



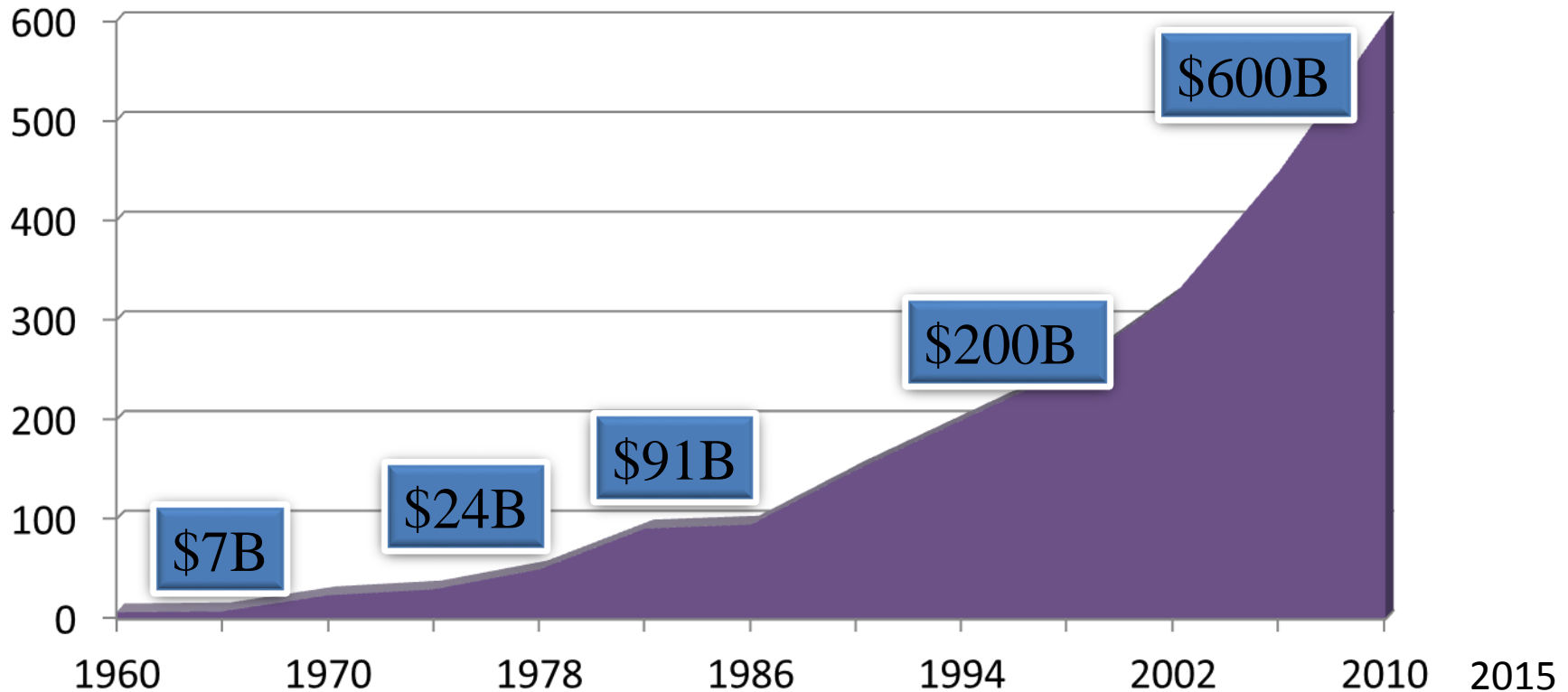
**The Uniform Guidance - 2 CFR 200**

**The Sophomore Year**

# Increase in Federal Grants Activity

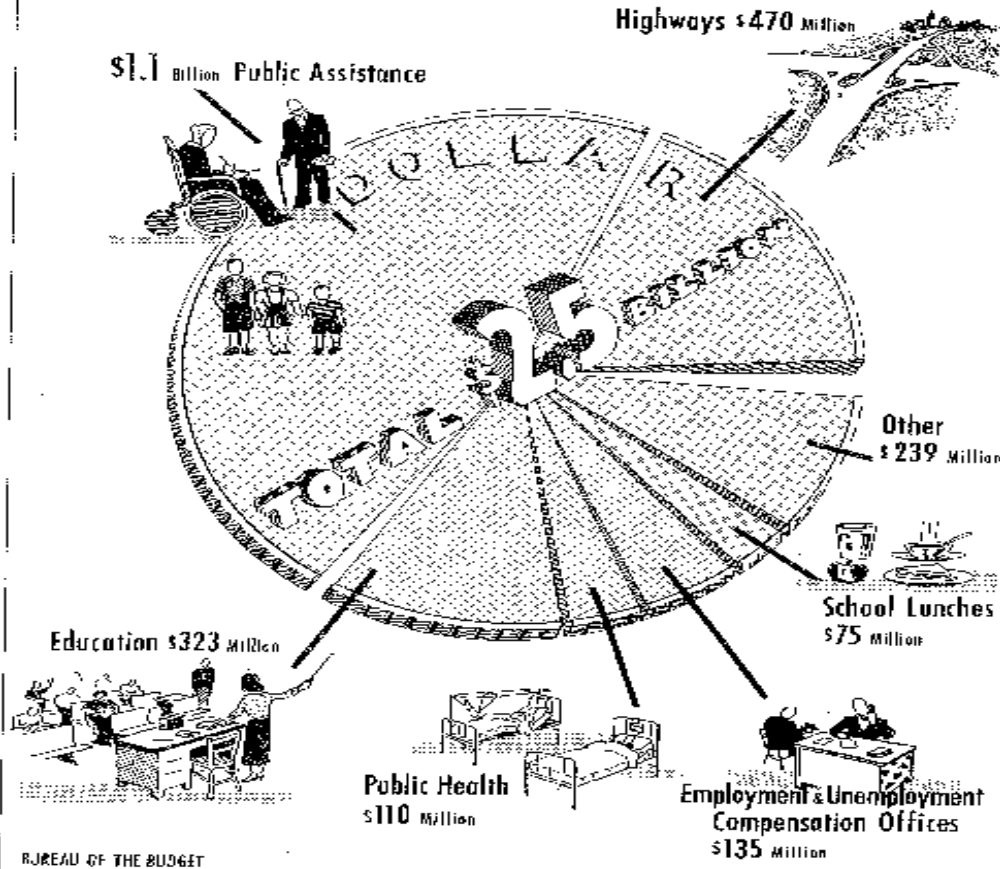
Nearly 2,000 Federal grant programs are listed in the Catalog of Federal Domestic Assistance

\$620 B



# Federal Grants to States

Fiscal Year 1950 Estimated  
(Includes Proposed Legislation)





General Electrics

“We Bring Good  
Things to Life”

Grant - We Improve  
the Quality of Life



# Grants Reform Timeline

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**February 2011:**  
Presidential  
Memo

**February 2012:**  
Notice of  
Proposed  
Rulemaking

**December 2013:**  
Uniform Guidance  
Published

**October 2011:**  
COFAR established

**February 2013:**  
Notice of Proposed  
Guidance

**April 2013**



# Grants Reform Timeline

**December 26, 2013:**  
Uniform Guidance published

**December 18, 2014:** 28 Agencies Adopted the Guidance, Technical Corrections, Metrics  
**UG IS EFFECTIVE**

**2015-2016:** Agency Final Rules, Collection of Second Set of Metrics  
**3<sup>rd</sup> Webcast**

**Fall 2014:** Metrics, Additional FAQs and Webcasts

**2015:** Additional Technical Corrections, FAPIIS, Outreach, Updated FAQs



# Major Policy Reforms

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- Eliminates duplicative and conflicting guidance
- Focuses on performance over compliance for accountability
- Encourages efficient use of information technology and shared services
- Provides for consistent and transparent treatment of costs
- Limits allowable costs to make best use of Federal resources



