

# Council on Financial Assistance Reform's Uniform Guidance Training



**UNIFORM ADMINISTRATIVE  
REQUIREMENTS,  
AUDIT REQUIREMENTS,  
AND COST PRINCIPLES  
2 CFR CHAPTER 1, CHAPTER  
2, PART 200, ET AL.**

January 27, 2014

# Administrative Requirements



**REFORMS TO A-102,  
CIRCULAR A-110,  
AND  
CIRCULAR A-89**

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# Administrative Requirements



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**REFORMS TO ADMINISTRATIVE REQUIREMENTS (THE COMMON RULE IMPLEMENTING CIRCULAR A-102); CIRCULAR A-110; AND CIRCULAR A-89**

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- **The section highlights changes to the governmentwide common rule implementing Circular A-102 on Grants and Cooperative Agreements with State and Local Governments; Circular A-110 on Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations (2 CFR part 215); and Circular A-89 on Catalog of Federal Domestic Assistance**
- **The following are major changes included in the final guidance**

# Subpart A: Acronyms & Definitions

5

- 200.0, Acronyms
- Acronyms are at the beginning
  
- 200.1 – 200.99, Definitions
- The 99 definitions are in separate sections (and therefore are listed in the index)
- Terms are broad to encompass all requirements (administrative, cost principles, audit) and all types of entities receiving Federal awards

# Key Definitions

6

- 200.38, **Federal award** (depending on the context, means the \$ or the document)
- 200.40, **Federal financial assistance** (no change in meaning from previous definitions for administrative requirements, cost principles, and audit requirements)
- 200.69, **Non-Federal entity** (state, local government, Indian tribe, institution of higher education, or nonprofit that is the recipient or subrecipient)
- 200.74, **Pass-through entity** (non-Federal entity that subawards to a subrecipient)
- 200.90, **State** no longer includes **Indian tribe** (200.54)
  - No effect on funding because eligible applicants are based on the Federal program, not Part 200

# Definitions – Subrecipient and Contractor

7

- **200.93, Subrecipient**
- *Subrecipient* means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program
- **200.23, Contractor** is used rather than “vendor” (used in A-133)
- *Contractor* means an entity that receives a contract as defined in 200.22 Contract
- Look at the nature of the relationship rather than what the agreement is called; See 200.330

# Subpart B: General Provisions

8

- **200.100, Purpose: 2 CFR Part 200 establishes uniform administrative requirements, cost principles, and audit requirements for all types of non-Federal entities**
- **Federal awarding agencies must not impose additional or inconsistent requirements, unless**
  - Requirement based on Federal statute, regulation, or Executive Order,
  - OMB permits an exception in accordance with 200.102, or
  - OMB approves information in the Federal award in accordance with 200.210



# “Should” vs “Must”

9

- Throughout, both “should” and “must” are used
- “Must” means “required”
- “Should” indicates best practices or recommended approach

# Applicability

10

- **200.101 Applicability:** describes the applicability of each subparts to types of Federal awards
- A table is included, but must be read along with the entire applicability section
- The Federal awarding agency will determine applicability and state the applicable requirements in the terms and conditions of the Federal award
- Likewise, the pass-through entity must state the applicable requirements for its subrecipients in the terms and condition of each subaward

# Exceptions

11

- **200.102, Exceptions**
  - No exceptions from any audit requirements
  - Only OMB may allow exceptions for classes of Federal awards or non-Federal entities
  - In the interest of maximum uniformity, OMB will permit exceptions only in unusual circumstances
  - Exceptions on a case-by-case basis may be authorized by the Federal awarding agency
  - The Federal awarding agency may apply more restrictive requirements when approved by OMB, or required by Federal statutes or regulations
  - If you have questions about your award, contact the Federal awarding agency

# Implementation/Effective Date

12

- **200.110, Effective/applicability date**
- **Federal agencies must implement the requirements to be effective by December 26, 2014**
- **Audit requirements will apply to audits of fiscal years beginning on or after December 26, 2014**
- **Administrative requirements and cost principles will apply to new awards and to additional funding (funding increments) to existing awards made after Dec 26.**
- **Existing Federal awards will continue to be governed by the terms and conditions of the Federal award, except for Audit as Subpart F is based on 12/26/2014 fiscal year date.**

