

**From:** Lakins, Velma - AMS <[Velma.Lakins@usda.gov](mailto:Velma.Lakins@usda.gov)>  
**Sent:** Thursday, March 26, 2020 1:46 PM  
**Subject:** USDA Guidance due to COVID-19

Dear FMLFPP Grant Recipients:

We are reaching out to reassure you that the USDA-AMS Grants Division continues to work with all of our grant recipients during this unprecedented time. AMS is open to considering flexibilities for grant recipients on a case-by-case basis to ensure the success of their projects, including changes to project activities, while aligning efforts with the 2 CFR §200 requirements.

In fact, the Office of Management and Budget (OMB) recently issued a memo ([M-20-17](#)) that allows AMS to offer flexibility to perform administrative, financial, and regulatory requirement exceptions to provide relief to grant recipients. These exceptions are time-limited and will be reassessed by OMB within 90 days. The following relief exceptions include but are not limited to:

- **No-cost extension on expiring awards (2 CFR § 200.308):** Awards that are active as of March 31, 2020, and scheduled to expire prior to or on December 31, 2020, may receive a no-cost extension of up to 12 months. If COVID-19 affects your ability to complete your grant award within your current period of performance, please work with your Grants Management Specialist and be prepared to supply justification and details about your situation.
- **Allowability of costs not normally chargeable to awards (2 CFR § 200.403-405):** AMS may allow recipients to charge costs incurred by cancellations of grant related events, travel, and other activities. This may also include the pausing and restarting of the grant activities due the effects of COVID-19. Please review the applicable Terms and Conditions of your award for a list of allowable costs and coordinate with your Grants Management Specialist.
- **Prior approval (2 CFR § 200.407):** Requirements may be waived to allow the recipient to address time-sensitive needs more effectively. However, costs must remain consistent with cost principles and program guidelines. These will be considered on a case-by-case basis and you will be expected to submit the appropriate documentation within 90 days after the change.
- **Extension of financial, performance, and other reporting (2 CFR § 200.327, 2 CFR § 200.328):** As applicable, financial reports, and performance reports may be allowed an additional three (3) months to submit. For projects that receive no-cost extensions, project-specific financial and performance reports will be due 90 days following the extended end date.
- Additionally, please note that the application deadline for the FY20 Farmers Market and Local Food Promotion Program was extended to May 26.

If you have any questions, please do not hesitate to contact me for more information. We appreciate your patience as we continue to sail through these uncharted waters.

All the best and stay safe.

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