

# **Financial Assistance Agreements Management Office (FAAMO)**



## **Financial Assistance Reference Guide For Recipients**

**Essential tips for your NIST award**

**VERSION 4.0  
5/2025**

## Contents

Introduction and Purpose of the Guide.....	3
Roles and Responsibilities.....	4
Getting Started: Accepting and Setting Up a New Award.....	5
Notice of Award (NoA).....	5
Setting Up Payment or Reimbursement .....	5
Identifying Reporting Deadlines .....	5
Monitoring, Compliance, and Mandatory Reporting.....	6
Conflict of Interest (COI) .....	6
Mandatory Disclosures.....	6
Procurement Requirements .....	6
Subrecipient Risk Assessment and Monitoring .....	6
Cost Principles .....	7
Allowable Cost .....	7
Allocable Cost .....	7
Reasonable Cost .....	7
Program Income .....	7
Reporting of Program Income .....	8
Payments .....	8
Using ASAP for Payments.....	8
ASAP Eligibility.....	8
ASAP Enrollment Process .....	8
Transferring Funds Using ASAP .....	9
Non-ASAP Reimbursement of Funds .....	9
Returning Overpaid Funds .....	10
Reporting.....	10
Reporting Schedule .....	10
Progress Report (Technical Reports).....	11
Federal Financial Report (SF-425).....	11
Report Submission .....	11
Delinquent Reports .....	11
Understanding Prior Approval Requirements.....	12
Expanded Authority .....	12
Change in Scope .....	13
Can I Implement Changes to Improve My Project? .....	13
Requesting a Change of Scope.....	13
Approval Process.....	13
Change in Key Personnel and Principal Investigator/Project Director .....	14

Budget Changes and Transfer of Funds Among Categories.....	14
New Activity Requests .....	14
Requirements for Budget Changes.....	15
Unfunded Grant Actions.....	16
What are Unfunded Grant Actions and the UGAM Mailbox? .....	16
Actions to Submit to UGAM .....	16
How to Submit Requests .....	16
What Not to Submit to UGAM .....	16
Indirect Cost Rates.....	17
Charging the De minimis Rate .....	18
Negotiation of Indirect Cost Rates.....	18
The Importance of Audits.....	19
Single Audit Requirements .....	19
Recipient Responsibilities .....	19
Federal Audit Clearinghouse (FAC) .....	19
Corrective Action Plan (CAP) for Audit Findings .....	20
No-Cost Extensions.....	20
No-cost Extension Request Requirements .....	20
Research Awards Under Expanded Authority.....	20
Submitting an NCE Request .....	20
Award Closeout Process .....	21
Final Progress Reports .....	21
Final Financial Reports.....	21
Other Reports & Requirements .....	21
Post-Closeout Requirements .....	21
Remedies for Non-Compliance.....	22
Termination.....	22
Additional Resources .....	23
Glossary .....	24

# Introduction and Purpose of the Guide

Welcome to the National Institute of Standards and Technology (NIST) Financial Assistance Community!

This guide provides essential information about managing your grant or cooperative agreement, focusing on compliance with 2 CFR 200 (Uniform Guidance) and the Department of Commerce (DOC) Financial Assistance General Terms and Conditions. While this guide supplements specific terms and conditions of the award, it does not replace them. In the event of any conflicts, the terms and conditions of the award and applicable federal regulations will take precedence.

Your Grants Specialist (GS) and Federal Program Officer (FPO) are available to help you achieve your project goals. The Grants Specialist (GS) is your point of contact for award terms and conditions questions, while the Federal Program Officer (FPO) will assist with programmatic matters. You can find their contact information on your Notice of Award (NoA) and in the Specific Award Condition (SAC).

We are excited about your project and are committed to helping ensure its success. If you need guidance on any aspect of your award, don't hesitate to contact 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,

Jannet Cancino,  
Director  
Financial Assistance Agreements Management Office (FAAMO)  
National Institute of Standards and Technology (NIST)  
Department of Commerce (DOC)

# Roles and Responsibilities

## Grants Specialist (GS)

The GS manages a portfolio of NIST financial assistance awards and serves as the primary point of contact for recipients regarding award administration. The GS's responsibilities include providing financial oversight, ensuring compliance with award terms and conditions, resolving non-compliance issues, processing amendments, and other administrative/closeout actions.

## Grants Officer (GO)

The GO is responsible for the business and administrative aspects of grants and cooperative agreements, including approving awards, amendments that obligate or de-obligate funds, prior approvals, scope changes, and no-cost extensions, and suspending or terminating individual awards.

## Federal Program Officer (FPO)

The FPO is responsible for the programmatic, scientific, and technical aspects of assigned grants and cooperative agreements. It ensures program alignment with statutory and regulatory requirements, monitors project performance, and provides programmatic and technical assistance. The FPO also recommends to the NIST Grants Officer regarding the approval or denial of Award Action Requests (AARs) and other administrative aspects of the award.

### Identifying Your NIST Award Team

The cover page of your Notice of Award (NoA) and the Specific Award Condition (SAC) lists NIST personnel with full contact details.

## Recipient

A recipient is an entity/organization that receives an award directly from a federal agency to carry out an activity under a federal program. The recipient must establish robust internal controls per [2 CFR § 200.303](#), maintain compliance with award terms, and ensure proper financial management. A subrecipient is an entity that receives a subaward from a pass-through entity to carry out part of a federal award. See [2 CFR §200.1](#) for detailed definitions.

## Authorized Organizational Representative (AOR)

The AOR is the designated official for the recipient organization and manages matters related to award administration, ensures adherence to federal regulations, and oversees certifications and approvals required under the award.

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

The PI/PD oversees the award's scientific, technical, or programmatic aspects, ensuring compliance with financial and administrative requirements and adherence to Federal and organizational requirements.

## Key Personnel

Key personnel include PI and PD and other individuals responsible for programmatic development and activities in the award. NIST reserves the right to approve individuals as key personnel.