# Conflict of Interest & Mandatory Disclosures

13

- **Two new requirements that strengthen oversight:**
  - **200.112, Conflict of interest**

The Federal awarding agency must establish conflict of interest policies for their Federal awards

The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency (or pass-through entity) in accordance with applicable Federal awarding agency policy
  - **200.113, Mandatory disclosures**

Non-Federal entities (and applicants) must disclose all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award

# Subpart C: Pre-Federal Award Requirements and Contents of Federal Awards

14

## **SECTIONS HIGHLIGHTED:**

**200.201, USE OF GRANT AGREEMENTS,  
COOPERATIVE AGREEMENTS & CONTRACTS**

**200.203, NOTICES OF FUNDING OPPORTUNITIES**

**200.204, FEDERAL AGENCY REVIEW OF MERIT**

**200.205, FEDERAL AGENCY REVIEW OF RISK**

**200.206, STANDARD APPLICATION REQUIREMENTS**

**200.201, INFORMATION CONTAINED IN A FEDERAL  
AWARD**

# Use of Grant Agreements, Cooperative Agreements & Contracts

15

- **200.201, Use of Grant Agreements (Including Fixed Amount Awards), Cooperative Agreements, and Contracts:**
  - Federal Awarding Agencies must determine appropriate award instrument
  - Incorporates new coverage on fixed amount awards:
    - ✦ Payments are based on meeting specific requirements of the Federal Award
    - ✦ Accountability is based on performance and results
    - ✦ Award amount is negotiated using cost principles as a guide
    - ✦ No governmental review of the actual costs incurred
    - ✦ Significant changes (i.e., principal investigator, project partner or scope) must receive prior awarding agency written approval

# Notices of Funding Opportunities

16

- **200.203, Notices of funding opportunities:**
  - **Notice of the Funding Opportunity**
    - ✦ **For competitive grants and cooperative agreements, Federal awarding agencies must announce specific funding opportunities by posting a public notice on the OMB-designated governmentwide Web site**
    - ✦ **Specifies a set of six data elements that must be included in the public notice**



# Notices of Funding Opportunities (Cont'd)

17

- **Full Text of Funding Opportunities**
  - ✦ **Identifies required information that must be included in the full text of each Federal funding opportunity**
  - ✦ **Detailed instructions for the full text of the notice of funding opportunity is included in Appendix 1.**
  - ✦ **This coverage was originally published by OMB at 68 FR 58146 (October 8, 2003)**
  
- **Establishes minimum timeframes Federal awarding agencies must generally make all funding opportunities available for application**

# Federal Agency Review of Merit

18

- **200.204, Federal awarding agency review of merit of proposals:**
  - New Requirement
  - For competitive grants or cooperative agreements, Federal awarding agencies must design and execute a merit review process for applications
  - Process must be described (or incorporated by reference) in funding opportunity

# Federal Agency Review of Risk

19

- **200.205, Federal awarding agency review of risk posed by applicants:**
  - In addition to use of the OMB-designated repositories of government-wide eligibility information, Federal awarding agencies must have a framework for evaluating the risks posed by applicants prior to receipt of a federal award
  - Items that **MAY BE** considered by Federal awarding agencies include:
    - ✦ Financial stability
    - ✦ Quality of management systems
    - ✦ History of performance
    - ✦ Reports and findings from audits performed under Subpart F
    - ✦ Applicant's ability to effectively implement statutory, regulatory or other requirements

# Federal Agency Review of Risk (Cont'd)

20

- Special conditions that correspond to the degree of risk may be applied, if appropriate (See 200.207, Special Conditions.)
- Federal awarding agencies must continue to comply with the guidelines on governmentwide suspension and debarment and must require non-federal entities to comply with these provisions

# Standard Application Requirements

21

- **200.206, Standard application requirements:**
  - Requires Federal awarding agencies to use OMB-approved application standard information collections to solicit applications
  - Use of standard OMB-approved collections is a consistent theme throughout 2 CFR 200
  - Currently approved OMB Grants Management Forms (and formats) are available on the OMB Web site at:
    - ✦ [http://www.whitehouse.gov/omb/grants\\_standard\\_report\\_forms/](http://www.whitehouse.gov/omb/grants_standard_report_forms/)

