





Why This Session Is Needed

The Uniform
Guidance is the first
consolidation of
Federal grant
management
requirements in
many years.

There are a number of important changes in the Guidance that will impact your grants and how they are managed.

There are additional DOL exceptions to the Uniform Guidance, and many changes in Subpart A – Definitions.

There are new preaward requirements that impact grant administration.



Lesson Overview & Module Objectives

Uniform Guidance

DOL exceptions & ETA options

Pre-Award Requirements

Key Changes

- Provide trainees with the structure and applicability of the newly issued Uniform Guidance
- Define DOL exceptions and technical corrections approved by OMB
- 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.

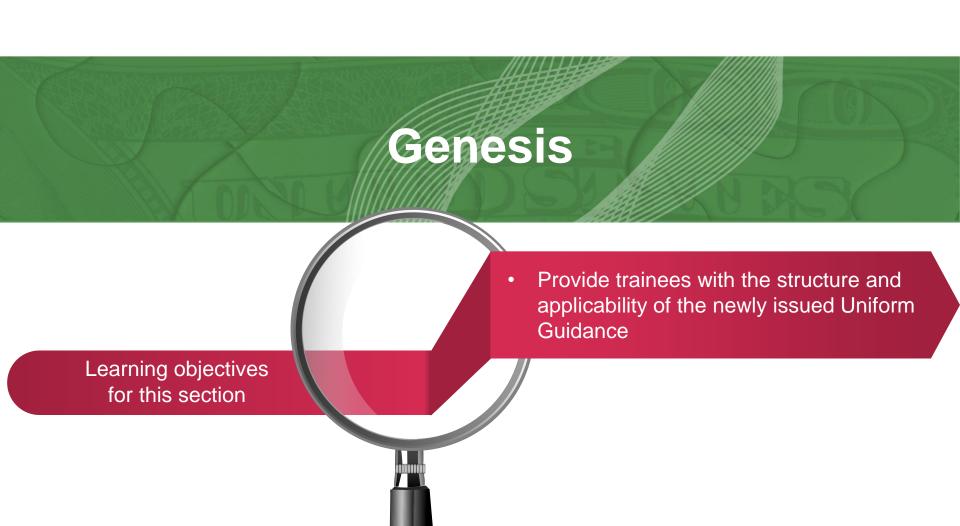
I understand the new structure of the Uniform Guidance.

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.







How Did the Uniform Guidance Come About?



Council on Financial Assistance Reform (COFAR)



The portion of project costs not paid by Federal funds (unless otherwise authorized by Federal statute)



Created on October 27, 2011

Composition

- 9 Federal awarding agencies



Why Develop the Uniform Guidance?



Reduce administrative burden and fraud, waste, and abuse



Need to leverage technology



Desire of recipients and subrecipients to get uniform guidance and avoid inadvertent audit findings



Focus audits & monitoring on high risk areas



Before Uniform Guidance

8 Separate OMB Circulars

- 2 Administrative Requirements
- 3 Cost Principles
- 2 Audit Requirements
- 1 Circular covering the CFDA catalog

 Varying applicability and standards

Types of OMB Circulars

Application & Standards



After Uniform Guidance

2 CFR Part 200 & 2 CFR Part 2900



Acronyms, Definitions & Appendices





Administrative Requirements



Audit Requirements



Cost Principles



Nine Goals



1. Eliminating duplicative and conflicting guidance

2. Focusing on performance over compliance for accountability



3. Encouraging efficient use of IT and Shared Services



4. Providing for consistent and transparent treatment of costs

5. Limiting allowable costs to best use of Federal resources



6.
Standardizing
business
processes
using data
definitions

7. Encouraging family-friendly policies



8. Strengthening oversight

9. Targeting audit requirements on risk of waste, fraud, and abuse



Status Check

Are the statements true or false?

COFAR stands for the Council on Federal Awards and Regulations.

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.

There are 9 goals associated with the UG.



