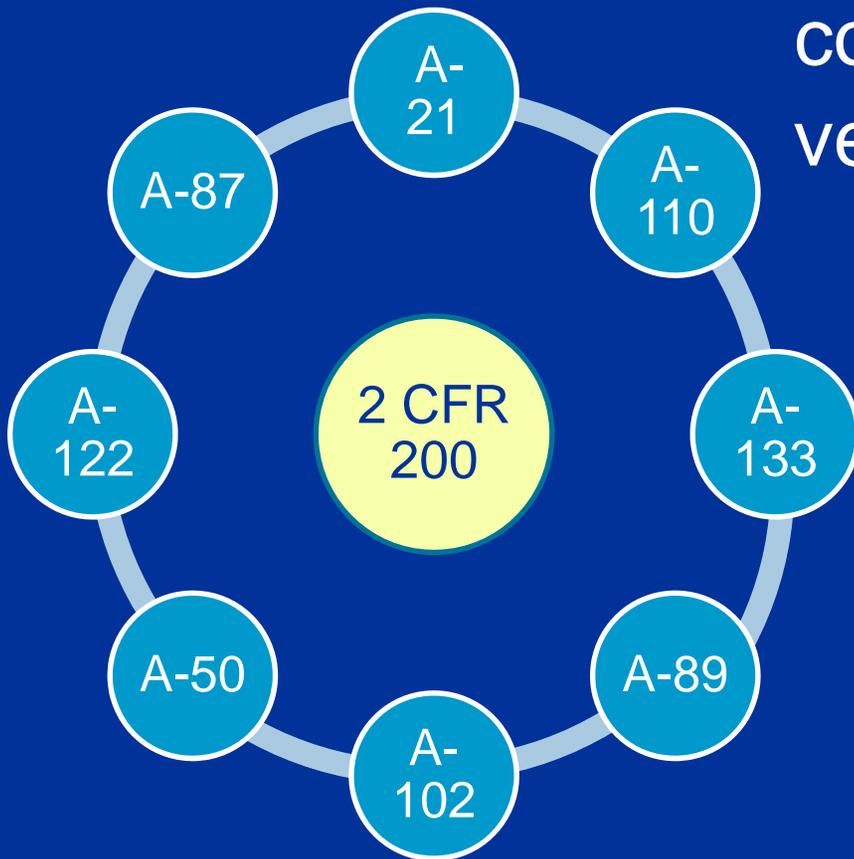


# UNIFORM GUIDANCE OVERVIEW

June 10, 2014

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**OmniGuidance** is a combined, “simplified” version of 8 previous circulars