# Getting Started: Accepting and Setting Up a New Award

## Notice of Award (NoA)

The NoA is the official document used to inform recipients that their application for funding has been approved. It is your official authorization to begin work and incur allowable costs under the award. The NoA outlines key details of your award, including:

- **Award amount:** The total funds approved for the project.
- **Period of performance:** The start and end dates of the award.
- **General terms and conditions:** The regulatory, financial, and programmatic requirements the recipient must follow.
- **Reporting requirements:** Expectations for financial and programmatic reporting.
- **Specific conditions:** Any additional requirements or restrictions specific to the award.

The NoA is emailed to the AOR identified on the grant application. Upon receiving the NoA, the AOR must review its terms, including Specific Award Conditions (SACs). Reviewing the full text of any referenced regulations is essential to understand the applicable authorities clearly.

The NoA must be signed and returned via email within 30 business days of receiving the award packet. If it is not returned within this timeframe, the GO may unilaterally terminate the award.

## Setting Up Payment or Reimbursement

Most recipients can use the Department of Treasury's Automated Standard Application for Payment (ASAP) system to electronically draw down federal award funds for allowable expenses. If you do not have an active ASAP account, register immediately.

Suppose you are ineligible to use ASAP (e.g., due to U.S. banking regulations), or your award restricts its use. In that case, you must set up advanced Automated Clearing House (ACH) banking information with NIST and use/submit the Request for Advance or Reimbursement Form (SF-270).

Review the payments section for detailed guidance on payment methods and completing registration.

## Identifying Reporting Deadlines

The SACs specify financial and progress reporting deadlines. Most NIST awards require semi-annual progress and financial reporting in accordance with the Department of Commerce (DOC) Financial Assistance General Terms & Conditions. However, some awards may require quarterly or other SAC reporting schedules. Submit reports as scheduled, regardless of the status of activities or funds spent. Failure to meet reporting requirements may negatively impact current and future funding from NIST. For more details, see this guide's reporting section.

### Understanding Award Terms and Conditions

Your award is governed by the following elements:

#### Federal Regulations

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Title 2, Part 200).

#### Award Terms and Conditions

The Department of Commerce Financial Assistance Terms and Conditions.

#### Specific Award Conditions (SAC)

Unique elements that are outlined in your award agreement.

# Monitoring, Compliance, and Mandatory Reporting

## Conflict of Interest (COI)

Recipients must maintain a written COI policy as required by [2 CFR §200.112](#). Additionally, the [DOC Financial Assistance General Terms and Conditions](#) require recipients to maintain written standards of conduct to prevent misuse of position for personal or organizational gain or the appearance of a conflict of interest. Contact your Grants Specialist immediately if you suspect a conflict of interest or need guidance.

## Mandatory Disclosures

Recipients must promptly report any violation of Federal criminal law (fraud, bribery, or gratuity) related to the Federal award to NIST or the pass-through entity, as required by [2 CFR §200.113](#). If the total value of your federal awards (including active grants, cooperative agreements, and procurement contracts) exceeds \$10 million during the period of performance of an award, ensure that the information in the System for Award Management (SAM.gov) related to criminal, civil, or administrative proceedings is up to date. For more information about this requirement, refer to [2 CFR 200 Appendix XII](#).

## Procurement Requirements

Under the Uniform Guidance, recipients must maintain documented procurement policies for purchases under Federal awards. Contracts must be awarded in compliance with these policies, and documentation must be provided to the awarding agency upon request to show adherence to [2 CFR §200.317-327](#). Specific Award Conditions may include additional procurement requirements, such as compliance with Buy American standards.

## Subrecipient Risk Assessment and Monitoring

As a recipient, you are responsible for ensuring all subrecipients, including second-tier subrecipients, comply with the terms and conditions of the award. The terms and conditions of the award apply to subawards and subrecipients unless a specific award condition states otherwise. You must include all relevant award requirements in your subaward agreements, ensuring they cover programmatic, administrative, financial, and reporting obligations.

To ensure compliance for all subrecipients, you must perform a risk assessment based on financial stability, prior performance, and audit findings. This assessment helps determine the appropriate level of oversight, including reports, site visits, audits, or technical assistance, to meet performance goals. For additional details on subrecipient monitoring and management, refer to [2 CFR § 200.331-333](#).

### NIST Project Monitoring and Site Visits

Monitoring is a shared responsibility between the Grants Office, the Federal Program Office, and the recipient organization. NIST personnel will track the status and progress of each grant or cooperative agreement through various methods, including:

- Phone discussions
- Emails
- Meetings and events
- Reviewing progress and financial reports
- Site visits
- Other communication deemed necessary by the Grants Officer or Federal Program Officer.

Monitoring ensures compliance with award terms and conditions and effective management of federal funds to achieve project outcomes. Monitoring activities, including site visits, help identify and address current or potential issues.

# Cost Principles

Most NIST financial assistance awards must adhere to the Federal Cost Principles outlined in [2 CFR Part 200, Subpart E](#). The [Federal Acquisition Regulation 48 CFR § 31.2](#) applies only if explicitly included in your award terms. You are responsible for reviewing and understanding the applicable regulations to ensure all costs are **allowable, allocable, and reasonable**. You must maintain adequate records to support all costs.

## Allowable Cost

An allowable cost is an expenditure that is necessary and reasonable for the performance of the award and not explicitly prohibited by the terms of the award. Additionally, allowable costs must be allocable to the award and include those categories listed in the approved budget.

## Allocable Cost

A cost is considered allocable if the goods or services are chargeable or assignable to the Federal award. The cost must directly benefit the award and be distributed proportionately if it benefits multiple projects.

**EXAMPLE:** A staff member working on five different projects must charge their time between those five different projects based on the percentage of time spent on each project. However, if the staff member is working solely on one project, their salary can be charged 100 percent to that project's award, provided it is included in the approved budget.

