

Official Q&A for Grants.gov Posting

(NOFO DOS-SAU-2605-PD, ReCAP)

Q1: We have submitted entity-validation documentation through SAM.gov. Can the Embassy expedite validation, and what is the process if validation remains pending at the deadline?

A1: The Department of State does not administer SAM.gov and cannot expedite, intervene in, or influence entity validation. SAM.gov is managed by the General Services Administration; applicants experiencing validation delays should work directly with the Federal Service Desk at www.fsd.gov. As stated in the NOFO, "The process of obtaining or renewing a SAM.gov registration may take anywhere from 4-8 weeks".

The NOFO requires all organizations to have a UEI and an active SAM.gov registration, and provides that "An applicant must maintain an active registration while it has a proposal under review by the Department and must continue to keep the registration active for the entire duration of the period of performance of any Federal award that results from this NOFO".

An exemption from the UEI/SAM.gov requirement may be permitted on a case-by-case basis. Organizations requesting exemption from UEI or SAM.gov requirements must email the point of contact listed in the NOFO prior to the deadline in the NOFO providing a justification of their request. Approval for a SAM.gov exemption must come from the warranted Grants Officer before the application can be deemed eligible for review.

Organizations should submit such requests to RiyadhGrants@state.gov as early as possible.

Applicants should be aware that the Department may not make a Federal award until the applicant has complied with all applicable UEI and SAM.gov requirements, and that an applicant that has not fully complied when the Department is ready to make an award may be determined not qualified to receive an award.

Q2: Do U.S. citizens based in Saudi Arabia count as "qualified American practitioners"?

A2: The NOFO does not define "qualified American practitioners" by residence or physical location. The relevant standard is set out in the NOFO's American Content requirement: applications "must demonstrate how the proposed project will meaningfully incorporate U.S. expertise, methodologies, institutions, innovation models, and professional networks throughout the period of performance," and applicants "should demonstrate substantial access to U.S. technology commercialization and AI ecosystems"

Accordingly, the merit review panel will evaluate practitioners based on the depth, currency, and relevance of their expertise within the U.S. AI, commercialization, research, and investment ecosystems, not solely on citizenship or where they reside. A U.S. citizen based in Saudi Arabia may be included, but applicants should not rely predominantly on U.S. citizens resident in Saudi Arabia to satisfy the American Content requirement.

Proposals that draw substantially on practitioners actively embedded in U.S. commercialization and AI networks will be more responsive to the criteria at Section F.1 of the NOFO.

Q3: Would the Embassy make introductions and help facilitate study-tour visits, or must the applicant independently arrange all visits?

A3: The recipient bears primary responsibility for arranging all study tour visits. The NOFO assigns to the recipient "Primary responsibility for program administration and implementation, including day-to-day management of all required components described above".

Applicants must therefore demonstrate in their proposals that they possess or can independently secure the U.S. ecosystem access required to deliver the study tour.

The NOFO does identify Embassy substantial involvement that includes "identification/approval of appropriate U.S. experts and institutions" and "consultation on the U.S. study tour itinerary".

This means the Embassy will consult on and approve the itinerary and may, at its discretion and where appropriate, offer suggestions or facilitate connections. It does not mean the Embassy will source, secure, or negotiate host commitments on the recipient's behalf.

Applicants should budget and plan on the assumption that they are responsible for securing all study tour hosts and commitments.

Q4: Which visa category is expected, B-1/B-2 or J-1? The NOFO refers to DS-2019 processing. Will the Embassy assist with appointments? May the budget cover recipient staff accompanying the group?

A4: Visa classification is determined on a case-by-case basis by consular officers according to the purpose of travel and applicable immigration law. The NOFO's reference to DS-2019 processing is conditional: "Please note DS-2019s for post-funded programs must be submitted directly by the award recipient. If you anticipate your program will include the DS-2019 visa processing, your organization must be a registered Designated Sponsoring Organization".

This provision applies only if the applicant proposes an exchange-visitor (J-1) structure; it does not require applicants to use J-1. Applicants should state in their proposal which approach they intend to pursue, confirm they can meet any associated sponsor-designation requirements, and budget accordingly.

The Embassy cannot guarantee visa issuance or expedited appointments. Visa adjudication is an independent consular function and is not subject to influence by the Public Diplomacy Section or the Grants Officer.

Applicants must build realistic visa processing timelines into their proposed schedule and should propose contingency measures in the event of delays or refusals.

