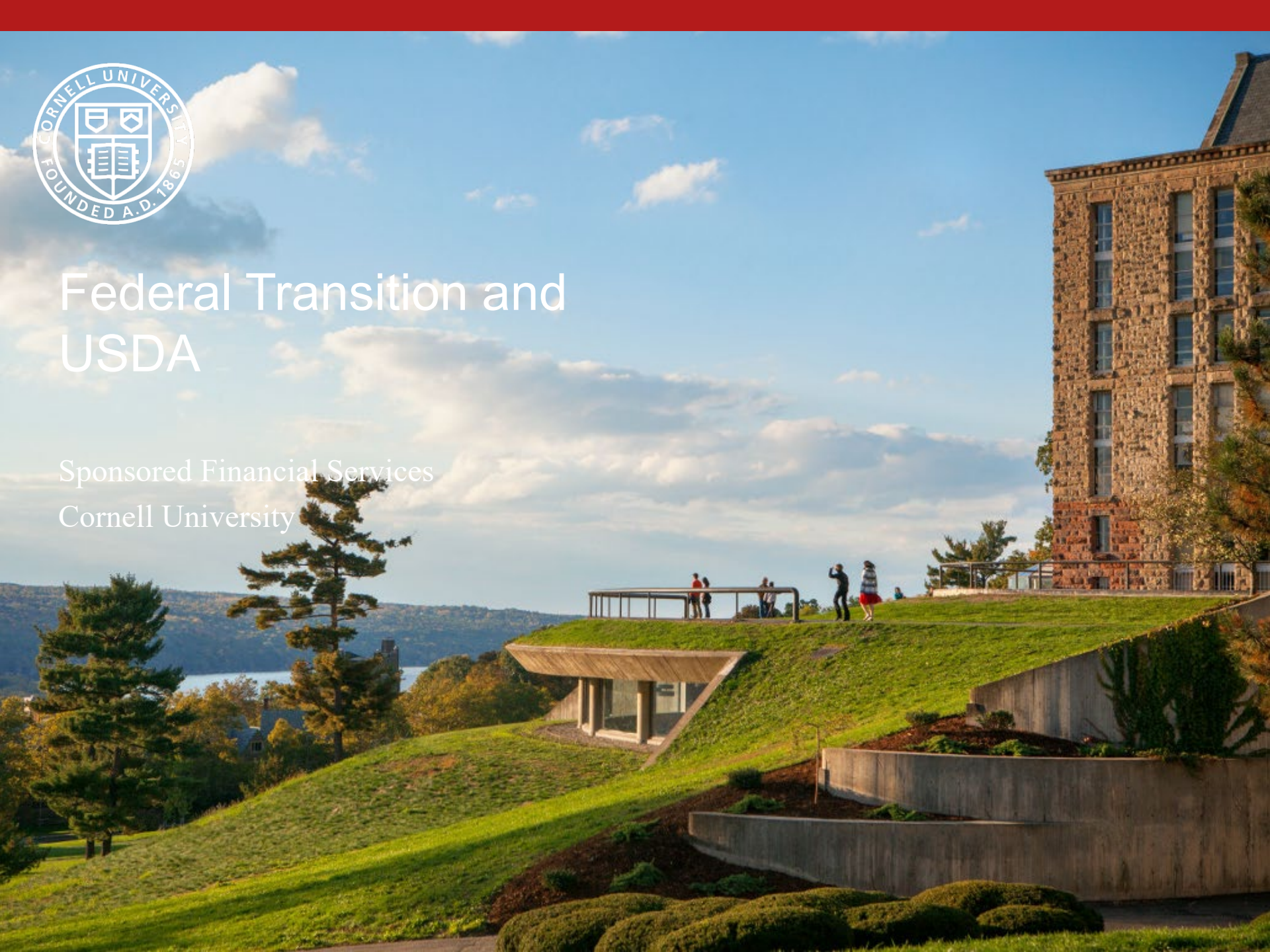


Federal Transition and USDA

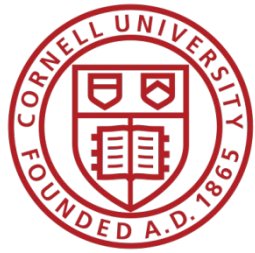
Sponsored Financial Services
Cornell University





Agenda:

- Notifications
 - Stop Work Order / Termination
- ASAP.gov status
- Federal Financial Report (FFR)



Notifications





Executive Memorandums:

- M-25-13: Memorandum Issued 01/27/2025
 - “Federal agencies **must temporarily pause** all activities related to obligation or disbursement of all Federal financial assistance, and other relevant agency activities that may be implicated by the executive orders, including, but not limited to, financial assistance for foreign aid, nongovernmental organizations, DEI, woke gender ideology, and the green new deal.”
- M-25-14: Memorandum Rescinds M-25-13 01/27/2025



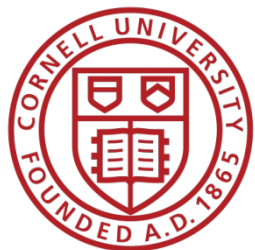
Notifications (USDA):

- Provides funding for programs that promote or take part in DEI initiatives or other initiatives that unlawfully discriminate on the basis of race, color, religion, sex, national origin, or another protected characteristic; that violate either the letter or purpose of Federal civil rights laws; that conflict with the Department's policies and priorities; that are not free from fraud, abuse, or duplication; or that otherwise fail to serve the best interests of the United States.
- IRA (Inflation Reduction Grant) funds are on hold
- PassThrough: Notifications that payments are on hold



Notifications (Response)

- Created central online repository of federal agency guidance as it was received
- Created central email to receive notifications/inquiries related to federal activity
- Disseminated updates weekly via email to campus community



