



OFFICE OF THE VICE CHANCELLOR  
FOR RESEARCH

# Research Administrators Monthly Meeting

## November 2020

Office of Sponsored Programs (OSP)



# Announcements



# Uniform Guidance Updates

**2 CFR Part 200**

# Federal Register Notice – 8/13/2020

- Office of Management and Budget (OMB) revised the Uniform Guidance (UG) in response to President's Management Agenda (PMA)
- The PMA Results-Oriented Accountability for Grants Cross-Agency Priority Goal (Grants CAP Goal) identified four strategies to work toward maximizing the value of grant funding:
  - Operationalize the Grants Management Standards
  - Establish a Robust Marketplace of Modern Solutions
  - Manage Risk
  - Achieve Program Goals and Objectives
- UG changes also reflect implementation of statutory requirements and alignment of these sections with other authoritative source requirements (e.g., the National Defense Authorization Acts (NDAAAs), etc.)

# Effective Dates

- The UG revisions are effective as of **November 12, 2020**
- However, the following exceptions went into effect **August, 13, 2020**:
  - § 200.216 – Prohibition on certain telecommunications and video surveillance services or equipment
  - § 200.340 – Termination
  - § 200.471 – Telecommunications and video surveillance costs\*

\*200.471 is not stated in the Federal Register as having an effective date of 8/13/2020, but this was clarified by OMB in the 9/9/2020 Innovation Exchange Session Presentation

# Numbering and Format Changes

- Definitions are no longer numbered and are all contained in §200.1
- Defined terms are no longer capitalized throughout the UG
- References to other UG sections or Federal documents now only include the number (section titles were removed)

## §200.6—Auditee.

*Auditee* means any non-Federal entity that expends Federal awards which must be audited under §Subpart F—Audit Requirements of this part.

# Assistance Listings to Replace CFDA

- The terms Catalog for Federal Domestic Assistance (CFDA) number and program title have been replaced by **Assistance Listing** number and program title in §200.1 and throughout UG
- Federal agencies and PTEs are required to provide the Assistance Listing numbers and titles in program announcements and awards
- Updates may be needed in myProposals and Banner to track new numbers and titles

# “Must” v. “Should”

- §200.101(b)(1) Applicability states:

*"Throughout 2 CFR part 200 when the word **"must"** is used it indicates a requirement. Whereas, use of the word **"should"** or **"may"** indicates a best practice or recommended approach rather than a requirement and permits discretion."*



# Exceptions §200.102

- Removed requirement for Federal agencies to have to post policy exceptions to the UG
- Under the original UG, an OMB website was supposed to be created for this purpose, but this was never implemented
- Agencies can request exceptions to the UG to “support innovative program design...and hold recipients accountable for good performance.”

# Never Contract with the Enemy

## §200.215 & 2 CFR Part 183

- New provision applies to all awards over \$50,000 where any part of the award may occur outside of the US and “in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.”
- When these requirements apply, we must check the current list of prohibited and restricted parties or entities in SAM and ensure funds are not provided directly or indirectly to covered persons or entities.
- Per COGR, it is unclear how this would apply to basic or applied research grants

# Prohibited Telecommunications & Video Surveillance Equip. §200.216

- Implements Public Law 115-232 Section 889 of the FY2019 National Defense Authorization Act (NDAA)
- Prohibits use of Federal funds to contract with or procure goods or services from certain foreign entities due to national security concerns:
  - Huawei Technologies
  - ZTE Corporation
  - Hytera Communications Corporation
  - Hangzhou Hikvision Digital Technology Company
  - Dahua Technology Company

# Focus on Performance and Metrics

- §200.202 Program planning and design
  - Programs must include “clear goals and objectives that facilitate the delivery of meaningful results consistent with the Federal authorizing legislation of the program.”
- §200.204(c)(7) – award must contain all relevant terms and conditions (T&C), including any exceptions to standard T&C

# Focus on Performance and Metrics

- §200.211 Info contained in a Federal award
  - Improves transparency in setting performance expectations
  - Performance goals, indicators, targets and baseline data must be included in awards.
    - Important for PIs to carefully review during award negotiation
  - Agencies must specify how they will assess performance in the T&C of award