Travel costs of recipient employees are allowable where reasonable, allocable, and consistent with the recipient's written travel policy, subject to 2 CFR § 200.475 - Travel costs.

The number of accompanying staff must be minimized, clearly justified in the budget narrative as necessary to program delivery, and will be evaluated for reasonableness under the Budget criterion (10 points).

The final number and cost are subject to Grants Officer negotiation and approval.

Q5: May the applicant engage in-kind ecosystem partners (hosting, knowledge, technology, hospitality)? May their logos appear on program materials with Embassy approval?

A5: Partners: Yes. Applicants may engage partners and are encouraged to identify opportunities to leverage complementary resources: "Applicants are encouraged to identify opportunities to leverage complementary U.S. government programs, private-sector engagement, institutional cost sharing, or other resources where doing so enhances program impact".

All partners must be identified in the proposal under "Project Partners," and letters of support must be provided that "identify the type of relationship to be entered into (formal or informal), the roles and responsibilities of each partner in relation to the proposed project activities, and the expected result of the partnership".

Note that only one non-profit, non-governmental entity may be the prime recipient, and sub-awards may not be issued to for-profit entities under Smith-Mundt authority, for-profit engagement must be structured as procurement contracts, not subawards.

Logos: Third-party logos are not automatically permitted. All program materials are subject to the Department's branding and marking requirements.

Any proposed display of partner logos must be submitted for review and approval by the Grants Officer Representative, with Grants Officer

authorization, prior to release or publication. Applicants should not assume approval and should not make commitments to partners contingent on logo placement.

Q6: May the applicant secure paid corporate sponsorships for the Summit? What restrictions apply?

A6: Applicants must not assume that paid corporate sponsorship of the Summit will be approved. Any such proposal must be disclosed in the application and will require express Grants Officer approval; approval is not guaranteed. Several constraints apply:

Program income. Revenue generated in connection with an award-supported activity may constitute program income under 2 CFR § 200.307. Program income must be used for the original purpose of the award, and where the award is silent as to method, the deduction method applies by default, meaning the revenue would reduce the Federal share rather than expand the program.

Use of the addition or cost-sharing methods requires prior approval.

Applicants proposing sponsorship revenue must state explicitly how they propose it be treated and must obtain Grants Officer approval; the treatment will be fixed in the award provisions.

No preferential treatment of firms. The NOFO provides that the program "must not promote or provide preferential treatment to individual U.S. companies; activities should demonstrate the strengths of the broader American innovation ecosystem".

Sponsorship arrangements that confer commercial advantage, exclusivity, preferential access to participants, or promotional prominence to a particular company are inconsistent with this requirement.

Branding. Sponsor recognition is subject to the branding constraints described in Q5.

Conflict of interest. Recipients must disclose any potential conflict of interest in writing to the Department (2 CFR § 200.112).

Unallowable costs. Award funds may not be used for alcoholic beverages. Entertainment costs are unallowable under 2 CFR § 200.438 unless they have a specific and direct programmatic purpose and are included in the award.

Applicants proposing sponsorship should describe the concept in the proposal narrative and budget narrative; final arrangements will be negotiated with the Grants Officer prior to award.

Q7: What scale, format, attendance, and exhibition component does the Embassy envisage? Will the Embassy contribute senior participation, invitation lists, and protocol support?

The NOFO intentionally does not prescribe attendance figures, duration, or format. Applicants are expected to propose these. The NOFO describes the Summit as "A culminating high-level Summit in Saudi Arabia showcasing accelerator outcomes and convening senior U.S. and Saudi government, technology, research, and investment stakeholders.

Programming may include technology showcases, demonstrations, panels, and commercialization presentations. The Summit should reinforce U.S. leadership in AI commercialization, connect Saudi stakeholders with the American technology ecosystem, generate visibility for U.S.–Saudi collaboration, and establish concrete post-award engagement pathways".

A technology showcase component is contemplated but not mandated.

Applicants should propose a scale and format proportionate to the \$900,000 total award and justify their approach in the proposal and budget narrative.

Proposals will be evaluated under "Quality and Feasibility of the Program Idea" (30 points) and "Budget" (10 points).

Regarding Embassy contributions: the NOFO provides for Embassy substantial involvement including "coordination of senior-level participation

in the capstone Summit" and states that "The recipient should develop the Summit in close coordination with the U.S. Embassy".