# Major Policy Reforms

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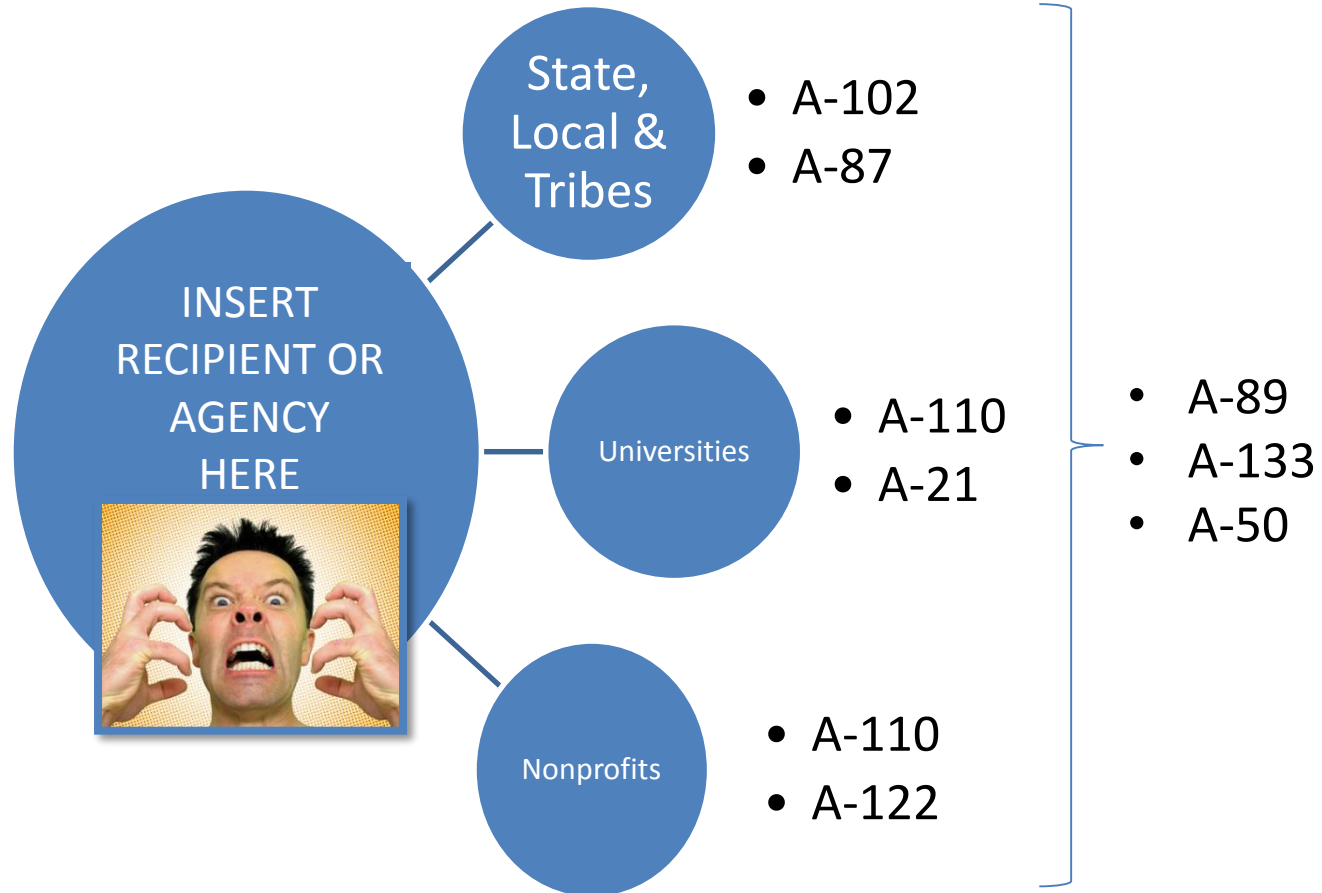
- Setting standard business processes using data definitions
- Encourages non-Federal entities to have family friendly policies
- Strengthens oversight
- Targets audit requirements on risk of waste, fraud, and abuse





# Eliminating Duplicative and Conflicting Guidance

**Then:**



**Now: All OMB guidance streamlined in 2 CFR 200.**





**KEEP  
CALM  
AND  
UNDERSTAND  
THE RULES**

KeepCalmAndPosters.com





# 2 CFR 200 -Basic Layout

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- 6 Subparts A through F
  - Subpart A, 200.XX – Acronyms & Definitions
  - Subpart B, 200.1XX – General
  - Subpart C, 200.2XX – Pre Award - *Federal*
  - Subpart D, 200.3XX – Post Award – *Recipients*
  - Subpart E, 200.4XX – Cost Principles
  - Subpart F, 200.5XX – Audit
- 12 Appendices - I through XII
- “Should” and “Must”