### What happens if a cost is unallowable?

- Recipients must maintain proper documentation for all expenses.
- It is the responsibility of the recipient to ensure that all costs are allowable, allocable, and reasonable. Additionally, costs requiring prior approval must be authorized.
- Payments made for unallowable costs must be refunded to the Federal government, including any interest.
- See guidance at [2 CFR § 200.410](#).

## Reasonable Cost

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](#).

# Program Income

Recipients must account for all program income related to projects funded entirely or partially with Federal funds. Program income is gross income earned directly from the federally supported activity or award. Examples include, but are not limited to:

- Fees for services
- Rental or use of real property
- Sale of commodities or fabricated items
- License fees and royalties from patents and copyrights
- Principal and interest on loans

Unless otherwise specified in the award terms, program income may be used to meet cost-sharing requirements or added to the project budget in accordance with [2 CFR § 200.307](#) (Program income).



## Reporting of Program Income

Program income must be used for the original purpose of the Federal award and expended before drawing down additional funds. Recipients must comply with all award terms related to program income, which may include additional report or usage requirements. Program income must also be reported in financial reports as required by the award. For further details, refer to [2 CFR § 200.307](#) (Program income).

## Payments

All Payments must comply with [2 CFR §200.305](#) and the [DOC Financial Assistance General Terms and Conditions, Section B.02](#). Unless specified in the SAC, payments for NIST awards are processed through ASAP. ASAP allows organizations to electronically draw down grant funds for allowable expenses, eliminating the need for hardcopy invoice submissions. Funds are transferred directly to the organization's U.S. bank account. For recipients using ASAP, maintain accurate ACH information to avoid delays.

### Using ASAP for Payments

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#### ASAP Eligibility

To use ASAP, your organization must have a U.S. bank account. Due to recent changes in U.S. banking regulations, many foreign organizations may not be eligible. If ineligible or your award specifies alternate payment instructions, submit reimbursement forms (SF-270) and ACH payment information. Instructions for requesting payments outside of ASAP are provided in the award documentation.

#### ASAP Enrollment Process

NIST will manage your organization's enrollment in ASAP. To begin the process, provide your Grants Specialist with the following information for your ASAP Point of Contact (see below for ASAP user roles):

- Name
- Email address
- Mailing address
- Telephone number
- Organizational EIN and UEI numbers

**The ASAP enrollment process takes between 2 to 4 weeks.**

**Therefore, it is critical to complete the enrollment as outlined in the ASAP notifications.**

**Do not wait until you need grant funds to begin setting up your account.**

Once initiated, your organization must complete the required steps in ASAP, such as adding personnel and bank account information. The point of contact must contact the ASAP Customer Support Team to create a profile in ASAP. The ASAP enrollment process involves multiple steps, including assigning designated personnel and providing banking information. All steps must be completed within 30 days, or the enrollment will be terminated. The Department of Treasury will provide each identified person with a unique user ID and password.

##### 1. Point of Contact (POC)

- a. Logs into ASAP, accepts the POC role, verifies organizational information entered by NIST, and adds personnel for the Head of Organization, Authorizing Official, and Financial Official roles. Note: Individuals may be assigned to more than one role.

##### 2. Head of Organization

- a. Logs into ASAP to approve the Authorizing Official and Financial Official added by the POC.

### 3. Authorizing Official

- a. Logs into ASAP to complete the organization's profile and add at least one Payment Requestor.

### 4. Financial Official

- a. Logs into ASAP and enters the organization's U.S. bank account information.

The Department of Treasury will validate the account information, which may take up to 7 days. Once validated, NIST will finalize the enrollment.

## Transferring Funds Using ASAP

The designated payment requestor(s) can draw down federal funds to cover allowable expenses. Recipients must minimize the time between fund drawdowns and expenditures to comply with [2 CFR § 200.305](#). Funds drawn down that are not spent in a timely manner must be returned to ASAP. If your award has specific conditions (e.g., reimbursement only), your award agreement will detail the steps for requesting reimbursement via ASAP. For assistance, contact your Grants Specialist.

**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: [asaphelpdesk@fiscal.treasury.gov](mailto:asaphelpdesk@fiscal.treasury.gov)  
Hours of Operation: 6:30 AM - 5:30 PM Central Time  
(Monday – Friday).

Follow the prompts for ASAP when calling.

## Non-ASAP Reimbursement of Funds

For organizations not using ASAP (such as foreign organizations), payment requests must be submitted using Form SF-270 (or successor form) no more than once monthly. Requests for advance payment must comply with the cash management requirements outlined in [2 CFR § 200.305](#) and should be expenses anticipated over the next 30 days.

Required Steps:

1. Submit a completed [ACH Vendor/Miscellaneous Payment Enrollment Form \(SF-3881\)](#) to NIST as outlined in the Specific Award Condition.
2. Notify your Grants Specialist immediately if any information changes to avoid payment delays.
3. Submit a signed [Request for Advance or Reimbursement \(SF-270\)](#) payment to the Grants Specialist for each payment or reimbursement. The Financial Representative or AOR must sign the form.

Once reviewed and approved, funds will be electronically transferred to the financial institution listed on the ACH form.

## Returning Overpaid Funds

If an overpayment occurs

- ASAP users must submit refunds/overpayments through the ASAP system.
- Non-ASAP Users: Mail refund checks to:

**National Institute of Standards and Technology**

Accounts Receivable

100 Bureau Drive, Stop 1624

Building 101, Room A813

Gaithersburg, MD 20899-1624

All refund checks must include:

- Awarding agency (NIST)
- Award number
- Brief reason for the refund

**Additionally, notify your Grants Specialist via email when submitting a refund.**

## Reporting

Each NIST grant or cooperative agreement requires the submission of progress and financial reports at specific intervals. Progress reports cover only the activities during the reporting period, while financial reports are cumulative. All reports must be accurate, complete, and submitted on time, even if no activity occurred during the reporting period.

