudgeting” (i.e., 25% or more change across budget categories) without prior approval, as long as there is no change to scope (i.e., scientific aims)

**Extension of Single Audit submission.**

- Per [45 CFR 75.501](#), institutions expending \$750,000 or more in Federal funding in a FY are required to submit an annual Single Audit report.
  - NIH will allow grantees to delay the completion and submission of the Single Audit report for up to 12 months beyond the normal due date.
  - The delayed completion and submission would still qualify the grantee as a “low-risk auditee” under the criteria of [45 CFR 75.520](#).

We are waiting for guidance from our appropriators to determine how and if we can use current NIH funds to provide short-term additional funding.

Next I'd like to talk about administrative supplements to NRSA, that's National Research Service Award, training grants.

#### **Administrative supplements to NRSA training grants.**

- NIH is considering using unobligated balances on Fellowship (F)/Training (T) grants that ended 6+ months ago – these would be special administrative supplements to NRSA training grants.
  - This could include hosting students from Puerto Rico on the mainland and allowing them to transfer stipends to the host institution, as well as administrative supplements for travel and Institutional Allowance.
- The new host institution would be able to apply for these supplements directly, which would negate the need for a sub award for the Puerto Rico institution if it does not have the infrastructure or immediate cash on hand to administer. NIH institutes and centers (ICs) may need to provide exceptions to their travel limit policies for F&T awards.
- NIH is considering using unobligated balances on non-F and T awards that ended 6+ months ago – These would be special administrative supplements to non-NRSA training grants.

## Summary of the Feedback Submitted to Us in Advance on the Web Form:

**Dr. Lauer:** We want to thank you for the questions that you've submitted on the web form. My colleagues will go through some of them along with our best up-to-date and most accurate answers that we can give you at this time. And then after that, we would be happy to open the line to hear additional questions.

**Megan Columbus:** Thank you, Mike. This is Megan again. I am going to ask Sam Ashe, who's the director of the Division of Grants Policy, to address some of the questions that came in on the web form:

1. Will administrative supplements be available to assist with recovery efforts?
  - As an example, additional costs include having to contact patients enrolled in clinical studies by physically having to drive to their homes. These costs were not projected in initial budgets. Can these costs be recovered?
  - Animals had to be sacrificed due to the stress relating to power outages and storm damages. Can these costs be recovered via a supplement to existing grants?

**Sam Ashe:**

- NIH did not receive any emergency funding from the Continuing Resolution that went into effect October 1<sup>st</sup>, 2017.
  - In the short term, if you have funds remaining in other budget categories within your active grants, you can re-budget those funds to cover some of those immediate needs just described without prior approval from the NIH Grants Management Specialist.
  - We understand that this may not cover the full costs for such efforts, though, and we are continuing to try to find additional resources not knowing when/if emergency appropriations directed to NIH may come.
2. Can we, and how do we go about, making adjustments to the project scope of work, or budgets in cases that hurricane damages may limit project related activities?

**Sam Ashe:**

- You can discuss rebudgeting and/or a potential change of project scope with your Grants Management Specialist and/or Program Official.
  - Our guidance to the ICs is to provide maximum flexibility for these immediate concerns.
3. How can we use unobligated balances for purposes that may result from an interruption in research projects due to loss in communication, limited access to project sites, power outages and other hurricane related damages, other than the care of animals?

**Sam Ashe:**

- We would allow “significant rebudgeting” (i.e., 25% or more change across budget categories) without prior approval, as long as there is no change to scope (i.e., scientific aims)
  - Again, if this will result in changing the project scope, discuss rebudgeting and/or potential change of project scope with your Grants Management Specialist and/or Program Official.
  - Our guidance to the ICs is to provide maximum flexibility for these immediate concerns.
4. Your input let us know that, in addition to the catastrophic loss of electricity and other utilities, your facilities suffered massive damage to physical infrastructure and key equipment and supplies, including:
- Loss of reagents, computers, small laboratory equipment, laboratory instrumentation.
  - Although the laboratory animals were rescued from the vivarium, they were lost for any future experiments due to their exposure to the stresses of the hurricane and its aftermath.
  - Sever damage to the roof, several air conditioning units and ductwork, and due to small leaks and subsequent fungal/mold infestation, internal ceiling, walls, electrical and plumbing infrastructure have been damaged.

How much of these costs can be paid for through grant funding?