# Performance Measurement & Reporting

- §200.301- Performance measurement
  - Federal agencies must measure performance “to show achievement of the program goals and objectives, share lessons learned, improve program outcomes and foster adoption of promising practices.”
  - Federal agencies will determine how to measure performance relative to program and should include performance measures
- §200.329 - Monitoring and reporting program performance
  - Changes **final reporting deadline from 90 to 120 days** after the performance period
  - Maintained that in some instances (e.g., discretionary research awards) technical performance reports (RPPR) may be used to related financial and performance data

# Budget Period v. Project Period

- Newly defined terms (§200.1):
  - ***Budget period*** means the time interval from **the start date of a funded portion of an award to the end date of that funded portion** during which recipients are authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to §200.308.
  - ***Period of performance*** means the **total estimated time interval between the start of an initial Federal award and the planned end date**, which may include one or more funded portions, or budget periods...

# Budget Period v. Project Period

- A new section (h) under §200.403 - Factors affecting allowability of costs, states that costs “**must be incurred during the approved budget period.**”
- Less flexibility in terms of spending across budget period
- Agency implementations will be important



# Safe Harbor for Subrecipient Monitoring

- §200.332 – Requirements for pass-through entities – section (d)(4):
  - PTEs are only responsible for resolving audit findings **specifically related to the subaward**
  - PTEs can rely upon the Single Audit for **cross-cutting findings**
    - Reliance on the subrecipient's cognizant audit agency to perform audit follow-up and issue management decisions (see also §200.513(a)(3)(vii))
  - PTEs can rely on risk determination from a subrecipient's Single Audit if posted to FAC and not suspended/debarred

# Subaward Indirect Cost Rates

- A subaward's indirect cost rates can be determined based on one of the following:
  - Federally-negotiated rate
  - If no Federally-negotiated rate:
    - De minimus rate (10%)
    - PTEs may accept a rate negotiated previously by another PTE
    - PTEs may (but not required to) collect new data to substantiate the rate at PTE's discretion

# Subawards & Executive Compensation Reporting (2 CFR Part 170)

- Reinforces need for pass-through entities (PTEs) to report subawards under the Federal Funding Accountability and Transparency Act (FFATA)
- FFATA threshold for reporting subawards has increased from \$25,000 to \$30,000

# Procurement Requirements

- Strategic sourcing, shared services or other similar procurement actions meet competition requirements (§200.318(e))
- Entities may increase the micro-purchase threshold of \$10,000 up to \$50,000 (§200.320(a)(1)(iv))
  - Doesn't require prior approval up to \$50K
  - Must be documented through annual self-certification
  - For public institutions, can tie to a higher threshold per State law

# Procurement Requirements (Cont.)

- Purchases under the Simplified Acquisition Threshold (currently \$250K), or lower rate set by recipient, do not require formal procurement methods.
  - Follow small purchase procedures (price/rate quotes)
  - Clarified that price quotes for small purchases must be obtained from an adequate number of qualified sources “as determined by the appropriate non-federal agency” (§200.320(a)(2)(i))
- Domestic Preference for Procurements section was added (§200.322)
  - Provide a preference for items produced in the US to the greatest extent practicable
  - Must be flowed down to subawards

# Termination §200.340

- Termination “for cause,” or poor performance, was removed
- Added that agencies can terminate awards “if an award no longer effectuates the program goals or agency priorities.”
- Per §200.211(c)(v), agencies and PTEs must communicate termination provisions on a “clear and unambiguous manner”

# Closeouts § 200.344

- Closeout deadline extended from 90 to 120 days
  - Includes submission of all financial, performance and other required reports.
- Subrecipient must submit closeout reports no later than 90 days (or earlier as determined by subaward T&C)
- Federal agencies or PTE will proceed without closeout if awardee fails to submit reports on time
- Federal agencies still have 1-year to closeout awards
  - If recipient fails to provide report in 1-year from end of performance period, the agency **must report this to OMB as a material failure to comply with award T&C**

# UEI Numbers 2 CFR Part 25

- SAM.gov registration numbers will be replaced with new Unique Entity Identifier (UEI)
  - DUNS numbers will be phased out
  - Current SAM registrants will be automatically assigned a UEI
  - All recipients and subrecipients of Federal funds must have a SAM registration or UEI
    - Subrecipients must have a UEI, but a full SAM registration is not required to get a UEI





# Questions?