# Information Contained in a Federal Award

22

- **200.210, Information contained in a Federal award:**
  - Provides a standard set of 15 data elements which must be provided in all Federal awards
  - Identifies coverage which must be included in the general terms and conditions
  - Provides guidance on Federal Awarding Agency, Program, or Award Specific Terms and Conditions
  - Requires Federal awarding agencies to include an indication of the timing and scope of expected performance as related to the outcomes intended to be achieved
    - ✦ In some instances, (e.g., discretionary research awards) this may be limited to submission of technical performance reports

# Subpart D: Post Federal Award Requirements Standards for Financial and Program Management

23

## SECTIONS HIGHLIGHTED:

<b>200.301,</b>	<b>PERFORMANCE MANAGEMENT</b>
<b>200.303,</b>	<b>INTERNAL CONTROLS</b>
<b>200.305,</b>	<b>PAYMENTS</b>
<b>200.306,</b>	<b>COST SHARING OR MATCHING</b>
<b>200.309,</b>	<b>PERIOD OF PERFORMANCE</b>
<b>200.313,</b>	<b>EQUIPMENT</b>
<b>200.314,</b>	<b>SUPPLIES</b>
<b>200.315,</b>	<b>INTANGIBLE PROPERTY</b>
<b>200.317-326</b>	<b>PROCUREMENT STANDARDS</b>
<b>200.327,</b>	<b>FINANCIAL REPORTING</b>
<b>200.328,</b>	<b>MONITORING AND REPORTING PROGRAM PERFORMANCE</b>
<b>200.329,</b>	<b>REPORTING ON REAL PROPERTY</b>
<b>200.330-332</b>	<b>SUBRECIPIENT MONITORING &amp; MANAGEMENT</b>
<b>200.333,</b>	<b>RETENTION REQUIREMENTS FOR RECORDS</b>
<b>200.335,</b>	<b>METHODS FOR COLLECTION, TRANSMISSION AND STORAGE OF INFORMATION</b>
<b>200.338-342</b>	<b>REMEDIES FOR NONCOMPLIANCE</b>
<b>200.343</b>	<b>CLOSEOUT</b>

# Performance Management

24

- **200.301, Performance Management:**
  - Provides more robust guidance to Federal agencies to measure performance in a way that will help the Federal awarding agency and other non-Federal entities to improve program outcomes, share lessons learned, and spread the adoption of promising practices.
  - Federal awarding agencies must require recipients to use OMB-approved standard government-wide information collections to provide financial and performance information.
  - Recipients must be required to relate financial data to performance accomplishments, and must also provide cost information to demonstrate cost effective practices.



# Performance Management (Cont'd)

25

- As discussed in more detail in 200.328, for the research community, where there is a standard OMB-approved information collection for performance (i.e., the Research Performance Progress Report) that does not relate financial information to performance data, there is no such requirement
- The Federal awarding agencies are required to provide recipients with clear performance goals, indicators, and milestones

# Internal Controls

26

**200.303, Internal Controls. For Federal awards Non-Federal entities must:**

- **Moved from OMB Circular A-133**
- **Establish and maintain effective internal controls**
- **Comply with Federal statutes, regulations, & terms and conditions**
- **Evaluate and monitor compliance**
- **Take prompt action on audit findings**
- **Safeguard protected personally identifiable information**

# Payments

27

- **200.305, Payments:**
  - Payments to States are governed by Treasury-State CMIA agreements codified at 31 CFR Part 205
  - Coverage largely replicates existing payment coverage from OMB Circular A-110
  - Extends to non-Federal entities previously covered by OMB Circular A-102 the existing flexibility in OMB Circular A-110 to pay interest earned on Federal funds annually to the Department of Health and Human Services, rather than “promptly” to each Federal awarding agency
    - ✦ Interest amounts up to \$500 per year may be retained by the non-federal entity for administrative expenses

# Cost Sharing or Matching

28

- **200.306, Cost Sharing or Matching:**
  - Clarifies policies on voluntary committed cost sharing
  - Stipulates that voluntary committed cost sharing is not expected under Federal research proposals and cannot be used as a factor during the merit review of the proposal
  - Cost sharing may only be considered when required by regulation and transparent in the notice of funding opportunity

