



# UNIVERSITY OF ILLINOIS

AT URBANA-CHAMPAIGN



## 2015 BUSINESS LEADERSHIP CONFERENCE

# Uniform Guidance Update

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Office of Grants and Contracts

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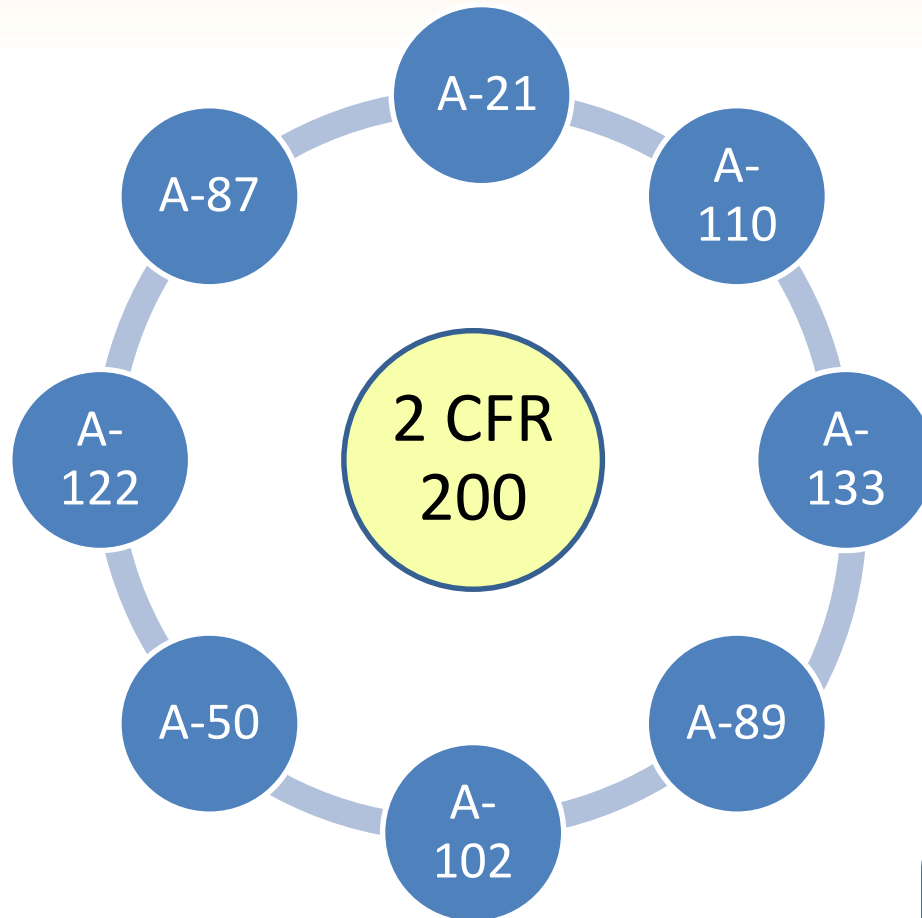
*A Shared Vision*

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# Objectives

- Latest Updates
- Internal Controls
- Procurement
- Status of Policies and Procedures
- Research Terms and Conditions - Agency Information
- State of Illinois Grant Accountability and Transparency Act
- Audits
- Next Steps

# UG is a combined, “simplified” version of 8 circulars



2 CFR Part 200:  
Subpart D = A-110  
Subpart E = A-21

# Why should I care?



# Certification Statement

- *“I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812).”*

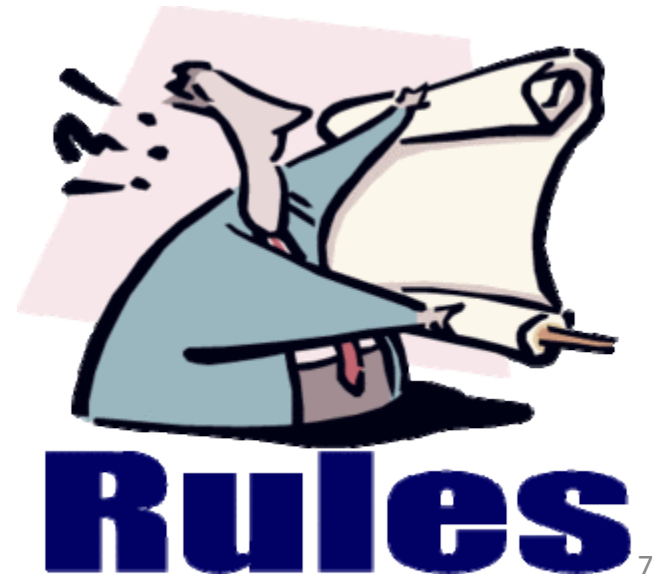
# Latest Updates

- Council on Governmental Relations (COGR)
- FRA NCURA
- Recent Clarifications/Updates