The Embassy will coordinate U.S. senior-level participation and will consult on invitations, but the recipient remains responsible for Summit planning, logistics, invitation management, and execution. Specific levels of U.S. participation cannot be guaranteed in advance and will depend on availability and scheduling.

Q8: Must the budget cover travel, accommodation, or attendance costs for U.S. Embassy or U.S. government visitors attending as guests?

A8: No, and applicants should not budget for this. Using award funds to pay travel costs of U.S. Government employees is not generally permitted.

This restriction does not apply to non-Federal U.S. experts, practitioners, speakers, or consultants engaged by the recipient to deliver program content; their travel and fees are allowable if reasonable, allocable, and adequately justified.

Q9: May the applicant engage Saudi AI, entrepreneurship, commercialization, and investment-readiness experts alongside American practitioners, while keeping the program U.S.-led?

A9: Yes. Nothing in the NOFO prohibits engaging Saudi experts, and the program design contemplates Saudi participation, including "Industry, Investment, and End-User Stakeholders" whose "participation will provide real-world market feedback to participating innovators".

However, the American Content requirement is a central evaluation factor. The NOFO requires that U.S. expertise, methodologies, institutions, innovation models, and professional networks be "integrated into technology evaluation, workshops, Innovation Labs, mentoring, the U.S. study tour, and the Summit, not limited to individual guest speakers," and that the Applied Commercialization Workshop Series be "led substantially by qualified American practitioners".

Saudi experts may complement but must not substitute for U.S.-led delivery. Applicants should make the division of roles explicit in the proposal.

Q10: Section D.3 refers to a budget template provided with the funding opportunity; however, we could not locate it on Grants.gov. Could you please share it?

Q10: No separate budget template is being issued under this funding opportunity. Use of a template is not required. Applicants must submit a detailed line-item budget in a format of their choosing, listing line-item expenditures in the greatest possible detail and broken down by the categories specified in the NOFO: personnel; fringe benefits; travel; equipment; supplies; consultants/contracts; other direct costs; and indirect costs, accompanied by a budget justification narrative and the SF-424A.

Applicants will not be penalized for not using a template.

Q11: What payment structure should applicants anticipate, advance, reimbursement, or both? What conditions, proportions, and milestones apply?

A11: This award will be paid using form SF-270. As stated in the NOFO: "Recipients will be required to request payments by completing form SF-270, Request for Advance or Reimbursement and submitting the form to the Grants Officer and Grants Officer Representative.

Recipients may not draw down funds without the affirmative authorization of the Department of State.

In addition, recipients must submit, with each SF-270 payment request, a detailed explanation justifying the request.

Payment may be made on an advance basis, a reimbursement basis, or a combination. Under 2 CFR § 200.305, a recipient must be paid in advance provided it maintains, or demonstrates willingness to maintain, (1) written procedures that minimize the time between transfer of funds and

disbursement, and (2) financial management systems meeting the fund control and accountability standards of 2 CFR § 200.302.

Advance payments must be limited to the minimum amounts needed and timed to the recipient's actual, immediate cash requirements.

Reimbursement is preferred where those conditions cannot be met, where the recipient requests it, or where a specific condition under 2 CFR § 200.208 requires it.

Applicants should plan for incremental, needs-based payments tied to program milestones. not a single lump-sum advance.

Full advance payment of an award of this size will not be approved.

Payments will not be approved unless the recipient is current on all reporting, is not requesting more than is appropriate for upcoming activities or work accomplished, and does not have excess cash on hand.

Applicants should also note that a recipient designated high risk may be required to accept special conditions, including reimbursement-only payment and withholding of up to 10 percent of the award until final reports are approved.

Q12: What restrictions, approvals, documentation requirements, or budget limitations apply if an eligible nonprofit or educational institution names a Saudi for-profit consultancy as a subcontractor or technical/commercialization partner with a defined scope and budget?

A12: A for-profit entity may be engaged by an eligible prime recipient as a contractor (subcontractor), but may not receive a subaward under this award.

Permissible: A for-profit firm engaged under a procurement contract to provide specified goods or services to the prime recipient for the prime's use in carrying out the program.

Not permissible: A for-profit firm receiving a subaward to carry out a portion of the Federal award as a subrecipient.

The classification is determined by substance, not by label.

Applicants should not assume that calling an arrangement a "subcontract," a "partnership," or a "vendor agreement" makes it one.

Under 2 CFR § 200.331, the prime recipient must make a case-by-case determination, and "the substance of the relationship is more important than the form of the agreement."