### Reporting Schedule

For most NIST awards, progress and financial reports are due semi-annually for the following periods unless otherwise specified in the SAC:

- **October 1 - March 31**
- **April 1 - September 30**

Some programs may require quarterly or annual reports. Report periods for quarterly submissions are:

- **October 1 – December 31**
- **January 1 – March 31**
- **April 1 – June 30**
- **July 1 – September 30**

**Deadlines:**

- **Interim Reports:** Due 30 days after the end of each reporting period.
- **Final Reports:** Due 120 days after the award's end date. Refer to the closeout section for details on final reports.

**EXAMPLE:** An 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 (30 days after the end of the reporting period). The second report will cover October 1 through March 31 and is due April 30. The final report will cover April 1 through July 31 and is due November 28 (120 days after the award end date).

## Progress Report (Technical Reports)

The Specific Award Conditions will outline your progress report's format and specific content (e.g., the Research Performance Progress Report). In general, a progress report will include the following elements:

- **AWARD INFORMATION:** Award Number, Project Title, Agency, Principal Investigator, Award Period, and Reporting Period.
- **PROJECT SUMMARY:** Summary of activities based on the approved award and project description, focusing on what was completed during the reporting period.
- **PROGRESS AND OUTCOMES:** Description of progress made, monitoring results, and any data collection. Performance should be linked to funds spent in accordance with [2 CFR §200.329](#).
- **CHALLENGES:** Any encountered or anticipated issues, delays, or budget adjustments.
- **OTHER REQUIREMENTS:** Additional reporting elements as specified in Specific Award Conditions.

## Federal Financial Report (SF-425)

Financial reports must be submitted using the most current SF-425 form, adhering to the award schedule. The report should reflect obligations and expenditures and match data in ASAP or the SF-270 reimbursement request. The Grants Specialist will review the financial report with the progress report to ensure accuracy and monitor spending.

## Report Submission

All progress and financial reports must be submitted via email to [greports@nist.gov](mailto:greports@nist.gov). Some programs (e.g., Manufacturing Extension Partnership) may require report submissions through a designated portal. Any alternate submission instructions will be provided in the.

If you anticipate needing additional time to submit a report, contact your Grants Specialist as soon as possible to request an extension.

## Delinquent Reports

Failure to submit required reports by the established deadlines constitutes noncompliance with the terms and conditions of your award. If a report is not submitted within **30 business days** of its due date, **enforcement actions** may be initiated. These actions may include, but are not limited to, withholding funds and/or imposing increased monitoring requirements. Repeated or chronic late reporting may also adversely impact your eligibility for future NIST funding.

Although NIST provides reminders, it is important to proactively communicate any anticipated reporting delays to your assigned Grants Specialist.

## Understanding Prior Approval Requirements

Sometimes, you may need to change the program budget or activities. While recipients can modify their awards, certain changes require prior written approval to ensure the costs are allowable, as outlined ([2 CFR § 200.407](#)). Requests for prior approval must be submitted in formal written documentation, signed by the AOR, and accompanied by supporting documents. These requests should be submitted well before the proposed change to allow sufficient time for review. The specific requirements for prior approvals can vary depending on the type of award. To determine if a change requires prior approval, follow these steps:

- Carefully review your NoA, SAC, and the [DOC General Terms and Conditions](#).
- Review [2 CFR § 200.407](#) for general cost principles and actions that require prior approval.
- If unsure, contact your Grants Specialist for clarification.
- For changes related to indirect costs, consult your cognizant agency, the federal agency that approved your indirect cost proposal.

### Common Award Actions Requiring Prior Approval

Award Action	DOC General Terms & Conditions
Change in Scope	Yes
Change of Principal Investigator (PI)	Yes
No-Cost Extension	Yes
Additional Funding	Yes
Budget Changes and Transfer of Funds Among Direct and Indirect Categories	Maybe
Costs that require Prior Approval in Cost Principles	Yes (unless waived in the award agreement)

## Awards with Expanded Authority

Recipients must receive explicit approval, typically documented in the Notice of Award (NoA), before exercising any expanded authority provisions. Expanded authority allows recipients to make certain post-award changes without prior approval, provided they meet specific conditions. This flexibility is intended to reduce administrative burden and facilitate more efficient award management. However, recipients must comply with all applicable federal requirements and program-specific terms and conditions.

Expanded authorities are granted by reference in the NoA. For research awards, specific authorities such as pre-award costs (up to 90 days), a one-time no-cost extension of up to 12 months, and the carryover of unobligated funds—are typically granted automatically unless otherwise restricted in the NoA ([2 CFR § 200.308\(h\)](#)).

## Grant Officer's Role in Prior Approval

Prior approval is only valid when provided in writing by the Grants Officer. Depending on the nature of the request, this approval may be issued through an amendment or an administrative change letter. Informal answers are not valid. There is no appeal for denial of a prior approval request.

## Subrecipient Prior Approvals

Recipients are responsible for approving changes to subaward or contract activities and budgets. However, any changes affecting the project's scope must receive NIST approval. Recipients may not approve changes that conflict with the award's purpose or terms and conditions.

## Change in Scope

A change in scope involves altering critical elements of the original, approved work plan for a grant or cooperative agreement. Changes impacting project goals, milestones, or key deliverables require prior written approval ([2 CFR § 200.308](#)) and must be formalized through an amendment.

All programmatic changes must be reported to NIST, including scope and budget changes. It is recommended that you discuss any potential changes with NIST before proceeding. Approved changes should be reflected in progress reports. Not all requests will be approved, as they may conflict with program requirements, funding limitations, and regulations. Below are examples of when prior approval may or may not be required.

### Does My Change Require Approval?

Ask yourself: Will this change modify the project goals, milestones, objectives, or activities? If the answer is YES, a formal change in scope is required, which must be reviewed and approved by NIST.

**EXAMPLE 1:** A workshop was initially scheduled for April but was moved to June due to scheduling conflicts and weather. This change does not impact the other grant activities.