# Cost Sharing or Matching (Cont'd)

29

- Only mandatory cost sharing or cost sharing included on the project budget must be included in the organized research base for computing the indirect cost rate or reflected in the allocation of indirect costs
  - ✦ OMB Memorandum 01-06, Clarification of OMB A-21 Treatment of Voluntary Uncommitted Cost Sharing and Tuition Remission costs continues to apply.
  - ✦ See: [http://www.whitehouse.gov/omb/memoranda\\_m01-06](http://www.whitehouse.gov/omb/memoranda_m01-06)
  
- Valuation of cost sharing remains largely unchanged from OMB Circular A-110

# Period of Performance

30

- **200.309, Period of Performance**
  - Non-federal entities may charge to Federal awards only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass through entity
  - Federal awarding agencies may authorize no-cost extensions of the period of performance (See also 200.308, Revision of budget and program plans)

# Property Standards & Equipment

31

- **Coverage in Property Standards (Sections 200.310-200.316) largely derived from existing coverage in A-110**
- **Major exception is 200.313, Equipment**
  - States must use, manage, and dispose of equipment acquired under a Federal award in accordance with state laws and procedures
  - Other non-Federal entities must follow the requirements specified

# Supplies & Intangible Property

32

- **200.314, Supplies:**
  - The definition of supplies in existing guidance includes all tangible personal property that fall below the threshold for equipment. Since, as technology improves, computing devices (inclusive of accessories) increasingly fall below this threshold, the guidance makes explicit that when they do, they shall be treated consistently with all other items below this level. See 200.94, Definition of “Supplies”.
- **200.315, Intangible Property:**
  - Content of 200.315 is largely from OMB Circular A-110, however, the section has been reorganized for readability and clarity



# Procurement Standards

33

- The procurement standards (in sections 200.317 through 200.326) are generally based on the requirements in A-102 for states, local governments and Indian tribes, with modifications
- States use their own policies and procedures
- All other non-Federal entities, including subrecipients of a state, must have and follow written procurement procedures that reflect the procurement standards

# General Procurement Requirements

34

- The non-Federal entity must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of the contract or purchase order
- The non-Federal entity is not required to maintain a contract administration system
- How the non-Federal entity maintains oversight is a matter of judgment for the non-Federal entity

# Procurement: Standards of conduct

35

- **200.318(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts**
- **200.318(c)(2) new provision that covers organizational conflict of interest**
- **If the non-Federal entity has a parent, affiliate, or subsidiary organization (that is not a state, local government, or Indian tribe), the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest**

# Procurement: Standards of conduct (Cont'd)

36

- **200.318(d)** The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items
- **200.318(e)** To foster greater economy and efficiency and to promote cost-effective use of shared services, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services
- **200.318(f)** The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property when this is feasible and reduces project costs

# Methods of Procurement

37

- **200.320, Methods of procurement to be followed**
- **The non-Federal entity must use one of the 5 methods:**
  - (1) Micro-purchases for acquisition of supplies or services if aggregate amount does not exceed \$3,000 [New method]
  - Micropurchase may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable
  - (2) Small purchase procedures
  - (3) Sealed bids (formal advertising)
  - (4) Competitive proposals

# Methods of Procurement (Cont'd)

38

- (5) Noncompetitive proposals – revised to clarify that solicitation of a proposal from only one source may be used only when one or more of the following apply:
  - ✦ The item is available only from a single source
  - ✦ The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
  - ✦ The Federal awarding agency (or pass-through entity) expressly authorizes this method in response to a written request from the non-Federal entity
  - ✦ After solicitation of a number of sources, competition is determined inadequate

# Pre-Procurement Review of Technical Specifications

39

- **200.324, Federal awarding agency or pass-through entity review**
- **Upon request of the Federal awarding agency (or pass-through entity), the non-Federal entity must make available:**
  - **The technical specifications on proposed procurements where the Federal awarding agency (or pass-through entity) believes the review is needed to ensure that the item or service specified is the one being proposed for acquisition**

# Pre-Procurement Review

40

- Upon request of the Federal awarding agency (or pass-through entity), the non-Federal entity must make the procurement documents (e.g., requests for proposals, invitations for bids, or independent cost estimates) available for pre-procurement review when:
  - The non-Federal entity's procurement procedures or operations fail to comply with the procurement standards in Part 200
  - The procurement is expected to exceed the Simplified Acquisition Threshold [currently \$150,000] and
    - ✦ The procurement is to be awarded without competition or only one bid/offer is received in response to a solicitation
    - ✦ The procurement specifies a "brand name" product
    - ✦ The proposed contract is to be awarded to other than the apparent low bidder under a sealed bid procurement
  - A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.