Stop Work Order / Termination





Stop Work Order:

- Assistance Agreements subject to Uniform Guidance do not have a clause for stop work order (although there is 2 CFR 200.339 Remedies for noncompliance, which includes suspension).
 - Federal Contracts do through Federal Acquisition Regulation (FAR) clauses
- Generally, notification for a suspension of work was sent via email to the Principal Investigator (PI) and the Authorized Representative at Cornell, such as the Grant and Contract Officer (GCO).
 - Notification was distributed to the PI, the PI's department, central office supporting financial reporting
 - Notification to the subrecipients was required
 - Account(s) expiration date set to stop work order effective date
 - Retained original anticipated / obligated end dates
 - Unit / Project team is responsible for managing the expenditures after the notification
 - Because it was a suspension there should be no expenditures incurred after the notification
 - The department could support continued activity with discretionary funds
 - Considered cost sharing accounts for continue activity (non-sponsored)
 - Needed to separately manage non-cancellable commitments in the event of a termination
 - Central office invoiced for all incurred expenses before the stop work order notification



Stop Work Order:

- Data Elements:
 - Created project status 'On Hold' to identify awards that have SWOs
- Performance Obligations:
 - Stop work order suspends performance obligations – performance reports are not required during a suspension
 - Limited costs could be incurred (e.g. maintaining liquid nitrogen to preserve project samples)
- To-date, we continue to have projects in suspension status.



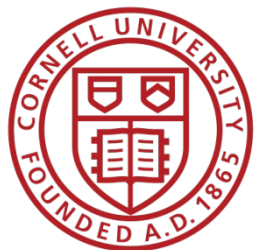
Termination of Agreement:

- Formal modification that terminates the project
 - Notification distributed to the PI, the PI's department, central office supporting financial reporting
 - Notification to the subrecipients was required
 - PIs were asked to write a statement on the impact of closure and appeals were considered
 - Requires diligence related to closeout timeline
- Formally updates project (anticipated/obligated)
 - In some cases, accompanied by a formal deobligation of funds
- Project team required to minimize financial implications by cancellation any costs
 - Non-Cancellable commitments:
 - Procurement actions that cannot be cancelled
 - Termination fees would be considered a non-cancellable fee that can be assessed
 - Termination/Severance costs, including vacation leave buy-out
 - Student support through end of semester unless they can be reassigned



Rescinding Suspension Notice:

- In some cases, projects were resumed
 - Notification distributed to the PI, the PI's department, central office supporting financial reporting
 - Notification to the subrecipients was required
- Project attributes, including expiration dates, updated for resuming work
- Requires diligence pertaining to any gap in performance period



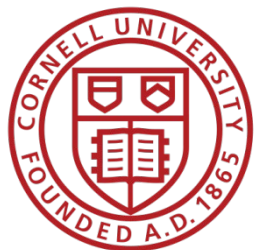
ASAP.gov status





Cornell-specific action re ASAP.gov

- Essentially shut out of application to request funds for competitive grants effective April 2025
 - Our request schedule is late month so we discovered this when attempting to draw funds
- No notification from NIFA related to status
- No impact on Federal Capacity Funds (Hatch, Smith-Lever)
- Canceling Appropriations: August 2025
 - Request to list suspension status in asap.gov sent to:
 - ASAP.gov help desk
 - Awards@usda.gov
 - Program Officer
 - Grant Officer
 - No response –
 - Until after the standard deadline 08/25
 - NIFA Contacted our office to support lifting the status
 - Cornell was able to request the funds on those projects only



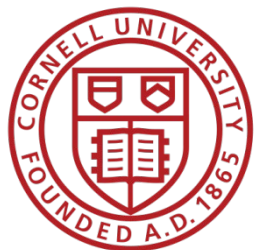
Federal Financial Report (FFR)





FFR Submissions to NIFA:

- Cornell submits FFR's based on accrual basis reflecting incurred expenditures as of the reporting period
 - NIFA does not require cash section of FFR to be completed (cash receipts)
- Feedback/Requests from NIFA grant administrators:
 - There is a discrepancy in the unobligated balance (line 10f) in the report that is greater than 25% of the remaining balance noted on your grant account summary (GAS) as of July 10, 2025. Please review accounting for this award and revise the reporting so that it is accurate and does not include a discrepancy greater than 25%.
 - Accepted email explanation:
 - Currently, NIFA is not supporting payment requests in asap.gov. As a result, the NIFA disbursements are lagging compared to project expenditures.
 - line 10f would be used to report the amount of unliquidated expenses for this award and would justify the difference in the accounting systems.
 - Required that we resubmit noting the difference between our expenditures and what we've drawn in asap.gov as unliquidated obligations (unpaid via asap.gov)



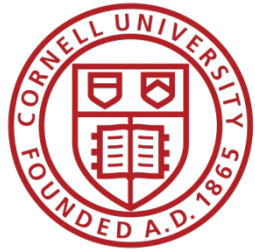
Miscellaneous USDA





Payment Delays (Cornell-specific actions):

- Other USDA agencies have delayed processing claims
 - Only notifications: inquiries related to invoice status
 - USDA Natural Resources Conservation Service
 - USDA US Forest Service
 - USDA Agricultural Marketing Service
 - USDA Economic Research Service
 - USDA Animal and Plant Health Inspection Service



Shutdown





Shutdown

- Shutdown has caused additional challenges
 - No awards or amendments
 - No proposal reviews
 - No prior approvals available
- ASAP was unavailable for NIFA awards for the first week or so
 - Now available
- Generally, only automatic payments are available
- Once staff return, they'll be delayed for many months