

2020 UNIFORM GUIDANCE REVISIONS: What Your Institution Needs to Know

FEDERAL NOTICE OVERVIEW

On August 13, 2020, the Office of Management and Budget (OMB) released updated Uniform Guidance (UG) for Grants and Agreements ([2 CFR Parts 25 170, 183, and 200, Guidance for Grants and Agreements](#)), which revises sections of the UG to reflect the President's Management Agenda (PMA) that sets the stage for enhanced results-oriented accountability for grants. The update outlines the revisions made to the following sections:

- Universal Identifier and System for Award Management: [Part 25](#)
- Reporting Subaward and Executive Compensation Information: [Part 170](#)
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: [Part 200](#)
- (Added) Never Contract with the Enemy: [Part 183](#)

The UG revisions will become effective on November 12, 2020.

Huron has identified and summarized the key updates from the UG revisions that will likely have the greatest impact on your institution:

<p>Changes to Closeout Provisions (\$200.344)</p>	<p>The number of days for recipients to submit closeout reports and liquidate all financial obligations increased from 90 days to 120 days.</p> <ul style="list-style-type: none"> • Recipients must still reconcile subawards and submit final reports to Federal agencies within the same 90-day period.
<p>Changes to the Procurement Standards to Better Target Areas of Greater Risk and Conform to Statutory Requirements (\$200.322)</p>	<p>The alignment of the UG to legislation related to procurement standards (i.e. NDAA 2017) is finalized, such that:</p> <ul style="list-style-type: none"> • Procurement types are grouped into three categories: (1) informal (micro-purchase, small purchase); (2) formal (sealed bids, proposals) and (3) Non-Competitive (sole source). • The guidance is revised to increase the micro-purchase threshold from \$3,500 to \$10,000 and the simplified acquisition threshold from \$150,000 to \$250,000. <p>The revisions outline a permanent process by which non-Federal entities may establish a micro purchase-level above the \$10,000 threshold based on certain conditions that include a requirement to maintain records for threshold up to \$50,000 and a formal approval process by the Federal government for threshold above \$50,000.</p>
<p>Responsibilities of the Pass-Through Entity (\$200.332)</p>	<p>Pass-through entities are responsible for addressing only those subrecipient audit findings that are specifically related to their subaward(s) to the subrecipient.</p>

<p>Prohibition on certain telecommunication and video surveillance services or equipment (§200.216)</p>	<p>Federal award recipients are prohibited from using government funds to enter into contracts (or extend or renew contracts) with entities that use covered telecommunications equipment or services, as identified in NDAA 2019 (e.g. Huawei, ZTE Corporation, subsidiaries or affiliates, etc.).</p> <ul style="list-style-type: none"> • This prohibition applies even if the contract is not intended to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services.
<p>Support for Domestic Preferences (§200.322)</p>	<p>Federal award recipients are encouraged, to the extent permitted by law, to maximize the use of goods, products, and materials produced in the United States when procuring goods and services under federal awards.</p> <ul style="list-style-type: none"> • This includes the requirement that such terms be flowed down to all contracts, subcontracts and purchase orders for work or products under the award.

HURON'S EXPERTISE

Huron has worked with more than 500 universities and research institutions, including the Top 100 public and private research universities. Our team has deep knowledge of federal regulations impacting sponsored projects and extramural funding, including Uniform Guidance, as well as policies issued by major funding agencies and emerging guidance in response to COVID-19.

If you are interested in better understanding the strength of your own practice in line with federal requirements, Huron's team of experts has developed a digital [Internal Controls Self-Assessment Guide](#) for institutions to evaluate current policies, procedures, and documentation standards against the guidelines and requirements outlined in the Uniform Guidance. This tool can serve as a proactive "Single Audit Readiness" evaluation tool to identify potential gaps and areas of risk. After conducting a self- assessment, Huron can further assist you with preparing your institution for the Single Audit and provide assistance with updating your institution's internal policy and procedure documentation.