*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.*

**EXAMPLE 2:** Following the above example, you decide to change the workshop's content from the latest nanofabrication techniques to teaching marketing strategies for end designs.

*This would be a major change in the project activities and require a change in scope with written approval.*

## Can I Implement Changes to Improve My Project?

No, you must obtain written approval before making any changes to your project scope. Proceeding without authorization may result in federal funds being repaid and possible enforcement actions for noncompliance. Always consult your Grants Specialist before making modifications, even minor ones.

## Requesting a Change of Scope

A request for a change in scope must include:

- A justification for the change
- A revised project plan
- A budget (same form submitted with your original application)

Ensure you provide all necessary supporting documentation with your request.

### Submitting a Change in Scope Request

Requests must be submitted in writing, via email to [UGAM@nist.gov](mailto:UGAM@nist.gov) or to the contact specified in the Specific Award Conditions. Either the *AOR* or the *PI* should submit the request.

## Approval Process

An approved change must be formalized through an amended NoA, which outlines the details of the change(s). Typically, a single amendment will address all requested changes (e.g., programmatic and budgetary). The review process for a scope change is thorough, similar to the original application, and approval may take time.



## Change in Key Personnel and Principal Investigator/Project Director

In accordance with [2 CFR § 200.308](#), certain changes in key personnel or Principal Investigator (PI) require approval from the Grants Officer. If a change is necessary, recipients must immediately consult with their NIST Grants Specialist and Federal Program Officer. Given that awards may be partly based on the qualifications of the PI, NIST may consider alternative actions, such as transferring the award to the new organization of the current PI if applicable. Requests to change the PI or Key Personnel must be submitted via email to [UGAM@nist.gov](mailto:UGAM@nist.gov) or the contact specified in the SAC. The change is not approved until written authorization is provided by the Grants Office.

## Budget Changes and Transfer of Funds Among Categories

Within a budget period, you can adjust your budget without prior approval for minor changes if:

- The change is within or between approved direct cost categories
- Your award's federal share is below the [simplified acquisition threshold](#)
- Your NoA does not include a prior approval need.

You must obtain prior approval from NIST for budget revisions, as specified in [2 CFR § 200.308](#) and [DOC Financial Assistance General Terms and Conditions Section B04](#). The Grants Officer will review these requests and provide written approval.

### Significant Budget Changes

- Prior approval is required to create a new budget category regardless of the type of award. Standard budget categories include personnel, fringe, equipment, supplies, and subawards.
- Significant budget changes require prior approval when they constitute a change of scope, or the total amount transferred (including previous transfers) exceeds 10% of the total budget approved by the Grants Officer.
- Any changes to the approved budget, project scope, or objectives must be reported in the following progress report.

**EXAMPLE:** Adding a new milestone for testing to the project triggers a change in scope. This change might also require moving funds to a new budget category, potentially exceeding 10% of the total budget.

*This example involves both a “Change of Scope” and “Budget Changes.” Since you are introducing new activities to the award, this is not just a simple budget change and requires prior*

### New Activity Requests

If the budget change involves a new activity not included in the original award, the Grants Officer must approve it as a “Change in Scope.” If the new activity also affects the approved budget, the change in scope and the budget request can be submitted together in a single request. Send a written request via email to [ugam@nist.gov](mailto:ugam@nist.gov) or as specified in the Specific Award Conditions.

## Requirements for Budget Changes

To request a budget change, your AOR must submit the request in writing as specified in the Specific Award Conditions. The request must include:

- **Justification:** A detailed explanation of why the budget change is necessary and how it will impact the project.
- **Revised Budget Narrative:** An updated budget narrative that explains the changes (this can be part of the justification).
- **Revised budget:** An updated form consistent with your original application. Fillable PDF forms can be downloaded from the Grants.gov website.

**EXAMPLE 1:** You need to increase the budget for a specialty supply item by \$500 due to a price increase from the original quote. This item was listed under “supplies” 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 allocated for that purpose under “other” will not be needed.

*Because the item is already in your approved budget and the transfer is relatively small, you may reallocate the \$500 from “other” to “supplies” without prior approval from NIST. However, you must document for recordkeeping and summarize this transfer in your progress report.*

**EXAMPLE 2:** Your award has a federal share of \$300,000 and a non-Federal match of \$50,000, totaling \$355,000. You have already transferred \$25,000 between direct cost categories. Now, you need to replace essential equipment that costs \$15,000. The original equipment was included in your approved application, and you have savings in other direct budget categories due to project efficiencies.

*Since the total Federal share exceeds \$250,000, and the cumulative amount of transfers between direct cost categories ( $\$25,000 + \$15,000 = \$40,000$ ) exceeds 10% of the total approved budget ( $\$350,000 \times 10\% = \$35,000$ ), you must obtain written prior approval from the Grants Officer before making this transfer.*



# Unfunded Grant Actions

## What are Unfunded Grant Actions and the UGAM Mailbox?

Unfunded grant actions involve requests or changes to an award that do not require additional funding. The Unfunded Grant Actions Mailbox (UGAM) was created to streamline and expedite the processing of these requests while improving NIST's internal tracking. All unfunded action requests must be submitted via email to [ugam@nist.gov](mailto:ugam@nist.gov).

## Actions to Submit to UGAM

Recipients must submit the following unfunded award action requests to UGAM:

- No-cost extension requests
- Changes in key personnel
- Changes in project scope
- Budget revisions (without additional funds)
- Novation
- Name changes
- Award transfers
- Payment reimbursements

*Unfunded Grant Actions  
Mailbox [ugam@nist.gov](mailto:ugam@nist.gov)*

## How to Submit Requests

When submitting requests to UGAM, ensure the email subject line includes:

- Recipient name
- NIST award number
- PI/PD Name
- Requested action (e.g., no-cost extension, change in key personnel)

All requests, including justification and related correspondence, must be sent to [ugam@nist.gov](mailto:ugam@nist.gov). Only send requests directly to NIST personnel if explicitly instructed by the award conditions. Requests sent directly to NIST personnel will be returned with instructions on how to resubmit via UGAM.