**Sam Ashe:**

- If you have these costs in your budget already, rebudgeting is allowable as long as it's within the scope of the original award. This includes significant rebudgeting.
- If not, you may negotiate a change of scope with your Grants Management Specialist and/or Program Official.
- If these are larger costs, NIH is considering how we might be able to use current NIH funding to supplement awards, while we continue to pursue emergency appropriations.

## Questions from the Call

**Megan Columbus:** So operator at this time I would love to open it up for questions from anybody on the line.

1. What should we do if we have high carryover balances?

Answer: OER will continue to allow maximum flexibility with regard to high carryover balances. Please contact the IC directly to alert your grants and program officials of these balances.

2. Are we allowed to extend the end date of our award in the first year of the award?

Answer: Yes. This is currently allowable, and we are instructing ICs to approve these quickly.

3. How can institutions on the mainland help with displaced labs and students from Puerto Rico?

Answer: Inform NIH, if you have not already done so, of your desire to assist, and where you are located. OER is planning to distribute information regarding institutions willing to host, as well as professional societies that are available to provide assistance in this endeavor. Thank you for all your help!

4. Until emergency appropriations are available, what are some ideas regarding workforce stability that are available to Puerto Rico?

Answer: We are looking at alternatives available for students and researchers in Puerto Rico, such as temporarily moving to a mainland institution, and hope to provide additional information in the near future. In addition, there could be an opportunity to conduct some extremely interesting and valuable research that can benefit the people of Puerto Rico and could benefit future people who are affected by a variety of natural disasters.

## Reminders on a Few Key Questions We Frequently Received Right After the Disasters

**Megan Columbus:** We received a lot of detailed questions via email even before planning this call. As leaders of your institutions, I wanted to remind you of these key, high-level FAQs before closing.

1. Do I need to get prior approval to submit an application late?

- a. Answer: No. Late applications are evaluated on an individual basis considering the reasons provided. Only DRR, CSR has the authority to accept a late application; however, contacting DRR in advance will not influence the acceptance of a late application.
2. Can I submit my reports late?
  - a. Answer: Yes, but inform the PO and GMO; note that it could affect the timing of a continuation award being issued.
3. As a PI, what should I do if I cannot access my lab for a period of time or the lab is displaced? What about the costs?
  - a. Investigators need to contact their institutions to obtain approval for the provision of interim space and implement procedures for supporting the cost of such space.
  - b. Once the lab is re-opened and research activity can resume or an interim location has been established, investigators may, in accordance with the policy of their institution, purchase replacement supplies and/or equipment with current funds.
  - c. Unless restricted by term of award, unobligated balances may be used without prior approval. If specific funds are restricted, you should contact the Grants Management Officer listed on the NoA.
  - d. POST-CALL CLARIFICATION: Note that NIH does not have construction funding available. In the interim, minor and major alteration and renovation (A&R) may be allowable with current awards. Discuss this proposed use of funds with the grants management official identified on your Notice of Award.

## Closing Statement (including next steps)

**Megan Columbus:** Obviously we do not have all the answers here today with regard to next steps and future supplemental funding for disaster relief.

We will keep the web form open for the next few weeks in case you have any additional suggestions for us to consider or need more time to come up with cost estimates. Some things you may want to keep in mind when doing so are:

- How many graduate students and postdocs are in need of lab relocation?
- Has lab equipment been damaged?
  - If so, is it repairable or does it need to be replaced?
  - How much do you estimate this will cost?
- What supplies, if any, have been lost?
  - In what quantity?
  - How much do you estimate it will cost to replace these?

In closing, please know that we are here for you and are hoping for a speedy a recovery as possible.

In the coming days, we anticipate issuing another Guide Notice summarizing the new, additional flexibilities we discussed today. And again, we will be posting a transcript of the call on the NIH Natural Disaster website for future reference and will send a follow-up email to provide you the direct URL.

Although we will close the web form we've been using to support the logistics of this conference call in 2 weeks, you can still contact us regarding natural disaster relief questions at [nihghr@mail.nih.gov](mailto:nihghr@mail.nih.gov) or calling the Office of Policy for Extramural Research Administration at 301-435-0949.

Additionally, our Office of Laboratory Animal Welfare has a web site dedicated to Disaster Planning and Response Resources available at: [https://grants.nih.gov/grants/olaw/disaster\\_planning.htm](https://grants.nih.gov/grants/olaw/disaster_planning.htm). You can contact that office at: 301-496-7163.

Thank you for joining us today and for your input during this difficult period. Again, our thoughts are with you throughout the recovery process.