# Pre-Procurement Review (Cont'd)

41

- **The non-Federal entity is exempt from the pre-procurement review:**
  - If the Federal awarding agency (or pass-through entity) determines that its procurement systems comply with the standards of Part 200
  - The non-Federal entity self certifies its procurement system (but the self-certification does not limit the Federal awarding agency's right to survey the system)

# Procurement Contract Provisions

42

- **200.326, Contract provisions**
- **Refers to Appendix II for provisions that must be included in contracts of non-Federal entities**
- **The Appendix provides a description of each provision (and generally gives the legal basis of the provision) so that the non-Federal entity can determine whether the provision is applicable to a contract**

# Financial Reporting

43

- **200.327, Financial Reporting:**
  - Existing coverage from A-102 and A-110 on the Report of Federal Cash Transactions and the Financial Status Report has been deleted and replaced with the requirement that Federal awarding agencies only use the OMB-approved government-wide data elements for collection of financial information -- currently the Federal Financial Report
  - Submission frequency requirements generally remain unchanged
    - ✦ No less frequently than annually, nor more frequently than quarterly.
    - ✦ New language added, however, which permits more the Federal awarding agency to require more frequent reporting where necessary for the effective monitoring of the Federal award or could significantly affect program outcomes.

# Monitoring and Reporting Program Performance

- **200.328, Monitoring and reporting program performance:**
  - Specifies that performance reports are subject to the Paperwork Reduction Act requirements
  - Federal awarding agencies should utilize OMB-approved standard governmentwide information collections (see also 200.206)
  - Submission frequency requirements remain largely unchanged
    - ✦ No less frequently than annually, nor more frequently than quarterly.
    - ✦ New language added, however, which permits more the Federal awarding agency to require more frequent reporting where necessary for the effective monitoring of the Federal award or could significantly affect program outcomes.

# Reporting on Real Property

45

- **200.329, Reporting on Real Property:**
  - The language in this section is based on the supplementary information provided in the purpose section of the Final Notice of the Real Property Status Report (RPSR) form SF-429, available at 75 FR 56540, published September 16, 2010

# Subrecipient Monitoring and Management

46

- Section 200.330 explains the roles of subrecipients and contractors so that the non-Federal entity can determine the relationship and the applicable requirements
- A non-Federal entity provides a subaward to a subrecipient for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship between the non-Federal entity and the subrecipient
- A non-Federal entity provides a contract to a contractor for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship between the non-Federal entity and the contractor
- What the document is called does not matter; the relationship is the basis for determining which requirements are applicable

# Subrecipients Monitoring and Oversight Requirements for Pass-through Entities

47

- 200.331, Requirements for pass-through entities
- Includes audit responsibilities that were in A-133
- **The pass-through entity must:**
  - Put specific information in the subaward, including indirect cost rate
  - Do a risk assessment to determine appropriate subrecipient monitoring AND must monitor subrecipients
  - Consider if specific subaward conditions are needed
  - Verify subrecipients have audits in accordance with Subpart F
  - Make any necessary adjustment to the pass-through entity's records based on reviews and audits of subrecipients
  - Consider actions to address subrecipient noncompliance

# Information Contained in a Subaward

48

- **Following information must be identified to subrecipient at time of award and put in the subaward (and when changes are made to the subaward) (200.331(a)):**
  - Federal award identification, e.g., DUNS number
  - Indirect cost rate for the Federal Award (including if the de minimus rate is charge per 200.414 Indirect (F&A) costs)  
Requirements imposed by the pass-through entity
  - Requirement to provide access to records for audit



# Evaluating Subrecipient Risk to Determine Appropriate Monitoring

49

- The pass-through entity must evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for the purpose of determining appropriate subrecipient monitoring, which may include consideration of factors such as (200.331(b)):
  - Prior experience with same or similar subawards
  - Results of previous audits
  - Whether new or substantially changed personnel or systems
  - Extent and results of Federal awarding agency monitoring