## What Not to Submit to UGAM

UGAM should not be used for:

- General correspondence
- Closeout-related documents or requests (e.g., extensions to the closeout period)
- Funded amendment requests

# Indirect Cost Rates

Indirect costs benefit multiple cost objectives but cannot be directly assigned to a specific project without disproportionate effort ([2 CFR § 200.1](#)). These costs are only allowable if permitted under the award and included as a line item in the approved budget. Common examples include facility maintenance, depreciation, and administrative salaries.

Facilities and Administrative (F&A) costs are calculated using a negotiated rate between the recipient organization and the cognizant Federal agency. This rate is applied to the direct cost base to determine the amount of F&A costs charged to the award.

Costs must be treated consistently to avoid double-charging, such as overhead costs being billed directly when already included as indirect. For more information on cost classifications, refer to [2 CFR Part 200 Subpart E – Cost Principles](#).

## Indirect Cost Rate Definitions

**Indirect Cost Rate:** The percentage that shows how an organization's indirect costs compare to its direct costs. Direct costs can include salaries, wages, or other expenses directly tied to a project. If the rate applies to a specific part of the organization, it reflects the share of indirect costs for that area compared to its direct costs.

**Indirect Cost Proposal:** A document submitted by a recipient to justify an indirect cost rate, following 2 CFR Part 200 guidelines. These guidelines vary based on the type of organization, such as Institutions of Higher Education (IHEs) [2 CFR Part 200, Appendix III](#), States and Local Government and Indian Tribe [2 CFR Part 200, Appendix VII](#) and Hospitals [2 CFR Part 200, Appendix IX](#).

**Rate Agreement:** A formal document that establishes indirect cost rates and explains how they should be applied. Some NIST award programs may have Department of Commerce-approved deviations from the Federally negotiated rate agreement.

**Cognizant Agency for Indirect Costs:** The Federal agency responsible for reviewing, negotiating, and approving an organization's indirect cost rates on behalf of all federal agencies. This agency may differ from the one overseeing audits. Assignment details are outlined in 2 CFR 200 Appendices III, IV, V, and VII.

**Modified Total Direct Cost (MTDC):** Includes direct salaries, wages, fringe benefits, materials, supplies, services, travel, and the first \$50,000 of each subaward. It excludes equipment, capital expenditures, patient care charges, rent, tuition remission, scholarships, fellowships, participant support costs, and subaward amounts over \$50,000. Additional exclusions require approval to prevent unfair cost distribution.

## Types of Indirect Cost Rates

**PROVISIONAL RATE:** A temporary rate used for interim funding and reporting pending the establishment of a final rate.

**FINAL RATE:** This rate is based on actual costs from a past period. It is not adjustable and is used to adjust previously claimed indirect costs under a provisional rate.

**PREDETERMINED RATE:** A permanent rate established for a specific future period, not subject to adjustment, based on past actual costs.

**FIXED CARRY-FORWARD RATE:** A rate subject to later adjustment based on the difference between estimated and actual costs.

**DE MINIMIS RATE:** A 15% flat indirect rate for entities without a negotiated rate, applicable to the MTDC. This rate can be used indefinitely until a different rate is negotiated.

**RATE Extension:** A one-time extension of an existing negotiated rate, available for up to four years for certain rate types.

## Charging the De minimis Rate

If your organization does not have a current Federal negotiated indirect cost rate (including provisional rate), you may charge a de minimis rate of up to **15%** of modified total direct costs (MTDC). This rate may be used indefinitely unless you choose to negotiate a different rate in the future. Costs must be consistently charged as either direct or indirect. Double charging or switching between direct and indirect is not permitted. If you choose the de minimis rate, it must be applied consistently to all Federal awards until a new rate is negotiated ([2 CFR § 200.414\(f\).](#))

## Negotiation of Indirect Cost Rates

If DOC/NIST is the cognizant agency, recipients must submit an indirect costs proposal within 90 days of the award start date. The proposal should follow the guidelines outlined in [2 CFR Part 200, Appendices III-VII](#). The Department of Health and Human Services (HHS) negotiates rates for institutions of higher education (IHEs), not NIST. NIST cannot negotiate indirect cost rates with IHEs.

NIST will review and negotiate indirect cost rate(s) for other non-Federal entities (NFEs) and provide specific instructions if additional information is needed. The results of the negotiation must be formalized in an Indirect Cost Rate Agreement, signed by a NIST official and an Authorized Organizational Representative. The agreement must include:

1. The agreed-upon rate(s) details the type of rate, effective period, and direct cost base.
2. The treatment of fringe benefits as direct or indirect costs.
3. General and special terms and conditions.
4. Additional clarification, if necessary (e.g., direct charging of cost typically treated as indirect by other non-Federal entities).

### Submitting Indirect Cost Proposal

If NIST is the cognizant agency, submit the indirect cost proposal within 90 days of the award start date to [FAAMOaudit@nist.gov](mailto:FAAMOaudit@nist.gov).

# The Importance of Audits

Audits evaluate your organization's financial management and confirm the proper use of federal funds. As a recipient of federal financial assistance, you are responsible for:

- Maintaining internal controls for compliance with federal requirements.
- Using an accounting system that follows Generally Accepted Accounting Principles (GAAP) and properly tracks and segregates costs.
- Preparing accurate and timely financial statements

## Single Audit Requirements

If your organization spends \$1,000,000 or more in federal funds during a fiscal year, a single or program-specific audit is required under the Single Audit Act and [2 CFR Part 200 Subpart F](#). The audit report must be submitted electronically within 30 calendar days of receiving the auditor's report or nine months after the end of the audit period, whichever comes first ([2 CFR 200.512](#)). Audit costs are allowable and can be charged indirectly or directly to the award ([2 CFR 200.425](#)). For-profit entities should follow the [Department of Commerce Financial Assistance General Terms & Conditions, Section D.01.c](#).