UNIFORM GUIDANCE Structure & Major Definitions

Learning objectives for this section

- Define DOL exceptions and technical corrections approved by OMB
- Review key changes in definitions and noteworthy deletions



Structure

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

- Post Federal Award Requirements
 - Subpart D
 - Appendix II : Contract Provisions
- Cost Provisions
 - Subpart E & 7 Appendices

- Audit Requirements
 - Subpart F & 2 Appendices



Structure (2)

2 CFR Part 200 and 2 CFR Part 2900

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 Governmentwide Central Service Cost Allocation Plans
- Appendix VI Public Assistance Cost Allocation Plans

- 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 (3)

2 CFR Part 200 and 2 CFR Part 2900

Audit Requirements

Subpart F & 2 Appendices

- Appendix X Data Collection Form (Form SF–SAC)
- Appendix XI Compliance Supplement
 - 2015 Edition released June 2015





Technical Corrections



Procurement Standard



Modified Total Direct Costs



Unique Entity Identifier



Clarification on Payments



Cost Sharing or Matching



Prior Approvals

Should vs. Must



Program Income

Federal Register published December 19, 2014



DOL Exceptions 2 CFR Part 2900

Subpart A—Acronyms and Definitions	Subpart D—Post Federal Award	Subpart E—Cost Principles	
Sec.	Requirements	2900.16 Prior w ritten approval (prior	
2900.1 Budget.	2900.6 Advance Payment.	approval)	
2900.2 Non-Federal entity.	2900.7 Payment.	2900.17 Adjustment of negotiated IDC	
2900.3 Questioned cost.	2900.8 Cost sharing or matching.	rates.	
Subpart B—General Provisions	2900.9 Revision of budget and program	2900.18 Contingency provisions.	
2900.4 Adoption of 2 CFR part 200.	plans.	2900.19 Student activity costs.	
	2900.10 Prior approval requests.		
Subpart C—Pre-Federal Award	2900.11 Revision of budget and program	Subpart F—Audit Requiremen	
Requirements and Contents of Federal	plans including extension of the period	2900.20 Federal Agency Audit	
Awards	of performance.	Responsibilities.	
2900.5 Federal awarding agency review of	agency review of 2900.12 Revision of budget and program 2900.2		
merit of proposals.	plans approval from Grant Officers.	2900.22 Audit Requirements, Appeal	
	2900.13 Intangible property.	Process for Department of Labor	
	2900.14 Financial reporting.	Recipients.	
	2900.15 Closeout.		

OMB Uniform Guidance: Overview



DOL Exceptions



Applies to commercial
 & foreign entities



 30 days, in writing, and no blanket approval



 Findings outside of audits can be used during merit reviews and as questioned costs



DOL Exceptions (2)



2900.7 **Payment** Advances must be liquidated and additional restrictions can be imposed.



2900.14 AFINANCIAL Financial reporting Expenditures must be reported on accrual basis



2900.15 Closeout All obligations and/or accrued expenditures must be liquidated at closeout.



2900.13 **Intangible property** Promote through free and open use of content on Creative Commons.



DOL Exceptions (3)



 Indirect Cost Rates may need to be renegotiated



2900.18 Contingency provisions

 Retention of records related to contingencies



Subpart F – Audit Requirements (2900.20-.22)

- Audit resolution and management decisions
- Clearly defined steps



Definitions

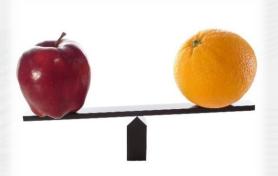
Subpart A of the Uniform Guidance

- 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)





Definitions and New Items



Important additions or changes

- Conflict of Interest
- Procurement Methods
- Support for Indirect Cost rates
- De Minimis Rate
- Computing Devices
- Improper Payments
- COSO



New Definitions

- 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)

- 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.



Notices of Funding Opportunity

2 CFR 200.203 Notices of Funding Opportunities



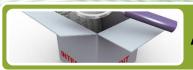
Must be written in English and provide timely notification to public



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

Critical parts of the Pre-Award grant stage



Merit Review

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



Risk Assessment Process

- Conducted <u>after</u> 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
 - Including Fixed Amount Awards
 - Level of support without regard to actual costs
 - Reduced administrative burden and record keeping
 - Accountability based on performance and results
- Cooperative Agreements
- Contracts
 - Are not Federal awards of assistance





Notice of Award Structure



Requirements found at 2 CR 200.210



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



Notice of Award Structure (2)



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?

