

# The New Uniform Guidance: The Impact On Your Nonprofit Agency's Financial Management Practices – Part 1

Presented by:

Heidi Hull and Suheyla Lasky  
Grants Financial Management Division,  
Office on Violence Against Women (OVW)

***The Webinar will start soon!***

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Nonprofit Sustainability TA Project



# Acknowledgements

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*The opinions, findings, conclusions, and recommendations expressed in this program are those of the authors and do not necessarily reflect the views of the Department of Justice, Office on Violence Against Women.*

# ***About the Nonprofit Sustainability TA (NSTA) Project***

- The Nonprofit Sustainability Technical Assistance (NSTA) Project is a program of the National Resource Sharing Project (RSP) of IowaCASA in partnership with the National Network to End Domestic Violence (NNEDV)
- The NSTA Project provides web conferences, coaching calls, and technical assistance. If you need technical assistance (TA) on nonprofit management issues, please contact Ellen Yin-Wycoff at [ellen@iowacasa.org](mailto:ellen@iowacasa.org) or phone 515-505-2729

## **Upcoming Events:**

- **Thursday, March 12, 2015:** The New Uniform Guidance: The Impact on Your Nonprofit Agency's Financial Management Practices – Part 2
- Coaching Calls on the Uniform Guidance webinars will be scheduled in late March. Please indicate your interest in the online evaluation following today's webinar or email [ellen@iowacasa.org](mailto:ellen@iowacasa.org)



# How to Use This Technology

- You can listen to the audio through the Internet or call-in for audio at **1-866-866-2244, Code: 8529292#**
- If you are experiencing any technical difficulties, please call **iLinc Technical Support** at **800-799-4510**
- The Public Chat function has been disabled for this webinar. If you want to ask a question, **please use the Private Chat function to send your questions to the Leaders & Assistants in this webinar.**
- This PowerPoint presentation, as well as the webinar recording, will be emailed to you next week.
- At the end of this presentation, please complete the online evaluation that will be sent to you.

# Quick Polling Question

Which of the following best describes your role/position at your agency?

- A. Finance Staff (e.g., Accountant, bookkeeper, etc.)
- B. Executive Director/Program Director
- C. Administrative Staff
- D. Board member

*Be sure to submit your questions about the Uniform Guidance through the "Private chat" to the Leaders and Assistants during this webinar, so we can be sure to address them for you today or in a follow-up coaching call or email!*

# Speaker Introductions

Heidi Hull  
Suheyla Lasky

Grants Financial Management Division,  
Office on Violence Against Women (OVW)

# Learning Objectives

*From this webinar, participants will learn about:*

- The purpose and background of the new Uniform Guidance
- The effective dates and which OVW awards this will impact
- Highlighted changes and notable sections of the new guidance

# Background

## Various names for the guidance:

- **Uniform Guidance**
- Omni Circular
- Omni Guidance
- Super Circular
- Uniform Grant Guidance
- 2 CFR Part 200

*Link to new Uniform Guidance: <https://cfo.gov/cofar/>*



# Background

## **Purpose of the Uniform Guidance:**

- Reform and strengthen Federal grant management
- Ease administrative burden
- Reduce risk of waste, fraud, and abuse
- Streamline the Federal government's guidance on:
  - Administrative Requirements
  - Cost Principles
  - Audit Requirements

# Background

## **Consolidates and supersedes previous circulars:**

- Administrative Requirements: A-102, A-110
- Cost Principles: A-87, A-122, A-21
- Audit Requirements: A-133
- Catalog of Federal Domestic Assistance: A-89
- Audit Follow-up: A-50

***NOTE: Uniform Guidance → 2 CFR Part 200***

# Background

## Effective Dates:

- Awards issued **after December 26, 2014**
- Does **not** apply retroactively to existing awards
- **Exception:** Audit requirements effective for audits of Fiscal years beginning on or after December 26, 2014

# Uniform Guidance – Subparts

- **Subpart A: Acronyms and Definitions (200.00-200.99)**
  - Changes made to harmonize definitions between previous circulars
- **Subpart B: General Provisions (200.100-200.113)**
  - Effective dates, conflict of interest, mandatory disclosures, etc.
- **Subpart C: Pre-Award Requirements and Contents of Federal Awards (200.200-200.211)**
  - Risk assessment, award announcement, etc.
- **Subpart D: Post-Award Requirements (200.300-200.345)**
  - Financial/program management, procurement, monitoring/reporting, closeout, etc.
- **Subpart E: Cost Principles (200.400-200.475)**
  - Establishes standards for costs
- **Subpart F: Audit Requirements (200.500-200.521)**

# Uniform Guidance – Appendices

- **Appendix I:** Full Text of Notice of Funding Opportunity
- **Appendix II:** Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
- **Appendix III:** Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs)
- **Appendix IV:** Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations
- **Appendix V:** State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans

# Uniform Guidance – Appendices

- **Appendix VI:** Public Assistance Cost Allocation Plans
- **Appendix VII:** States and Local Government and Indian Tribe Indirect Cost Proposals
- **Appendix VIII:** Nonprofit Organizations Exempted from Subpart E – Cost Principles
- **Appendix IX:** Hospital Cost Principles
- **Appendix X:** Data Collection Form (Form SF-SAC)
- **Appendix XI:** Compliance Supplement

# General Provisions – Subpart B

## Provisions for Disclosures

- Recipient must disclose in writing:
  - Any potential conflict of interest
  - Violations of Federal criminal law affecting the award:
    - Fraud, bribery, gratuity violations
- Must pass through requirement to subrecipients
- Non-compliance may result in Suspension or Debarment

*NOTE: See sections 200.112-200.113*

# Quick Polling Question

If a recipient has documented Conflict of Interest policies for their organization, do they still need to disclose any potential Conflicts of Interest to OVW?

