Uniform Guidance: Introduction, Application, and Pre-Award Requirements

Why This Session Is Needed

- First consolidation in many years.
- Changes in the Guidance and DOL exceptions.
- New definitions & pre-award requirements.

Lesson Overview & Module Objectives (1 of 2)

- Genesis
- Uniform Guidance Structure
- Discuss the rationale for grant management reform and overall new organization of the grant management requirements into the Uniform Guidance
- Review organizational structure and applicability of the Uniform Guidance
- Define DOL exceptions and technical corrections approved by OMB
Lesson Overview & Module Objectives (2 of 2)

• Review key changes in definitions and noteworthy deletions
• List the key pre-award provisions related to awarding of grants and sub-grants.
• Discuss available implementation options for DOL-ETA recipients and their subrecipients

Knowledge Check

On a scale of 1 (lowest) to 5 (highest), rate your knowledge and understanding of the following by circling the appropriate number in the middle column of the sheet, labeled Pre-Training, for each of the statements.

I am fully aware of the various OMB Circulars that are impacted by the issuance of the Uniform Guidance.
I understand the new structure of the Uniform Guidance.
I know where to find additional resources to assist in my understanding of the Uniform Guidance.
I understand the options available for implementation.
I am fully aware of the new pre-award requirements.

Genesis

• Discuss the rationale for grant management reform and overall new organization of the Uniform Guidance
How Did the Uniform Guidance Come About?

Council on Financial Assistance Reform (COFAR)

Conflicts between the OMB guidance and Federal agency regulations.

Created on October 27, 2011
Composition - 9 Federal awarding agencies

Why Develop the Uniform Guidance?

Reduce administrative burden and fraud, waste, and abuse

Desire for uniform guidance in grant community

Need to leverage technology

Focus audits & monitoring on high risk areas

Before Uniform Guidance

Department of Labor - ETA Grantees

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<tr>
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<tbody>
<tr>
<td>State, Local, &amp; Indian Tribal Governments</td>
<td>A-102 (Rev. 6/7/13)</td>
<td>2 CFR 200 (26 CFR Part 91)</td>
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<tr>
<td>Non-Profit</td>
<td>2 CFR 220 (26 CFR Parts 96 and 99)</td>
<td>2 CFR 200 (26 CFR Part 91)</td>
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<tr>
<td>For-Profit</td>
<td>48 CFR Part 31 (FAR)</td>
<td>2 CFR 2900</td>
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</table>
Are the statements true or false?

- The COFAR was formed to develop Uniform Guidance.
- The Uniform Guidance consolidates requirements from 8 different OMB Circulars.
- The sections of the Uniform Guidance contain consolidated requirements that apply separately to type of organization.
- The Uniform Guidance emphasizes accountability and performance.

Learning objectives for this section

- Review organizational structure and applicability of the Uniform Guidance
- Define DOL exceptions and technical corrections approved by OMB
Structure (1 of 5)
2 CFR Part 200 and 2 CFR Part 2900

- Acronyms & Definitions
  - Subpart A: New and updated terms

- General Provisions
  - Subpart B: Effective dates

- Pre-Federal Award Requirements
  - Subpart C
    - Appendix I: Full Text of Notice of Funding Opportunity

Structure (2 of 5)
2 CFR Part 200 and 2 CFR Part 2900

- Post Federal Award Requirements
  - Subpart D
    - Appendix II: Contract Provisions

- Cost Provisions
  - Subpart E & 7 Appendices

- Audit Requirements
  - Subpart F & 2 Appendices

Cost Provisions: Subpart E & 7 Appendices

- Appendix III — Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs)

- Appendix IV — Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations

- Appendix V — State/Local Government-wide Central Service Cost Allocation Plans

- Appendix VI — Public Assistance Cost Allocation Plans
**Uniform Guidance: Introduction, Application and Pre-Award Requirements**

### Structure (4 of 5)

**2 CFR Part 200 and 2 CFR Part 2900**

**Cost Provisions:** Subpart E & 7 Appendices
- Appendix VII — State, Local Government, and Indian Tribe Indirect Cost Proposals
- Appendix VIII — Nonprofit Organizations Exempted From Subpart E — Cost Principles of Part 200
- Appendix IX to Part 200—Hospital Cost Principles

### Structure (5 of 5)

**2 CFR Part 200 and 2 CFR Part 2900**

**Audit Requirements**

Subpart F & 2 Appendices
- Appendix X — Data Collection Form (Form SF–SAC)

### Technical Corrections

**Federal Register published December 19, 2014**

- Procurement Standard
- Unique Entity Identifier
- Cost Sharing or Matching
- Program Income
- Modified Total Direct Costs
- Clarification on Payments
- Prior Approvals
- Should vs. Must
DOL Exceptions (1 of 2)

- 2900.2 Non-Federal Entity
- 2900.7 Payment
- 2900.5 Federal awarding agency review of merit of proposals
- 2900.14 Financial reporting
- 2900.15 Closeout

DOL Exceptions (2 of 2)

- 2900.13 Intangible property
- 2900.17 Adjustment of negotiated IDC rates
- 2900.18 Contingency provisions
- Subpart F – Audit Requirements (2900.20-.22)

Major Definitions: Uniform Guidance Subpart A

Learning objectives for this section

- Review key changes in definitions and noteworthy deletions
Definitions

Subpart A of the Uniform Guidance
- Consolidates, updates, and clarifies
- Adds a number of new definitions
  - Also renames or deletes a number of definitions

