



June 10, 2020

Margaret Weichert
Deputy Director for Management
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

BY ELECTRONIC MAIL TO: margaret.m.weichert@omb.eop.gov

RE: Administrative Flexibilities for Recipients of Federal Financial Assistance

Dear Deputy Director Weichert,

The National Association of Development Organizations (NADO) represents Regional Development Organizations (RDOs) across the country which serve as key implementers of numerous federal financial assistance programs. NADO members are part of a national network of more than 500 multi-jurisdictional RDOs that are involved with those programs as direct recipients, pass-through entities, and/or subrecipients. Accordingly, NADO is vitally interested in the policies and procedures employed by federal awarding agencies in the operation of those programs. NADO's vested interest has been demonstrated recently by our detailed letters to OMB regarding the *2020 Compliance Supplement* for single audits and about its proposal for revisions to 2 CFR 200, *the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Along with the rest of the nation, NADO members and their intergovernmental partners have experienced the substantial disruption brought on by the coronavirus pandemic. Thus, we welcomed the administrative flexibilities that OMB extended to federal agencies on March 19 under OMB Memorandum 20-17. Widespread federal agency implementation of the steps permitted under that directive has enabled much more realistic administration of existing federal assistance awards given current circumstances. However, the time limitation on these relief measures permitted by OMB is now approaching, despite the reality that the coronavirus-related circumstances largely remain in place. This introduces the potential for significant confusion about compliance and oversight if OMB flexibilities are reversed.

Therefore, NADO respectfully encourages OMB to extend all of the flexibilities identified in Memorandum 20-17 for at least an additional 90 days and to actively engage with interested organizations such as NADO during this time period to obtain feedback about the impact of these policy adjustments. NADO also encourages OMB to clarify whether federal agencies may permit recipients of direct federal awards that have been modified with administrative flexibilities to extend those same administrative flexibilities to subrecipients.

Thank you for your consideration, and for the efforts that OMB is making to allow flexibilities during this challenging time.

Sincerely,

Joe McKinney
Executive Director
National Association of Development Organizations (NADO)

CC: Timothy Soltis, Deputy Controller, OMB timothy.f.soltis@omb.eop.gov