# Accounting Principles

- Similar to A-21
- More pre-approvals or budget justification
- Allowable costs
  - Reasonable, allocable and consistently treated
- Changes:
  - Admin/Clerical Salary
  - Computing Devices
  - Project Closeout
  - Cost Sharing



# Internal Controls

- Source documentation
- Mitigate risk of fraud, waste and abuse
- Consequences from 200.337
  - Withholding funds
  - Cost disallowances
  - Suspension
  - Termination of award
  - Future funding



# Personally Identifiable Information (PII)

- Information that can be used to distinguish or trace an individuals identity
  - Either alone or when combined with other information
- Protected PII
  - Name in combination with:
    - Social security number
    - Passport number
    - Credit card number
    - Birth date and/or place of birth
    - Educational transcripts
    - And others personal information



# Procurement

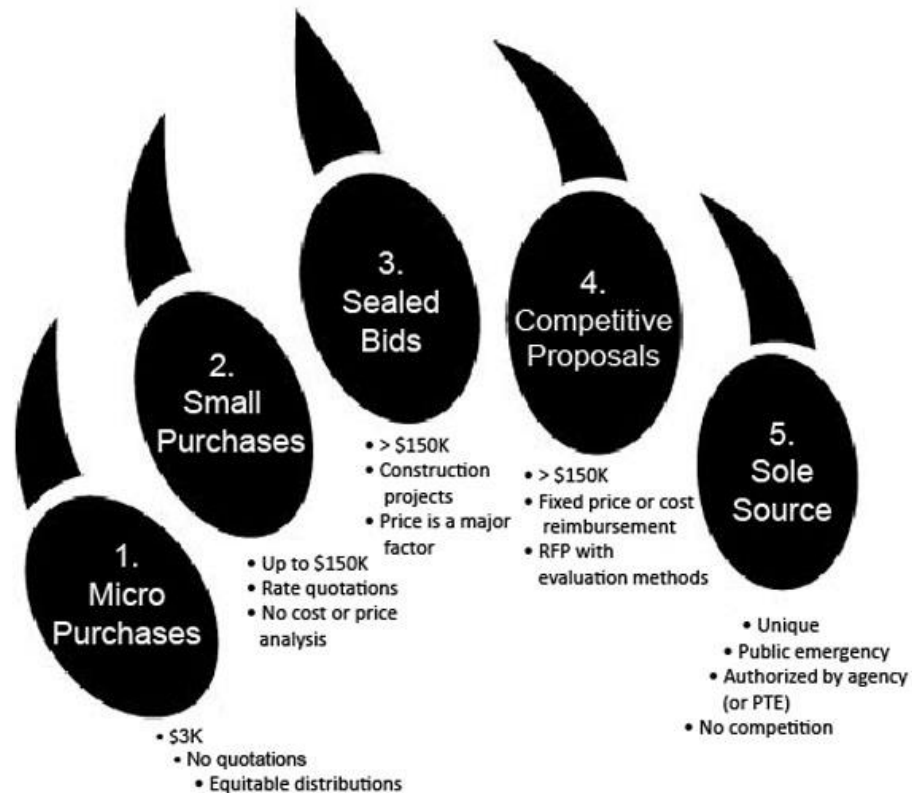
- Coming soon to a University near you!