# “Should” and “Must”

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**Shall** it Out – Yes, Shout it Out

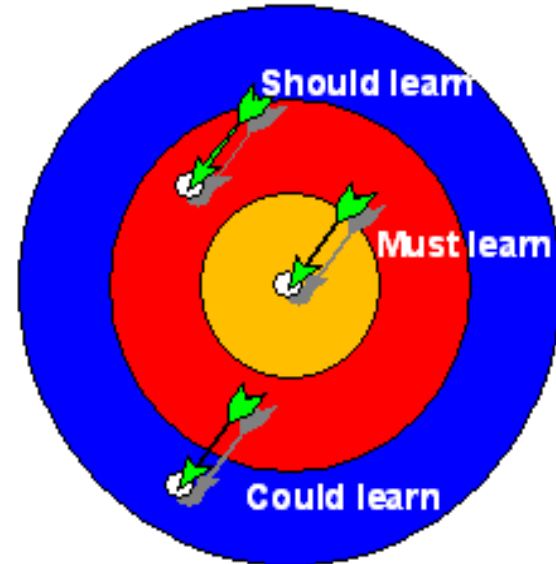
But **Should** is In

**May** will be back

So are April and June

Orange is the new Black

**Must** is the new **Shall**



# Top Ten UG Impact

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- Standard data
  - Definitions, Notice of Funding Opportunities, Application, Award Notice
- Computing devices as supplies – 200.94
- Fixed award amount – 200.201 (b)
- Internal Controls – 200.303
- Procurement standards – 200.320



# Top Ten UG Impact

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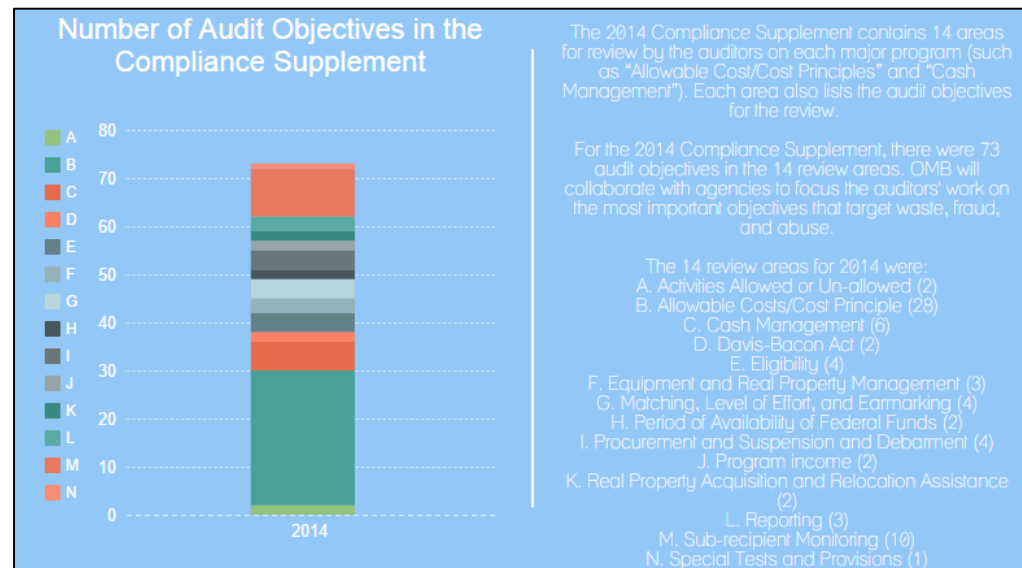
- Subrecipient Monitoring – 200.331
- Direct charges of administrative salaries – 200.413
- Indirect Cost Rate acceptance – 200.414
- Documentation for personal services -200.430
  - Internal controls – 200.430 (i)
  - Outcome based – 200.430 (i) (6)
  - Blended funding – 200.430 (i) (7)
- Audit report transparency- 200.512



# Implementation

- Challenges
- Agency final rules
- Best practices
- Metrics

## Single Audit Metrics





# Agency Final Rules

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## FEDERAL REGISTER

The Daily Journal of the United States Government

Electronic Code of Federal Regulations

*e-CFR*  
TM

Title 2: Grants and Agreements

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### **PART 1327—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS**

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#### **Contents**

[§1327.101 Adoption of 2 CFR Part 200.](#)

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AUTHORITY: 5 U.S.C. 301; 38 U.S.C. 501; 2 CFR part 200.

