

**National Science Foundation**  
***Office of the Director***  
**Arlington, VA 22230**

Notice No. 133

February 27, 2013

**IMPORTANT NOTICE TO PRESIDENTS OF UNIVERSITIES AND  
COLLEGES AND HEADS OF OTHER NATIONAL SCIENCE FOUNDATION  
AWARDEE ORGANIZATIONS**

**Subject: Impact of FY 2013 Sequestration Order on NSF Awards**

As you may know, since passage of the American Taxpayer Relief Act of 2012, the President has been working with Congress to reach agreement on a balanced deficit reduction plan. If an agreement is not reached by the end of this month, the President will be required to issue an order on March 1, 2013 that will implement across-the-board spending cuts known as sequestration. As a result of this expected sequestration order, the Fiscal Year (FY) 2013 appropriations of the National Science Foundation (NSF) will be reduced by 5 percent.

We intend to make the necessary FY 2013 reductions with as little disruption as possible to established commitments, and are using the following set of core principles to guide our sequestration planning activities:

- Protect commitments to NSF's core mission and maintain existing awards;
- Protect the NSF workforce; and
- Protect STEM human capital development programs.

By adhering to these core principles and the government-wide guidance issued by the Office of Management and Budget (OMB), Memorandum 13-03, *Planning for Uncertainty with Respect to Fiscal Year 2013 Budgetary Resources*, we expect to be able to accommodate the sequestration reductions in ways that minimize, to the extent possible, the impact on our mission, both short- and long-term.

Because the sequestration order takes effect at mid-year, its impact is somewhat greater than might otherwise be the case. At NSF, the major impact of sequestration will be seen in reductions to the number of new research grants and cooperative agreements awarded in FY 2013. We anticipate that the total number of new research grants will be reduced by approximately 1,000.

In keeping with the first core principle listed above, and to assure continuity and minimize disruption of scientific research, all continuing grant increments in FY 2013 will be awarded, as

scheduled, and there will be no impact on existing NSF standard grants. The same intent applies to annual increments for cooperative agreements, though overall funding constraints may require reductions to certain major investments. These will be handled on a case-by-case basis. It is also important to advise you that the Foundation is currently operating under a Continuing Resolution (CR) that will expire on March 27, 2013. Once NSF has appropriations in place beyond March 27<sup>th</sup>, we will revise this notice as necessary.

Subra Suresh  
Director