- A. Yes
- B. No

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# Pre-Award – Subpart C

## **Requirements for Notices of Funding Opportunities:**

- Post funding announcement on grants.gov
- Open for 30-60 days for competitive awards
  - Some circumstances may allow for less than 30 days
- Describe merit review process of proposals for competitive awards

## **Funding Agencies required to review risk posed by applicants**

*NOTE: See sections 200.203-200.205*

# Pre-Award – Subpart C

## Award Information

- Special Conditions may be added to award
  - May be based on assessed risk, previous failure to comply with requirements, past performance, etc.
  - Pass-through entity may impose specific conditions to subrecipients
- Required Information for all Federal Awards
  - Standardized list of required data elements
  - Required general terms and conditions
  - Requirement to make conditions publicly available

*NOTE: See sections 200.207 and 200.210*

# Post-Award – Subpart D

## **Standards for Financial & Program Management**

- Relate financial data to performance accomplishments of the award
- Financial Management Requirements
  - Written policies and procedures
  - Similar to A-110 requirements
- Effective Internal Controls
  - Comply with Federal regulations and award conditions
  - Safeguard Personally Identifiable Information

*NOTE: See sections 200.301-200.303*

# Post-Award – Subpart D

## **Standards for Financial & Program Management**

- Program Income (PI)
  - Anticipated PI included in application budget and approved in final budget uses addition method
  - PI not anticipated at the time of the award and included in approved budget follows deduction method (reduces award amount)
- Revisions of Budget and Program Plans
  - Several changes to previous requirements for budget revisions that require prior approval will be detailed in the revised DOJ Financial Guide

*NOTE: See sections 200.307 and 200.308*

# Quick Polling Question

When a recipient has generated and earned income from their Federal award that they did not anticipate at the time of award, the amount of Program Income earned will be added to their Total Project Amount.

- A. True
- B. False

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# Post-Award – Subpart D

## Procurement Standards

- Document organizational procedures
  - Reflect compliance with applicable Federal, State, local, and Tribal laws and regulations
  - Maintain written codes of conduct and policies to prevent conflicts of interest
- Follow Method of Procurement
  - Micro-purchase, small purchase, sealed bid procurement, competitive proposals, or sole source
- Sole Source threshold increase to \$150,000

*NOTE: See sections 200.317 and 200.326*

# Quick Polling Question

All procurement actions should maintain the following standards:

- Comply with the recipient's documented policies and procedures;
- Make necessary purchases;
- Obtain through open competition (to the greatest extent possible);
- Follow Conflict of Interest policies; and
- Maintain supporting documentation

- A. True
- B. False

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# Post-Award – Subpart D

## Subrecipient and Contractor Determinations

- **Subrecipient** characteristics may include:
  - Determines who is eligible to receive what Federal funding
  - Performance measured against award objectives
  - Responsibility for programmatic decision making
  - Adheres to applicable Federal program requirements
  - Uses Federal funds to carry out a program for a public purpose, as opposed to providing goods/services for the benefit of the pass-through entity

*NOTE: See section 200.330*



# Post-Award – Subpart D

## Subrecipient and Contractor Determinations

- **Contractor** characteristics may include:
  - Purpose to obtain goods and services
  - Provide goods and services within normal business operations and ancillary to the operation of the Federal program
  - Normally operates in a competitive environment
  - Not subject to compliance requirements of the Federal program as a result of the agreement

*NOTE: See section 200.330*

# Post-Award – Subpart D

## Subrecipient and Contractor Requirements

### Subrecipient Requirements

- MOU Partners are generally considered Subrecipients
- Procurement standards and sole source do not apply
- Funds received count towards meeting audit threshold
- Required to report subaward under FFATA
- Cannot earn profit – reimburse for actual costs, not fee for service
- Direct recipient's program requirements and conditions pass down to the subrecipient

### Contractor Requirements

- Must follow procurement standards
- Sole Source requirements apply
- Funds received do not count towards audit threshold
- Not required to report contract under FFATA
- Can earn normal profit
- Contract provisions required rather than terms and conditions of subaward

# Post-Award – Subpart D

## **Pass-through Entities are required to:**

- Clearly identify the agreement as a subaward and include all required information (200.331)
- Evaluate subrecipient's potential risk for non-compliance with Federal statutes, regulations, and award requirements, and add additional special conditions as needed
- Monitor activities, financial/performance reports, and audit compliance (as required in Subpart F)
- When necessary, take enforcement action for non-compliance

# Post-Award – Subpart D

## Closeout

- Within 90 days after the end of the award period:
  - Submit all financial, performance, and other required reports
  - Liquidate all obligations incurred during award period
- Federal agency and pass-through entity must complete all closeout actions for awards no later than one year after receipt and acceptance of all required financial reports

*NOTE: See section 200.343*

# Quick Polling Question

Is a pass-through entity required to evaluate its subrecipient's potential risk of non-compliance with Federal Statutes and regulations and monitor their subaward activities?

- A. Yes
- B. No

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# Thank You For Your Participation!

The next webinar titled:

The New Uniform Guidance: The Impact On Your Nonprofit Agency's Financial Management Practices – Part 2 is scheduled for

**Thursday, March 12, 2015**  
**2:00 – 3:30 EST, 1:00 pm – 2:30 CST,**  
**11:00 – 12:30 PST.**

A webinar announcement and registration info will be emailed to you. We will also email you a link to the recording of this webinar to you.

If you have any questions about this webinar or would like to participate in a small group coaching call, please email Ellen Yin-Wycoff at [ellen@iowacasa.org](mailto:ellen@iowacasa.org).