*See Table of Contents Handout*

### 2 CFR 200

Subpart A – Acronyms and Definitions

Subpart B – General Provisions

Subpart C - Pre-award Requirements & Contents of Federal Awards

Subpart D – Post Federal Award Requirements

Subpart E – Cost Principles

Subpart F – Audit Requirements

Appendix



# Goals of Updated Regulations

METRICS METRICS METRICS METRICS METRIC

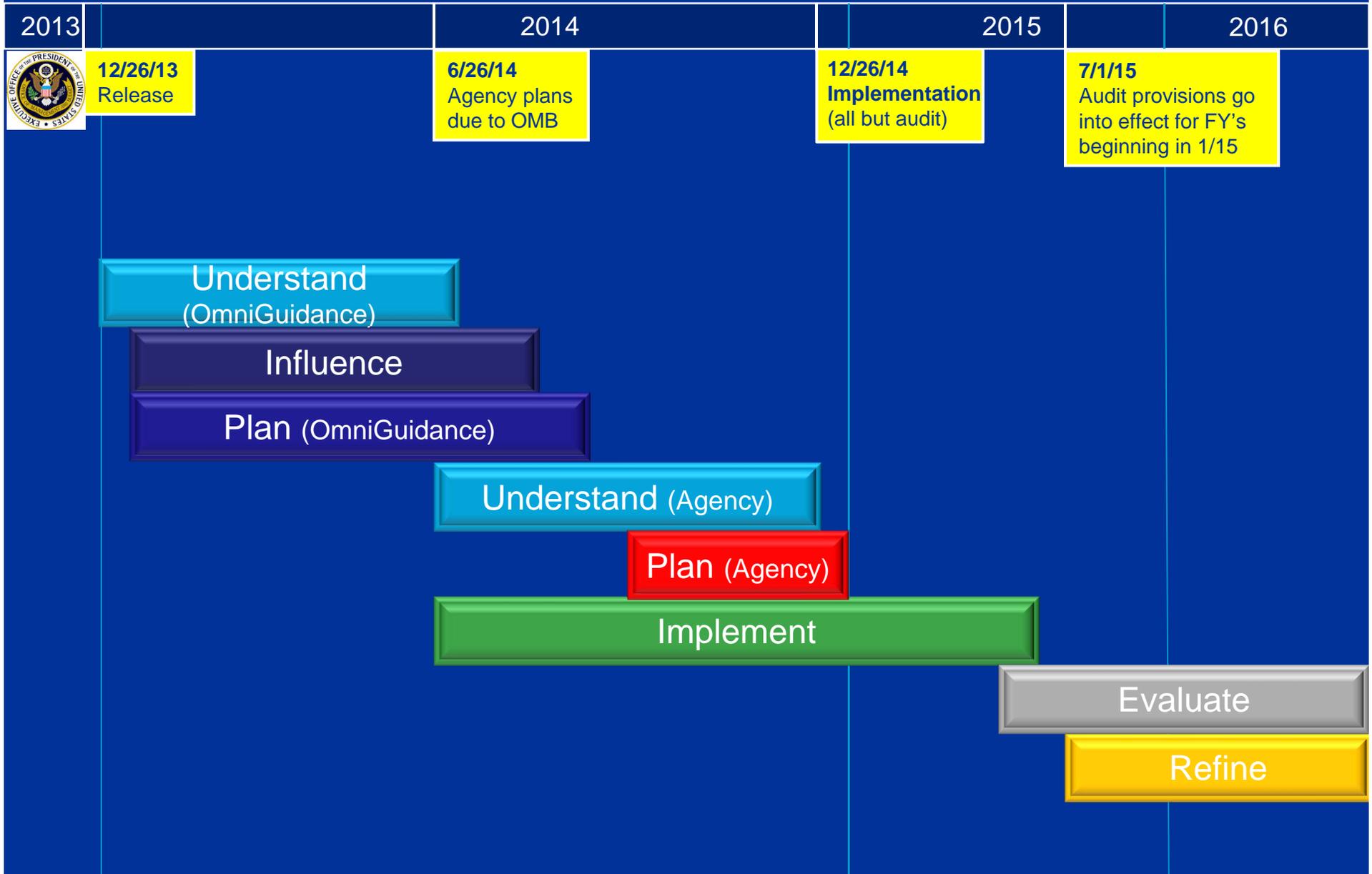


VS.



METRICS METRICS METRICS METRICS METRICS

# OmniGuidance Implementation Plan



# Challenges

- Short implementation timeline
  - Federal agencies expected to issue implementing regulations in October/November 2014
  - Subject entities to modify internal systems, policies, procedures and complete associated training/communication
  
- Clarity still needed on key issues
  - interpretation of and new definitions that may not track with existing circulars
  - documentation requirements to meet audit obligations
  - applicability for subject awards e.g., new awards vs. incremental funding for existing awards

# Challenges (cont'd)

- Management of awards subject to multiple circulars after 12/26/14 implementation date
- How do we formulate a plan when there are so many unanswered questions??
  - Participate with key industry groups on a national level to influence agencies
    - FDP, COGR, AIRI
- Develop a new and universal name/acronym ...currently referred to as:
  - Omnicircular
  - Omniguideance
  - Uniform Guidance, UG, or maybe just UGHHH! (U-G-L-Y has been suggested)
  - Super circular

# Some highlights of what we may care about

## Conflict of Interest Requirements

UNCLEAR

- New obligation for every federal agency to have COI regulations in place and require reporting for “potential” conflicts
  - Unclear how significant an impact this will have

## Restriction on Profit

UNCLEAR

- Recipients may received fixed price awards only if they will “realize no increment above actual cost”
  - Unclear if this is intended to include minor residual balances on fixed price awards

# Subawards & Subrecipient Monitoring

MIX

## ■ F&A improvements

- Sponsors (agency and pass-through) obligated to honor our negotiated F&A rate
- Subrecipients (e.g., foreign, small businesses, school districts, etc.) without a negotiated rate can get an automatic 10% MTDC F&A rate

## ■ Increased burden for vendor vs. subrecipient classification

- New option for each federal agency to require us to document how we decided each transaction is a subaward versus a vendor agreement

## ■ Increased burdens for subaward issuance

- New obligation to obtain federal agency prior approval before using a fixed price subawards (common for foreign subs, clinical trials, and small entities)
- New limit on size of fixed price subawards (\$150K)
- New mandatory list of data elements that have to be included in each subaward
- Clarification that if you want reports from your subrecipient, you must include the requirement in your subaward
- Increase in number of subrecipients without audit reports (threshold raised from \$500K per year in federal expenditures to \$750K)

# Subawards & Subrecipient Monitoring (Con't)

MIX

- Increase/decrease in burden in subaward risk assessment
  - Pass-through entities authorized to use Federal Audit Clearinghouse to verify audit reports for single audit entities (instead of separately collecting reports or certifications)
  - Explicit obligation to assess risk of each potential subrecipient, with list of factors to consider
- Increased subrecipient monitoring burdens
  - Explicit lists of mandatory and optional factors to be included in subrecipient monitoring
  - New obligation to be able to prove that you received/reviewed your subrecipient's performance and financial reports

# Changes in Indirect /F&A Costing Rules

MIX

- Federal agencies are expected to honor negotiated F&A rates
  - Class or single award exceptions only when required by Federal statute or regulation, or approved by an agency head or delegate
  - Exceptions must be reported to OMB
  - Policies, procedures, and general decision-making criteria for making exceptions must be published
- Entities may apply for a one-time extension to their existing F&A rates for up to 4 years
  - No rate change if granted
- Participant Support Costs
  - Must be excluded from F&A (similar to NSF model)

## Purchasing

BAD

- Use of statutorily imposed state or local geographical preferences prohibited in procurements
- Requirement to use one of only 5 procurement methods
- Language that implies that purchases over \$3K require competitive bidding
- Confusion not resolved about F&A on vendor purchases over \$25K

## Equipment

BAD

- New data elements to track in our property system
- Records must contain “use” of the equipment

# Next steps at FHCRC

- Convene group to lead strategic planning
- Identify key stakeholders/roles responsibilities
- Communicate with industry partners/collaborators and Federal agencies
- Ongoing communication with Center staff regarding implementation
- Hold on!!!