# Required Subrecipients Monitoring Procedures

50

- **When monitoring of subrecipients, the pass-through entity must (200.331(d)):**
  - Review reports required by the pass-through entity
  - Follow-up to ensure subrecipient takes appropriate action on all deficiencies pertaining to the subaward from the pass-through entity identified through audits, on-site reviews, and other means
  - Issue a management decision for audit findings pertaining to subawards made by the pass-through entity
- **Not new requirement – taken from A-133**

# Additional Subrecipient Monitoring Tools

51

- **Following tools may be useful, depending upon the risk assessment (200.331(e))**
  - Providing subrecipient training and technical assistance
  - Performing on-site reviews
  - Arranging for agreed-upon-procedures engagements under 200.425, Audit services [in Cost Principles]
- **No listed tool is required nor is the list of tools all inclusive**
- **Determination on which tools is a matter of judgment for the pass-through entity based upon its assessment of risk**

# Subrecipients: Fixed Amount Subawards

52

- **200.332, Fixed amount subawards**
  - Permits a non-Federal entity to make subawards based on fixed amounts (in accordance with 200.201) not exceeding the Simplified Acquisition Threshold (currently \$150,000)
  - The prior written approval of the Federal awarding agency is required

# Retention Requirements for Records

53

- **200.333, Retention requirements for records:**
  - Retains the record retention period of three years from the date of submission of the final expenditure report
  - For Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report
  - Supplements to the listing of exceptions from standard record retention:
    - ✦ When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, cognizant agency for indirect costs, or pass-through entity; and
    - ✦ Records for program income transactions after the period of performance

# Methods for collection, transmission and storage of information

54

- **200.335, Methods for collection, transmission and storage of information:**
  - In lieu of addressing the issue throughout the document, a new section was added to clearly articulate the treatment of electronic records
  - Federal awarding agencies and the non-Federal entities should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine readable formats
  - Federal awarding agencies or pass-through entities must always provide or accept paper versions of Federal award-related information to and from the non-Federal entity upon request

# Methods for collection, transmission and storage of information (Cont'd)

55

- When original records are electronic and cannot be altered, there is no need to create and retain paper copies.
- When original records are paper, electronic versions may be substituted through the use of duplication or other forms of electronic media provided that they are subject to periodic quality control reviews, provide reasonable safeguards against alteration, and remain readable.

# Remedies for Noncompliance

56

- Remedies for noncompliance are covered in 200.338 through 200.342
- The sections are generally substantively the same as superseded circulars, with some modifications
- The sections cover actions that may be taken by the pass-through entity, not just by the Federal awarding agency



# Remedies for Noncompliance

57

- **200.338, Remedies for noncompliance**
  - Permits the Federal awarding agency (or pass-through entity) to try to remedy noncompliance through additional conditions on the Federal award (or subaward)
  - Expressly references suspension and debarment proceedings and cross-references the government-wide regulation at 2 CFR Part 180

# Remedies for Noncompliance: Termination

58

- **200.339, Termination, comprehensively addresses termination**
- **The Federal award may be terminated by the Federal awarding agency (or pass-through entity) in whole or in part:**
  - (1) For failure of the non-Federal entity to comply with the terms and conditions of the Federal award
  - (2) for cause [NEW]
  - (3) with the consent of the non-Federal entity (the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated)

# Remedies for Noncompliance: Termination

59

- The Federal award may be terminated by the non-Federal entity by sending to the Federal awarding agency (or pass-through entity) written notification setting forth the reasons for termination, the effective date, and, in the case of partial termination, the portion to be terminated.
- When the Federal award is terminated, the Federal awarding agency (or pass-through entity) and the non-Federal entity remain responsible for closeout, post-closeout adjustments and continuing responsibilities

# Closeout

60

- **200.343, Closeout**
- **This section should be clearer because the timeframes are based on “period of performance” which must be stated in the Federal award**

# Post-Closeout Adjustments and Collection of Amounts Due

61

- **200.344, Post-closeout adjustments and continuing responsibilities**
- **The adjustment to the Federal award amount based on an audit or other review after closeout must be made within the record retention period**
- **200.345, Collection of amounts due**
- **The collection may happen after the record retention period**

# Administrative Requirements

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**Thank you for your time and attention!**

**Please submit questions to [cofar@omb.eop.gov](mailto:cofar@omb.eop.gov). All questions will be reviewed and some may be included in a frequently asked questions document that will be posted on the COFAR website, <https://cfo.gov/cofar/>.**