**Federal Operations in the event of a Sequestration**

**NIH GRANTS:**

* Operating under continuing resolution until March 27, 2013
* Non-competing continuation awards being awarded at approximately 90% of committed level
* May reduce FY 2013 levels further
* Expects to make fewer new awards
* Doesn’t expect to reach the full FY2013 commitment level

**NIH CONTRACTS:**

* Impact could include not exercise an option on current contracts, or negotiating lower prices or other terms via a bilateral modification to meet constraints.
* Plans for new contracts may be re-scoped, delayed or canceled, depending on nature of work and availability of resources.
* Contracting Officers will contact individual grantees with additional details at a later time.

**NSF:**

* Operating under continuing resolution until March 27, 2013
* In event of sequestration, NSF FY 2013 appropriations will be reduced by 5%
* Major impact will be a reduction in number of new awards (reduced by approximately 1000)
* No impact on existing NSF standard grants; continuing grant increments awarded as scheduled
* Annual increments for cooperative agreements awarded as scheduled, but reductions to major investments may require reductions. These will be handled on case-by-case basis

**DOD/AFOSR**

* Issued Memorandum for Grantees on February 11, 2012 advising grantees that timely expenditures are even more essential for retaining current and future funding.
* Current awards run the risk of termination if expenditures are not in line with original scope of work.

**DOD/DTRA (Defense Threat Reduction Agency)**

* Issued letter dated Feb. 28 stating that even if sequestration is averted, because of the continuing resolution they will be identifying specific programs to be reduced or potentially cancelled.
* Encouraged program officials to enhance communications with industry and academia regarding the effects of current fiscal challenges.
* Promised that information will be passed expeditiously to those affected to allow as much time as possible to adjust program execution plans

**DHHS/CDC/HRSA**

* Impact could include not issuing continuation awards, not awarding incremental funds on multi-year awards, or negotiating a reduction in scope of awards to meet constraints.
* Plans for new grants may be re-scoped, delayed or canceled, depending on nature of work and availability of resources.
* Grants Management Officers will contact individual grantees with additional details at a later time.

**DOE – Procurement Contracts:**

* May not receive option funding or may need to negotiate lower prices via a bilateral modification
* DOE may determine it’s necessary to stop or suspend work, reduce the scope of work or partially or completely terminate contracts for convenience.
* Planned contract actions for new work may be re-scoped, delayed or cancelled depending on the nature of work and the degree to which it directly supports the agency’s mission.
* Contract officer will communicate directly with grantee with additional details.

**DOE – Assistance Agreements (grants)**

* May decide not to issue continuation awards, including incremental funding on multi-year awards.
* May require negotiation of a reduced scope of work.
* Grants Officers will communicate directly with grantee with additional details

**NASA**

* May decide not to issue continuation awards, including incremental funding on multi-year awards.
* May require negotiation of a reduced scope of work.
* Grants and Contract Officers will communicate directly with grantee with additional details

**3/5/13 10:00 a.m.**