**Procurement “Claw” (Sections 200.317-326)**



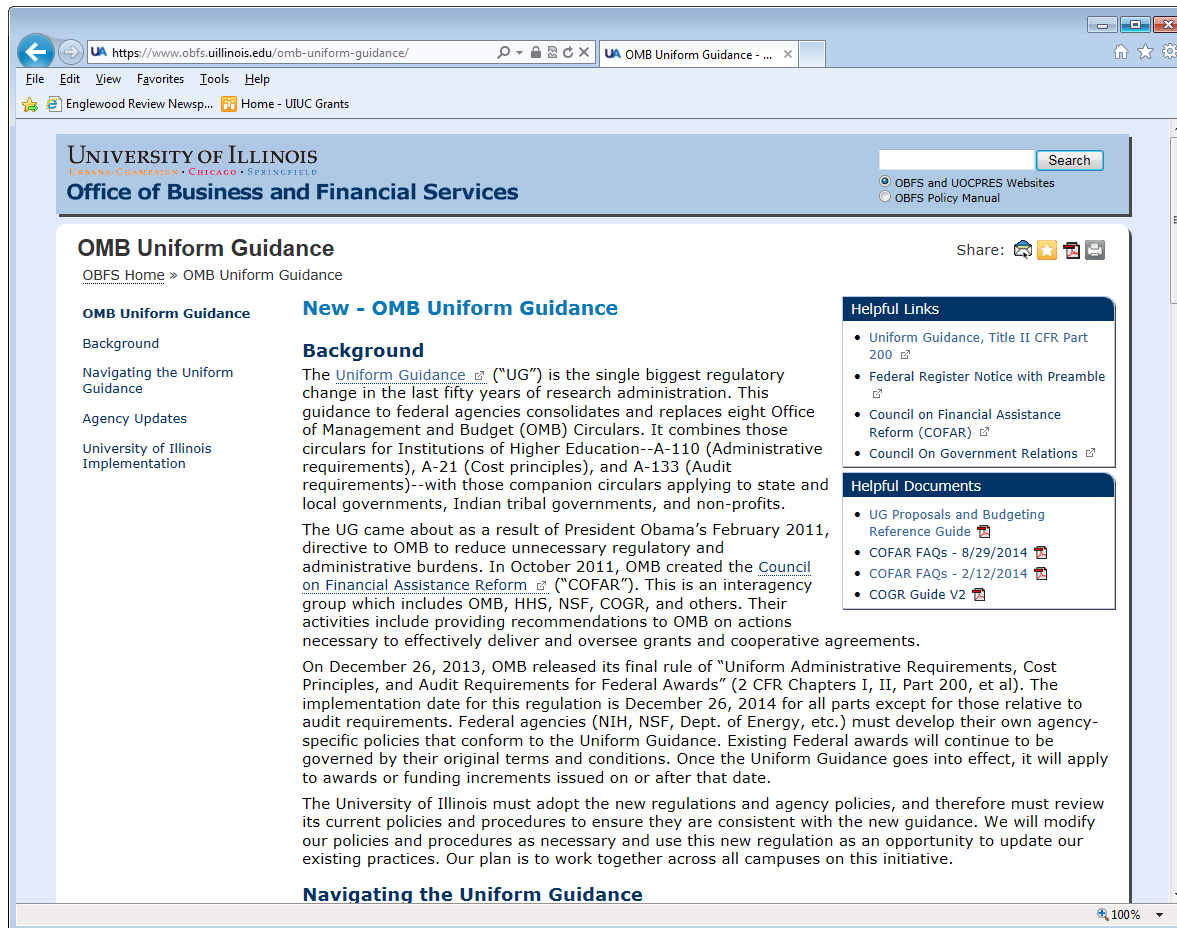
# Bear Claw

## Procurement “Claw” (Section 200.320)



# Status of Policies and Procedures

- UG Website
  - <https://www.obfs.uillinois.edu/omb-uniform-guidance/>



The screenshot shows a web browser window displaying the "OMB Uniform Guidance" page on the University of Illinois Office of Business and Financial Services (OBFS) website. The page header includes the University of Illinois logo and the OBFS name. The main content area is titled "OMB Uniform Guidance" and includes a "Background" section. The background section explains that the Uniform Guidance ("UG") is the single biggest regulatory change in the last fifty years of research administration, consolidating and replacing eight Office of Management and Budget (OMB) Circulars. It also mentions the creation of the Council on Financial Assistance Reform ("COFAR") and the University of Illinois's commitment to adopt the new regulations and agency policies.

**Background**

The [Uniform Guidance](#) ("UG") is the single biggest regulatory change in the last fifty years of research administration. This guidance to federal agencies consolidates and replaces eight Office of Management and Budget (OMB) Circulars. It combines those circulars for Institutions of Higher Education--A-110 (Administrative requirements), A-21 (Cost principles), and A-133 (Audit requirements)--with those companion circulars applying to state and local governments, Indian tribal governments, and non-profits.

The UG came about as a result of President Obama's February 2011, directive to OMB to reduce unnecessary regulatory and administrative burdens. In October 2011, OMB created the [Council on Financial Assistance Reform](#) ("COFAR"). This is an interagency group which includes OMB, HHS, NSF, COGR, and others. Their activities include providing recommendations to OMB on actions necessary to effectively deliver and oversee grants and cooperative agreements.