## Recipient Responsibilities

- Procure the required audit and ensure it is performed by an independent auditor. NIST does not conduct audits or recommend auditors.
- Provide auditors access to personnel, accounts, books, records, and supporting documentation.
- Prepare financial statements, including the Schedule of Expenditures of Federal Awards (SEFA).
- Submit audits on time.
- Promptly address audit findings and take corrective action.

## Federal Audit Clearinghouse (FAC)

Audit reports and accompanying documents must be uploaded to the [Federal Audit Clearinghouse](#), managed by the General Services Administration (GSA) on behalf of OMB.

### What should an Audit Include?

Audits must comply with [Generally Accepted Government Auditing Standards \(GAGAS\)](#) and assess:

1. Accuracy and fairness of financial records and statements.
2. Proper identification and tracking of federal award transactions and expenditures.
3. Adequacy of internal controls and procurement procedures.
4. Compliance with federal laws, regulations, and award terms.
5. Whether prior audit findings have been addressed.

The auditor must complete the data collection form as required in [2 CFR § 200.512](#). The audit generates three key reports:

1. The auditor's opinion on financial statements conformity with GAAP
2. An assessment of internal controls over financial reporting and major programs.
3. The auditor's opinion on compliance with federal laws, regulations, and award terms.

Issues will be listed on the SEFA and Questioned Costs. See [2 CFR § 200.514](#) for detailed audit scope requirements.

## Corrective Action Plan (CAP) for Audit Findings

If audit findings are found, you must develop a Corrective Action Plan (CAP) as required by [2 CFR § 200.511](#).

The CAP should:

- Outline the steps to address the findings.
- Identify the individuals responsible for implementing corrective actions.
- Provide completion dates for each action.

Actions may include updating internal controls, improving procurement procedures, or providing additional training. If necessary, seek clarification from the auditor and consider their recommendations. If you disagree with an audit finding, include a response in the CAP to explain your position. Submit the CAP along with the audit report to the FAC.

## No-Cost Extensions

A no-cost extension (NCE) extends the award's period of performance without additional funds. NIST may grant a one-time NCE up to 12 months beyond the original award end date to complete the approved scope of work. Unless expanded authority applies, requests must be submitted at least **30 calendar days** before the original period of performance ends, as stated in the NoA. All award terms and conditions remain in effect during the extension.

### No-cost Extension Request Requirements

A no-cost extension request for awards must include the following:

- Signed request by the AOR
- Explanation of why the project could not be completed by the original end date
- Description of activities to be supported during the extension
- Revised period of performance
- Updated OMB-Approved Budget Forms (SF-424A or R&R) and budget narrative for the remaining funds (limited to approved activities).

**A no-cost extension cannot be used to spend the remaining funds or to start new activities not included in the approved project.**

**NOTE:** New activities outside the original scope of work will not be approved.

### Research Awards Under Expanded Authority

Research award recipients have “expanded authority,” allowing for a one-time, 12-month NCE without prior approval. However, you must submit a notification at least **10 business days** before the award end date. Once the NCE is approved, NIST will issue an amended NoA reflecting the new end date. **Note:** expanded authority can only be used once per award. An extension beyond the initial 12 months of NCE requires prior written approval. Unless your award terms and conditions specify otherwise, this request must be submitted at least 30 days before the period of performance ends.

### Submitting an NCE Request

The AOR must submit the NCE request or expanded authority notification via email to [UGAM@nist.gov](mailto:UGAM@nist.gov) or as instructed in the Specific Award Condition.

## Award Closeout Process

Closeout is when NIST confirms that all administrative actions and work required under the award are complete. The closeout period starts immediately after the period of performance end date, and you must liquidate all financial obligations and submit all reports no later than 120 calendar days after the period of performance ends ([2 CFR § 200.344](#)). During this time, you must finalize administrative tasks such as paying invoices, submitting reports, and financial reconciliation. No additional work on the award can be performed during the closeout period.

If more time is needed to complete the scope of work, refer to the No Cost Extensions section. NIST will send an official closeout reminder letter 30 days before the award end date with specific instructions. However, the absence of this letter does not remove your responsibility to complete closeout activities. Submit all closeout reports, including the final progress and financial reports, to [closeout@nist.gov](mailto:closeout@nist.gov).

### Final Progress Reports

A final progress report is due within 120 days after the period of performance ends. This report should summarize progress towards achieving project goals, activities completed since the last interim report, significant results (positive and negative), and publications. The final progress report must be submitted via email to [closeout@nist.gov](mailto:closeout@nist.gov) or as specified in the award conditions.

### Final Financial Reports

The final financial report (SF-425), which summarizes drawdowns and expenditures, is due 120 days after the period of performance ends. Before submission, ensure all necessary funds have been drawn from ASAP.gov and all invoices are paid. Submit the SF-425 with no cash on hand via email to [closeout@nist.gov](mailto:closeout@nist.gov).

### Other Reports & Requirements

In accordance with [2 CFR § 200.344](#) and other relevant sections, the following reports may also be required:

- Tangible Personal Property Report ([SF-428](#)) – For reporting equipment with an acquisition cost of \$10,000 or more.
- Real Property Report ([SF-429](#)) - For reporting real property status.
- Patent Reporting ([37 CFR 401.14](#)) - NFEs must comply with patent reporting requirements and submit disclosures and elections through the Interagency Edison Extramural Invention Reporting System ([iEdison](#)).
- Specific Award Conditions and your closeout letter will outline any additional requirements.

### Extension to Closeout

If you do not submit the required closeout materials within 120 days, your organization will be out of compliance, which may lead to enforcement actions. To avoid this, you can request an extension to complete tasks such as paying receivables or submitting final reports.

Submit the extension request via email to [closeout@nist.gov](mailto:closeout@nist.gov). The request must come from the AOR and include a detailed justification explaining the delay and remaining tasks. Note that no new work or costs can be incurred during the extension.