The regulation provides that characteristics supporting classification as a subrecipient include an entity that: determines who is eligible to receive Federal assistance; has its performance measured against whether program objectives were met; has responsibility for programmatic decision-making; is responsible for adherence to Federal program requirements; and implements a program for a public purpose rather than providing goods or services for the benefit of the pass-through entity.

By contrast, characteristics supporting a contractor relationship include an entity that: provides goods and services within its normal business operations; provides similar goods or services to many different purchasers; normally operates in a competitive environment; provides goods or services ancillary to the implementation of the Federal program; and is not subject to Federal program compliance requirements as a result of the agreement.

Applicants should note the practical implication. An entity engaged to exercise programmatic judgment over core program components, for example, deciding which technologies advance, designing or leading the commercialization methodology, or selecting participants, would likely be classified as a subrecipient and therefore could not be a for-profit firm under this award.

An entity engaged to deliver discrete, defined services within its ordinary line of business, ancillary to program implementation, may appropriately be treated as a contractor.

Applicants proposing for-profit engagement must describe the scope with enough specificity for the Grants Officer to assess the classification and must not structure a subaward relationship under a contract label.

Competition requirements apply. Naming a specific firm in an application does not authorize a sole-source procurement. Under 2 CFR § 200.319(a), "All procurement transactions under the Federal award must be conducted in a manner that provides full and open competition". Noncompetitive procurement is permitted only in the limited circumstances at 2 CFR § 200.320(c), where the amount is at or below the micro-purchase threshold; the requirement can only be fulfilled by a single source; a public exigency or emergency does not permit delay; the recipient requests noncompetitive procurement in writing and the Federal agency provides written approval; or competition is determined inadequate after soliciting several sources.

Applicants must also observe the requirement to conduct a cost or price analysis for procurements over the simplified acquisition threshold (2 CFR § 200.324) and the recordkeeping, responsible-contractor, and contract-provision requirements at 2 CFR §§ 200.318 and 200.327.

Note as well that 2 CFR § 200.319 excludes from competing on a procurement any contractor that developed the specifications, requirements, or statement of work for that procurement. Applicants should consider this if a prospective vendor is involved in shaping the proposal.

Conflict of interest. Prime recipients must maintain written standards of conduct covering conflicts of interest governing employees engaged in the selection, award, and administration of contracts, and must maintain written standards covering organizational conflicts of interest where a parent, affiliate, or subsidiary relationship exists (2 CFR § 200.318(c).

Recipients must disclose any potential conflict of interest in writing to the Department (2 CFR § 200.112).

Program-specific constraint. Any proposed engagement must be consistent with the NOFO requirement that the program "must not promote or provide preferential treatment to individual U.S. companies; activities should demonstrate the strengths of the broader American innovation ecosystem".

Applicants should ensure that no commercial participant, U.S. or Saudi, is positioned to derive preferential commercial advantage from the program.

What must appear in the application. If a proposed contractor or partner is identified, the application must:

List the entity under "Project Partners," identifying "the names and type of involvement of key partner organizations and sub-awardees"; Clearly define the responsibilities of each entity, as required by Section B.1; Include the costs in the detailed line-item budget under the Contractual category, which covers "goods and services that the applicant plans to acquire through a contract with a vendor" and "any sub-awards to non-profit partners", with justification in the budget narrative; and Include a letter of support that identifies "the type of relationship to be entered into (formal or informal), the roles and responsibilities of each partner in relation to the proposed project activities, and the expected result of the partnership," not exceeding one page.

Budget limitations. This NOFO sets no fixed dollar or percentage cap on contractual costs. All costs must be reasonable, allowable, and allocable and will be evaluated under the Budget criterion (10 points).

The Grants Officer retains final authority over the approved budget, and a proposed contractual arrangement may be reduced, restructured, or removed during negotiation.

No approval is conferred by naming. Inclusion of any entity in an application does not constitute Department approval of that entity, does not create any relationship between the Department and that entity, and does not guarantee it a role in an awarded program. The Department has no direct legal relationship with subrecipients or contractors at any tier; the prime recipient is solely responsible for selecting, contracting with, monitoring, and overseeing them.

Prospective partners should not treat inclusion in an application as a commitment of any kind.

Vetting. Applicants are reminded that certain applicants and key individuals, including "key individuals" from selected sub-recipients, may be required to undergo Risk Analysis Management (RAM) vetting, and that "Failure to submit information when requested, or failure to pass vetting, may be grounds for rejecting your proposal".