Accelerating Spending of Remaining Funds from the American Recovery and Reinvestment Act for Discretionary Grant Programs (ARRA GRANTS)

In an effort to further stimulate the economy and create jobs, President Obama submitted the “American Jobs Act” to Congress on September 12, 2011.

The Director of the Office of Management and Budgets (OMB) has since issued a Memorandum concerning the above referenced Act. The memo pointed out that “despite the rapid pace of spending of Recovery Act funds......there remain billions in discretionary Recovery Act funds that, although they have been obligated, have not yet been outlayed.” The OMB memo may be viewed in its entirety at the following link: M-11-34.

Federal Agencies, many of whom fund sponsored research here at Yale (including NIH and NSF), are expected to do the following in accordance with OMB’s memorandum:

- Work collaboratively and transparently with ARRA recipients to accelerate the spending rate for all awarded funds while still achieving core programmatic objectives.
- Reduce administrative hurdles that can delay expenditure of funds.
- The head of each federal agency is to request waivers and obtain OMB’s approval from the September 30, 2013 deadline only if certain conditions are met:
  - contractual commitments by the grantee with vendors or sub-recipients prevent adjusting the timeline for spending;
  - a project must undergo a complex environmental review that cannot be completed within this timeframe;
  - programs are long-term by design (such as the majority of the High Speed Rail program) and therefore acceleration would compromise core programmatic goals; or
  - other special circumstances exist.
- Request such waivers sparingly, as approval will be granted only in cases where compelling legal, policy, or operational challenges exists. Agencies must submit all proposed waivers to OMB for review and approval by September 30, 2012.
- Revise the terms of Recovery Act discretionary grant agreements, to the extent permitted by law, to provide for reclamation of funds that remain unspent after September 30, 2013.

NIH issued Guide Notice NOT-OD-12-014 in response to this OMB Memorandum. The NIH Guide Notice may be viewed at the following link: NOT-OD-12-014.

NSF guidance can be viewed at http://www.nsf.gov/recovery/acceleration.pdf. Many investigators may have already received notification from NSF concerning your award and direction to contact your program officer by March 2, 2012 if you anticipate requesting a waiver. If you did not receive communication from your NSF official and expect to request carryover, please contact your Program Officer for further guidance.

Please feel free to contact your GCA representative if you have any questions or need additional assistance.