The Federal Program Officer will review the request, and the Grants Officer must approve it. The extension becomes effective once you receive an official amendment letter from the Grants Officer.

**Note: All obligations under the award must be liquidated before closeout, and any remaining unobligated funds must be refunded unless retention is authorized.**

### Post-Closeout Requirements

After closeout, you remain responsible for ongoing obligations, including document retention, audit compliance, and refunding disallowed costs. Additionally, you must retain records for at least three years



after final expenditure reporting. These responsibilities are detailed in [2 CFR § 200.344](#) and your award terms and conditions. If you have questions or need assistance with post-closeout requirements, contact your Grants Specialist.

## Remedies for Non-Compliance

You must comply with your award requirements and submit financial, performance, and other reports as required. Failure to do so may result in enforcement actions, including those listed under the Remedies for Noncompliance section below, and reporting to Responsibility/Qualification in SAM.gov (formerly FAPIIS).

If a recipient fails to comply with Federal statutes, regulations, or the award's terms and conditions, the awarding agency or pass-through entity may impose additional conditions per [2 CFR § 200.339](#). If noncompliance persists, the awarding agency or pass-through entity may take further action, including:

- (a) Temporarily withholding payments until the deficiency is corrected.
- (b) Disallowing costs for non-compliance activities.
- (c) Partially or fully suspending or terminating the Federal award.
- (d) Initiating suspension or debarment proceedings (or recommending them).
- (e) Withholding further Federal awards for the project or program.
- (f) Taking other legally available remedies.

Additional conditions may be imposed for noncompliance, such as technical assistance or restricted payment methods ([2 CFR § 200.208](#)).

### Noncompliance enforcement actions may be triggered by:

- Late, incomplete, or inaccurate progress or financial reports.
- Failure to follow federal laws, regulations, or award terms and conditions, including Specific Conditions.
- Unauthorized budget changes.
- Fraudulent or unlawful activity.
- Unresponsive to operating unit notifications and attempts to contact.

**As a recipient of Federal funds, it is your responsibility to proactively communicate with your Federal Program Officer and Grants Specialist if issues arise or are unexpected. This can help prevent or reduce the need for enforcement actions.**

Following the rules, regulations, and approved project and budget plans will help avoid enforcement actions.

## Termination

NIST or the pass-through entity may terminate the award, in whole or in part, before the end of the period of performance. NIST can terminate for cause or with the entity's consent, depending on the circumstance. Suppose an award is terminated due to material noncompliance with the award terms and conditions. In that case, NIST must report the termination in the Responsibility/Qualification records available on the SAM.gov website for consideration by all Federal awarding agencies. For full details, refer to [2 CFR § 200.340](#). ***Even after termination, both parties must comply with requirements in [2 CFR § 200.344](#) (Closeout) and [§ 200.345](#) (post-closeout).***

# Additional Resources

## Regulation

- [2 CFR § 200 —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
- [Part 31 – Contract Costs Principles and Procedures](#)
- [2 CFR § 180 - OMB Guidelines to Agencies on Government-wide Debarment and Suspension \(Non-Procurement\)](#)

## Department of Commerce Financial Assistance Award Policy and Documents

- [DOC Financial Assistance General Terms and Conditions](#)
- [Research Performance Progress Report \(RPPR\)](#)
- [RPPR Instructions](#)

## Federal-wide Systems and Resources

- [Grants Management Forms](#)
- [Federal Audit Clearinghouse](#)
- [ASAP.gov](#)



# Glossary

Here are definitions for key terms used in this Reference Guide. For additional definitions, refer to [2 CFR 200, Subpart A](#).

**ADMINISTRATIVE CHANGE LETTER:** A letter issued by the Grants Officer notifying the recipient of no-cost administrative changes to the award, such as clearing a Specific Award Condition.

**ALLOWABLE COST:** A necessary, reasonable, and allocable cost to the award and not expressly prohibited. Allowable costs may also refer to costs within the approved budget categories.

**AUTOMATED STANDARD APPLICATION FOR AWARD PAYMENT (ASAP):** A secure, web-based application sponsored by the Department of Treasury that allows the recipient to draw funds from pre-authorized federal accounts.

**BUDGET CHANGES:** Deviations from the approved budget that do not involve changes in planned activities or new budget categories. Depending on the amount and the terms and conditions of the award, these may require the Grants Officer's written approval.

**CHANGE IN SCOPE:** Modifications to critical activities, milestones, goals, or objectives of the project. All scope changes require written approval from the Grants Officer and Program Officer.

**DRAWDOWN FUNDS:** Funds for project expenditures drawn using automated systems, such as ASAP, distinct from funds invoiced SF-270, Request for Advance, or Reimbursement.

**FEDERAL AGENCY:** The agency that provides a Federal award directly to a recipient unless the context indicates otherwise.

**FINANCIAL REPORT:** The Federal Financial Report (SF-425), submitted by the recipient to summarize financial performance for the reporting period.


**FOREIGN ORGANIZATION:** An entity located outside the United States and its territories, subject to the laws of its country, regardless of project staff citizenship or place of performance.

**NOTICE OF AWARD (NoA):** A legal document issued by a federal agency to a recipient, formally notifying them of approved financial assistance. The NoA outlines key details of the award, such as award amount, period of performance, terms and conditions, and reporting requirements.

**PROGRAM INCOME:** Gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance.

**PROGRESS REPORT:** A report summarizing project performance during the specified reporting period, including the Research Performance Progress Report (RPPR). Also known as “Performance” or “Technical” reports, these are distinct from financial reports.

**SPECIFIC AWARD CONDITIONS:** Award-specific conditions imposed due to circumstances, such as publication guidelines or special restrictions determined by the Grants Officer.



**SUBSTANTIAL INVOLVEMENT:** Collaboration between NIST (the awarding agency) and the recipient organization as outlined in the cooperative agreement. The collaboration must be programmatic and provide benefits otherwise unavailable to the recipient (e.g., specialized equipment, subject matter expertise).