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BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

July 27, 2015

To: Directors and Heads of Executive State Agencies
Office of the Governor

From: Wesley K. Machida, Finance Director *Wesley K. Machida*

Subject: Federal Awards-Uniform Guidance Implementation Working Group (UGIWG)

On March 9, 2015, state personnel that work with federal awards attended a presentation by Mrs. Victoria Collin of the U.S. Office of Management and Budget (OMB) to learn about the revised "Uniform Administrative Requirements, Cost Principles, and Audit Requirements" for managing Federal Grants and Cooperative Agreements.

The next step for the State will be to establish a Uniform Guidance Implementation Working Group (UGIWG) to assess what action needs to be taken to comply with these requirements.

The deliverable for the working group will be a report to the Governor with recommendations for administrative actions or legislative measures to comply with the Uniform Guidance. This report will be submitted in December 2015. Please refer to the attachment for a description of the objectives and structure of the working group.

We are seeking volunteers with expertise in grants management to be part of the working group, both program and fiscal staff. I have asked Mr. Mark Anderson of the Office of Federal Awards Management to organize and coordinate this effort. Please email Mr. Anderson the names and contract information for your nominee(s) for the working group by August 7, 2015; he may be contacted at 586-3035 or by e-mail at manderson@dbedt.hawaii.gov.

Attachment

c: Mark Anderson, Office of Federal Awards Management, Dept. of Budget & Finance

Attachment A
Uniform Guidance Implementation Working Group (UGIWG)

What is the Uniform Guidance?

On December 26, 2013 the U.S. Office of Management and Budget (OMB) released the new guidance for managing Federal Grants and Cooperative Agreements. The OMB Final Rule for Federal Awards (“Uniform Administrative Requirements, Cost Principles, and Audit Requirements”) streamlined the language from eight existing OMB circulars into one consolidated set of guidance in the Code of Federal regulations, 2 CFR 200. The guidance supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in the OMB guidance); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.

Where can I find more information about the Uniform Guidance?

The final guidance is published in e-CFR (Electronic Code of Federal Regulations), 2 CFR 200. www.ecfr.gov

The effort to develop and implement the Uniform Guidance was led by the Office of Executive Councils, Chief Financial Officers Council (CFO). The CFO’s website is an excellent resource to learn about the Uniform Guidance. The CFO website is <https://cfo.gov/cofar/>.

Why do we need to review our current federal award policies and procedures?

1. To assess how the state government will implement the OMB Uniform Guidance by comparing the guidance requirements against existing state practice and identifying areas that require new or revised state action.
2. To determine what type of action should be taken to ensure compliance with federal requirements such as:
 - a) Issuing administrative guidance
 - b) Taking legislative action to bring state executive branch agencies into full compliance.
3. To identify current practice that can be streamlined due to changes in federal requirements.
4. Finally, we want to use this opportunity to begin to a regular dialogue between central service departments and departments who manage federal awards to identify changes, resources, and the tools state grant managers need to better manage federal awards.

How will the UGIWG operate?

1. Three working groups will be established: Administrative Requirements, Cost Principles, and Audit Requirements. Each working group will vote for a chair.
2. Each working group will ideally consist of no more than 5-8 members.
3. Working group meetings will be scheduled from August through November 2015, ideally on a staggered schedule as some participants may need to attend meetings for all of the working groups.
4. The first meeting will be an organizational meeting with all working groups to decide on the number of meetings to be held, the meeting schedule, the purpose of each working group, agreement on approach, agreement on the final product and format of the report.
5. The deliverable for the working groups will be a report to the Governor with recommendations for administrative action or legislative measures that could be taken to comply with the Uniform Guidance.

Who is invited to participate?

Representation from Central Service departments and departments that manage a high volume of federal awards will be required. Representatives from other departments with in-depth technical knowledge of managing federal awards are welcome to be part of a working group.

Central Service Departments	State Entities with a High Volume of Federal Awards
Governor’s Office	HMS
DAGS	HTH
B&F	TRN
SPO	DEF
State Auditor	LBR
Dept. of the Attorney General	EDN
	UH – ORS

What is the deadline?

A report to the Governor will be submitted in December 2015.

Who can I contact for more information?

Please contact Mr. Mark K. Anderson, Administrator at the Office of Federal Awards Management at manderson@dbedt.hawaii.gov or 586-3035.