7

The pre-award requirements apply to both recipients and the Federal awarding agency.

?

Performance is an integral part of the merit review process.

?

ETA uses the term "Funding Opportunity Announcement" for all award solicitations. As issued, they will be available through grants.gov.



UNIFORM GUIDANCE Applicability and Implementation

Learning objectives for this section

 Discuss available implementation options for DOL-ETA recipients and their subrecipients



Implementation

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

Option A

 Formula recipients may request authorization to apply the Uniform Guidance to existing or old grant awards

Option B

 Discretionary recipients may request authorization to apply the Uniform Guidance to <u>existing</u> grant awards



Implementation (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 <u>one</u> <u>fiscal year</u> to implement 200.317 through 200.336

December 19, 2014 Federal Register

Provides additional detail

Sun	Mon	Tue	Wed	Thu	Fri	S
Sun			1	2	3	-
3		7	8	9	10	1
10		14	15	16	17	1
17	18		22	23	24	2
24	25	0.	>	30		
31		//	1			



Resources

IMPLEMENTATION

UNIFORM GUIDANCE

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule

US DEPARTMENT OF LABOR GRANT RECIPIENTS

AFTER December 26, 2014

Administrative Requirements

Audit Requirements

2 CFR Part 200 and 2 CFR Part 2900

Cost Principles

Governmental Organizations

Indian Tribes

Nonprofit Organizations

Institutions of Higher Educations

Commercial For-Profit Organizations * Foreign Public Entities and Foreign Organizations *

Please see the Federal Register dated December 19, 2014 outlining the one-year grace period for the implementation of the procurement standards.

US DEPARTMENT OF LABOR GRANT RECIPIENTS

BEFORE December 26, 2014

	Administrative Requirements	Audit Requirements	Cost Principles
Governmental Organizations	29 CFR Part 97	29 CFR Part 96	2 CFR 225
Nonprofit Organizations	29 CFR Part 95	29 CFR Part 96	2 CFR 230
Institutions of Higher Educations	29 CFR Part 95	29 CFR Part 96	2 CFR 220
Commercial for-profit Organizations	29 CFR Part 95	29 CFR Part 96	48 CFR 31.2

USEFUL LINKS

TIP: Look at your grant agreement to identify the date in which funds were awarded.

USDOL-ETA website	http://www.doleta.gov/grants/resources.cfm
Final Rule with technical corrections	http://www.ocfr.gov/cgi- bin/retrieveECFR?gp=1&SID=0e16fa1d64bc3ba5402f6c3eb22671eb&ty=HTML&h =L&m=pt2.1.200&r=PART#se2.1.200_1333
Technical corrections and DOL exceptions published on December 19, 2014	http://www.gpa.gov/fdsys/pkg/FR-2014-12-19/pdf/2014-28697.pdf
Final Rule published on December 26, 2013	http://www.gpo.gov/fdrys/pkg/FR-2013-12-26/pdf/2013-30465.pdf
TEGL 15-14 dated December 19, 2014	http://wdr.doleta.gov/directives/attach/TEGL/TEGL_15-14_Acc.pdf
TEN 20-13 dated February 10, 2014	http://wdr.doleta.gov/directives/attach/TEN/TEN_20_13.pdf
Resources for understanding the Uniform Guidance	https://efo.gov/cofar/WRUUG

 ² CFR 2900.2 expands the applicability of the Uniform Guidance to these entities.



Key Concepts



Look to both Federal Registers

December 26, 2013

December 19, 2014



Share information with subrecipients



For specific guidance related to the DOL Exceptions or grants

Contact your ETA Regional Office



Be aware of requirements for the awarding of grants



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 column of the shee, labeled Pre-Training, for each of the statements.

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"There is no ignorance, there is knowledge."

-The Jedi Code

Thank You! Please complete your evaluations



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