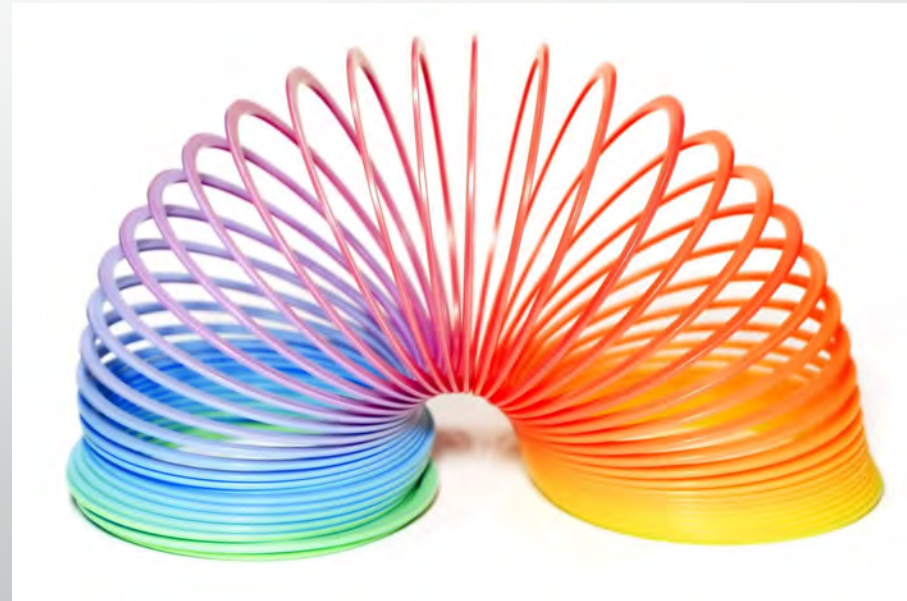


What's New in the Uniform Grants Guidance 2024 Revision to 2 CFR 200

Reduced Burden, More Flexibility



Introduction

- The Office of Management and Budget (OMB) made significant updates to 2 Code of Federal Regulations (CFR) 200 in order to:
 - (1) incorporate statutory requirements and administration priorities;
 - (2) reduce agency and recipient burden;
 - (3) clarify sections that have been interpreted in different ways; and
 - (4) rewrite some sections in plain language to address inconsistent use of terms in the guidance.
- Many of these clarifications don't represent a change in policy but are intended to eliminate ambiguity and clarify the intent of specific sections of the Uniform Guidance in part 200, and other parts of 2 CFR.

Benefits



- Guidance is written in plain language to clarify concepts and terms that have had different interpretations.
- Grant announcements—known as Notices of Funding Opportunity (NOFOs - competitive) and Notices of Funding Availability (NOFAs - noncompetitive)—are streamlined and shortened.
- Administrative burdens on applicants and recipients are reduced.
- Flexibility for community engagement-related activities is increased.

Key Changes



- Some acronyms and definitions (Subpart A, Sections 200.0 -200.1) and general provisions (Subpart B, Sections 200.100-200.113) have been updated with plain language descriptions.
- The term “recipient or subrecipient” replaces “non-federal entity,” except when non-federal entity refers to statutory requirements.
- 200.113 - An applicant, recipient, or subrecipient must disclose when there is credible evidence of violations of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations.

Pre-Award: Subpart C (Sections 200.200-200.217) Changes

- Notice of Funding Opportunity (NOFO) announcements use a streamlined template.
- Use of plain language eliminates jargon and ensures consistent use of terms.
- Programs may translate NOFOs to languages other than English.
- Organizations can more easily identify their eligibility for funding opportunities.
- Recipients and subrecipients must now inform employees in writing of whistleblower rights and protections.



Post-Award: Subpart D (Sections 200.300-200.346) Changes



- Recipients and subrecipients must take reasonable cybersecurity and other measures to safeguard sensitive information.
- The maximum amount for fixed amount subawards is \$500,000 (changed from \$250,000); fixed amount subawards still require approval from EPA's Office of Grants and Debarment.

Post-Award: Subpart D (Sections 200.300-200.346) Changes

- Three types of procurement are clarified: informal procurement methods (for micro-purchases and simplified acquisitions); formal procurement methods (through sealed bids or proposals); and noncompetitive procurement methods.
- Like states, Tribes may follow their own **written** policies and procedures used for purchases made with non-Federal funds when they make purchases under a Federal financial assistance agreement.



Cost Principles: Subpart E (Sections 200.400-200.476) Changes

- The prior approval requirement is removed for several cost categories, including real property, special purpose equipment, entertainment costs, memberships, participant support costs, selling and marketing costs, and taxes.
 - However, **prior written approval is necessary** for equipment and capital expenditures that include general purpose equipment, buildings, land, and improvements to land, buildings, or equipment that materially increase their value or useful life.
- The de minimis indirect cost rate percentage is 15% (increased from 10%).



Cost Principles: Subpart E (Sections 200.400-200.476) Changes

- The threshold for defining equipment is now \$10,000 (increased from \$5,000).
- During the time that equipment is used on the project for which it was acquired, the recipient must make the equipment available for use on other projects, **if it doesn't interfere with the equipment's original purpose**. The order of preference for other use of the equipment is: other projects supported by the federal agency that financed the equipment; projects under awards from other federal agencies; and use for non-federally-funded projects. The recipient or subrecipient should consider charging user fees.



Cost Principles: Subpart E (Sections 200.400-200.476) Changes



- Allowable organization costs includes costs related to data (for example, gathering, managing, publishing, using, etc.) and evaluation (for example, reviewing evidence, conducting evaluations, sharing results, etc.).
- Section 200.421, Advertising and Public Relations, was revised to include “recruiting project participants” as an example of allowable program outreach. Other allowable activity examples include recruitment of personnel and procuring goods and services needed to conduct a federal award.

Cost Principles: Subpart E (Sections 200.400-200.476) Changes

- Closeout costs and post-closeout adjustments and continuing responsibilities are revised.
 - Recipients and subrecipients may charge administrative costs specifically associated with the closeout of a federal award.
 - If an indirect cost rate is being used and has not been finalized, both parties must agree to close an award using the current or most recently negotiated rate. A revised final financial report must be submitted when all applicable indirect cost rates have been finalized.



Audit Requirements: Subpart F (Sections 200.500-200.521) Changes

- The threshold value for Single Audits is \$1,000,000 (increased from \$750,000): A non-Federal entity that expends \$1,000,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.



Resources

- "What's new in the Uniform Grants Guidance?":
<https://www.epa.gov/grants/whats-new-uniform-grants-guidance-2024-revision-2-cfr-200>
- Council on Federal Financial Assistance (COFFA):
<https://www.cfo.gov/coffa/uniform-guidance-coffa/2024/>
- Upcoming webinar on December 4: *Impacts to Tribes as Federal Award Recipients – 2024 Revisions to 2 CFR 200*:
[Registration info and link coming soon](#)

Questions?