SOURCE: 79 FR 76050, Dec. 19, 2014, unless otherwise noted.

[↑ Back to Top](#)

#### **§1327.101 Adoption of 2 CFR Part 200.**

Under the authority listed above, the Department of Commerce adopts the Office of Management and Budget (OMB) Guidance in 2 CFR part 200. Thus, this part gives regulatory effect to the OMB guidance and supplements the guidance as needed for the Department.



# Best Practices

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- COFAR Webpage
- July 2016 Webcast on Promising Practices
  - Risk assessment
  - Contract vs. subaward determination
  - Subrecipient monitoring
  - Personnel services
  - Indirect cost rates
  - Single audit and CAROI



# COUNCIL ON FINANCIAL ASSISTANCE REFORM

## COUNCIL ON FINANCIAL ASSISTANCE REFORM

The COFAR, established by [OMB Memorandum M-12-01](#), is comprised of an interagency group of Executive Branch officials to coordinate financial assistance. Council activities include providing recommendations to the Office of Management and Budget (OMB) on policies and actions necessary to effectively deliver, oversee, and report on grants and cooperative agreements, as well as sharing with executive departments and agencies (agencies) best practices and innovative ideas for transforming the delivery of this assistance. In addition, the Council will engage relevant stakeholders across Government on key issues to foster more efficient and effective Federal management by coordinating the development and implementation of standardized business processes, data standards, metrics, and information technology. This Council replaces two Federal boards – the Grants Policy Council and the Grants Executive Board to create a more streamlined, flexible, and strategic structure. The Council's work builds in part on grants streamlining activities under Public Law (P.L.) 106-107, the Federal Financial Assistance Management Improvement Act of 1999. COFAR and CFOC efforts are supported partly by the Financial Management Line of Business.



### UNIFORM GUIDANCE

Uniform Guidance In December 2014, OMB together with Federal awarding agencies issued an interim final



### TRAINING

COFAR Training As part the COFAR's mission to effectively deliver, oversee, and report on grants and



### COFAR RESOURCES

COFAR Resources What is the Council on Financial Assistance Reform? OMB Memorandum M-12-01

## PROMISING PRACTICES IN IMPLEMENTATION: RISK ASSESSMENT (PANEL 1)

- Andrea Brandon, Director, Financial Assistance Policy and Oversight, Department of Homeland Security and COFAR Co-Chair
- Phil Maestri, Director, Risk Management Service, U.S. Department of Education
- Moderator: Rhea Hubbard, Policy Analyst, OMB



### Resources:

EDUC Entity Risk Report Example: <http://go.usa.gov/x34pk>

DHS Vulnerability Risk Assessment: <http://go.usa.gov/x34dW>

# Uniform Guidance Metrics

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

THE CONTROLLER

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September 30, 2014

M-14-17

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM:

David Mader  
Controller, OMB

A handwritten signature in black ink, appearing to read "David Mader".

SUBJECT:

Metrics for Uniform Guidance (2 C.F.R. 200)

On December 26, 2013, OMB published final guidance in 2 C.F.R. 200 titled *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* to



# What's Ahead?

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- Future changes to Title 2 of the Code of Federal Regulations
- More FAQs
- DATA Act implementation and Section 5 Pilot
- New statutory requirements
  - FAPIIS
  - GONE Act
  - Never Contract with the Enemy



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# Resources

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- The COFAR website is available at:  
<https://cfo.gov/cofar/>
- Includes:
  - FAQs
  - Webcasts
  - Crosswalk to agency exceptions and additions





2016 White House Easter Egg Roll

**YOU KNOW THE CONSEQUENCES !**







*Winter is Coming !!!*



For More  
Information Visit:  
[CFO.gov/COFAR](https://www.cbo.gov/COFAR)

[rhubbard@omb.  
eop.gov](mailto:rhubbard@omb.eop.gov) and  
[htran@omb.eop  
.gov](mailto:htran@omb.eop.gov)

Thank you!