DOL Exceptions
- Budget
- Non-Federal entity
- Questioned costs

Resource #1 (Definition comparison)
etasmarttraining.org

Definitions and New Items

Important additions or changes
- Conflict of Interest
- Procurement Methods
- Support for Indirect Cost rates
- De Minimis Rate
- Computing Devices
- Internal Controls
- Improper Payments
- COSO

New Definitions (1 of 2)

- 200.8 Budget
  - DOL clarification at 2 CFR 2900.1
- 200.23 Contractor
- 200.45 Fixed Amount Awards
- 200.61 Internal Controls
New Definitions (2 of 2)

- 200.67 Micro-Purchase
- 200.68 Modified Total Direct Cost (MTDC)
- 200.69 Non-Federal Entity
- 200.79 PII and Protected PII
- 200.88 Simplified Acquisition Threshold
- 200.74 Pass-through Entity
- 200.92 Subaward

Status Check

Are the statements true or false?

- The Uniform Guidance is divided into 6 subparts.
- Subpart B contains all the definitions.
- The simplified acquisition threshold is currently $150,000.
- Internal Controls are now defined as a system of oversight.

Pre-Award Requirements Uniform Guidance Subpart C

Learning objectives for this section

- List the key pre-award provisions related to awarding of grants and sub-grants.
2 CFR 200.203 Notices of Funding Opportunities

- Must be written in English and provide timely notification to public
- Link funds to a CFDA number, authorization, and type of assistance (formula or discretionary)
- Describe program purpose, goals, measurement, and eligibility requirements

Applicability of Single Audit requirements

Reference to merit review process

ETA term is “Funding Opportunity Announcement”

Merit Review vs. Risk Assessment Process (1 of 2)

- Specifies the criteria that the Federal awarding agency will use to evaluate all grant applications
- Appendix I of the Uniform Guidance provides additional detail

Applies to ETA discretionary awards
Risk Assessment Process

- Conducted after the merit review but before Federal award is made
- Considers the following factors:
  - Financial stability
  - Quality of management systems
  - History of performance
  - Reports and Findings including Audits and Monitoring Reports
  - Ability to effectively implement requirements
  - FAPIIS and SAM—for debarment or Do Not Pay listing

Applies to ETA discretionary awards

Federal Award Instruments

2 CFR 200.201

Use of grant agreements, cooperative agreements, and contracts

- Grant Agreement
  - Formula Grants
  - Discretionary Grants
  - Including Fixed Amount Awards
    - Not used in ETA grants
- Cooperative Agreement
- Contract
  - Is not a Federal award of assistance

Notice of Award Structure (1 of 2)

Standardized Elements
- Recipient name, period of performance, CFDA #, unique entity identifier, and more
- Budget
- Performance Goals
- Terms and Conditions
- Indirect cost rate including 10% de minimis rate
- Match or cost sharing requirements
- National policy requirements

Requirements found at 2 CR 200.210
Additional Elements

• Requirements found at 200.208 & 200.113
• Certifications and Disclosures
  – To be submitted annually unless otherwise noted
  – Including written disclosure of all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

ETA’s “Standard Terms and Conditions” can be found at www.doleta.gov/grants/resources.cfm

Status Check

Are the statements true or false?

1. The pre-award requirements apply to both recipients and the Federal awarding agency.
2. Performance is an integral part of the merit review process.
3. ETA uses the term “Funding Opportunity Announcement” for all award solicitations. As issued, they will be available through grants.gov.

Learning objectives for this section

• Discuss available implementation options for DOL-ETA recipients and their subrecipients
Implementation (1 of 2)

Training Employment Guidance Letter TEGL 15-14

- All new grant awards or grant modifications released on or after December 26, 2014 MUST adhere to the Uniform Guidance
- Options A and B require grant modification

**Formula (Option A)**
- Formula recipients may request authorization to apply the Uniform Guidance to existing or grants awarded before December 26, 2014

**Discretionary (Option B)**
- Discretionary recipients may request authorization to apply the Uniform Guidance to existing grant awards

Implementation (2 of 2)

Training Employment Guidance Letter TEGL 15-14

- **Selection - Options A and B**
  - Submit modification request in writing to your Federal Project Officer
  - Include a list of grants (by grant number) for which the Uniform Guidance will be applicable

- **Selection – Neither Option A nor B**
  - Uniform Guidance applies to all new grant awards or funding released on or after December 26, 2014
  - Previously awarded funds must follow terms of their grant agreement
    - This may mean maintaining two sets of policies and procedures!

Grace Period for Procurement Standards Only

- **Procurement Standards**
  - Effective date for implementation is revised
    - 200.110
  - Allows a grace period of two fiscal year to implement 200.317 through 200.336

- **December 19, 2014 Federal Register**
  - Provides additional detail
Resources

Uniform Guidance: Introduction, Application and Pre-Award Requirements

Key Concepts (1 of 2)

- Look to both Federal Registers
  December 26, 2013
  December 19, 2014

- Train your staff and share information with subrecipients

- For specific guidance related to the DOL Exceptions or grants contact your ETA Regional Office

Key Concepts (2 of 2)

- Be aware of requirements for the awarding of grants

- Be aware of ‘new’ requirements for the awarding of ‘Federal’ grants
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"There is no ignorance, there is knowledge."

- The Jedi Code

Thank You!

Please complete your evaluations