On December 26, 2013, OMB released its final rule of "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (2 CFR Chapters I, II, Part 200, et al). The implementation date for this regulation is December 26, 2014 for all parts except for those relative to audit requirements. Federal agencies (NIH, NSF, Dept. of Energy, etc.) must develop their own agency-specific policies that conform to the Uniform Guidance. Existing Federal awards will continue to be governed by their original terms and conditions. Once the Uniform Guidance goes into effect, it will apply to awards or funding increments issued on or after that date.

The University of Illinois must adopt the new regulations and agency policies, and therefore must review its current policies and procedures to ensure they are consistent with the new guidance. We will modify our policies and procedures as necessary and use this new regulation as an opportunity to update our existing practices. Our plan is to work together across all campuses on this initiative.

**Helpful Links**

- [Uniform Guidance, Title II CFR Part 200](#)
- [Federal Register Notice with Preamble](#)
- [Council on Financial Assistance Reform \(COFAR\)](#)
- [Council On Government Relations](#)

**Helpful Documents**

- [UG Proposals and Budgeting Reference Guide](#)
- [COFAR FAQs - 8/29/2014](#)
- [COFAR FAQs - 2/12/2014](#)
- [COGR Guide V2](#)

# University Policies

- University-wide Policies
- Close-out – first one out
- Comment Period
- In Progress
  - Cost-Share
  - Program Income
  - Subawards
  - Allowable Costs

Policies &  
Procedures

# Research Terms and Conditions

- RTC
  - Previous Federal RTC are now obsolete
    - Awaiting re-release under UG
  - Agencies are instead applying;
    - Parts of Code of Federal Regulations (CFR) that codify their implementation of the UG
      - <http://www.gpo.gov/fdsys/pkg/FR-2014-12-19/pdf/2014-28697.pdf>
    - Their own internal policy/grants manuals
  - 8 Agencies intend to adopt new RTC when they are ready.

# Agencies Involved

- Department of Agriculture
    - NIFA
  - Department of Commerce
    - NIST/NOAA
  - Department of Energy
  - Department of Transportation
    - FAA
  - Environmental Protection Agency
  - NASA
  - NIH
  - NSF
- DOD – Not joining in

# Agency Information



The National Science Foundation (NSF) Grant General Conditions (GC-1)

<http://www.nsf.gov/pubs/policydocs/gc1/dec14.pdf>

Announcement: NIH Interim General Grant Conditions Implementing New HHS Grants Regulations (Uniform Guidance)

<http://www.gpo.gov/fdsys/pkg/FR-2014-12-19/pdf/2014-28697.pdf>

Other agency plans will not be available until shortly before the implementation date.

Federal Register Notice: <http://www.gpo.gov/fdsys/pkg/FR-2014-12-19/pdf/2014-28697.pdf>

# Approved Deviations

- Agency Exceptions
  - <https://cfo.gov/wp-content/uploads/2014/12/Agency-Exceptions.pdf>



# State of Illinois Grant Accountability and Transparency Act

- Public Act 098-0706
- Set to become effective July 1, 2015
  - “...shall adopt rules which adopt the Uniform Guidance at 2 CFR200. The rules, which shall apply to all State and federal pass-through awards...”
- Higher level of State of Illinois grant oversight is possible?
- Will there be changes with the new Governor?



# Audits

- Effective for the FY15 Audit
- Waiting for the Compliance Supplement to give clues on the audit treatment of UG costs.
- Will take several cycles (fiscal years) for clear guidance from the audit community.



# What to do?????

- Read your award terms and conditions
- Ask questions
- Watch for Agency notices and information releases
- Check the UG website for updates
  - Use the tools that are being developed
  - Communicate tools that are needed



# Reminder of UG's Purpose

- **To reduce unnecessary regulatory and administrative burdens**
- **To improve delivery, management, coordination and accountability on federal grants and cooperative agreements**
- **To reduce fraud, waste and abuse**



# Questions



# Additional Information/Resources

**Uniform Guidance, Title II CFR Part 200**

[www.ecfr.gov](http://www.ecfr.gov)

**Federal Register Notice with Preamble**

<https://federalregister.gov/a/2013-30465>

**Council on Financial Assistance Reform**

[www.cfo.gov/cofar](http://www.cfo.gov/cofar)

**OMB Uniform Administrative Requirements, Cost Principles  
and Audit Requirements for Federal Awards**

<https://www.federalregister.gov/articles/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>

**COGR**

<http://cogr.edu/>