

Date: 10/1/2024

To: DGA listserv, OSPPI listserv, ADRs, Deans, Directors, and Chairs

MEMO subject: OMB Uniform Guidance Updates Effective 10/1/2024

The Office of Management and Budget (OMB) has updated the Uniform Guidance (UG), effective October 1, 2024. Referenced also as “2 CFR 200”, the Uniform Guidance establishes administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities (i.e., grants and cooperative agreements).

Key updates include changes to prior approval requests, updated cost principles, and modified audit requirements.

The guidance allows federal agencies to release their own implementation guidance in congruence with these changes, and not all agencies have released their guidance to date.

The Office of Sponsored Programs (OSP) is tracking and monitoring federal agency updates and implementation guidance and will release further details on impacts to current and proposed federally funded awards. For most changes to take effect, federal sponsors need to update their policies and agreement terms, and the University of Idaho will need to update internal policies and negotiated rate agreements. Certain sections of the guidance will only be effective if the State of Idaho also changes policies governing certain costing thresholds as well.

Our commitment is to keep you informed in two ways: through email notification sent through our listserv (subscribe [here](#)) and with posted updates and FAQs on our webpage [Sponsored Project Compliance: Policy and Procedural Guidance](#).

Below are some, but not all, revisions included in the update.

The Uniform Guidance revision summary is available in the [Federal Register](#) and the full redline is available [here](#).

Select Updates with Immediate Impact:

- There are several terms throughout the Uniform Guidance that have changed:
 - “Non-Federal entity” has been replaced with “recipient” and/or “subrecipient” to clarify that the Uniform Guidance terms also apply to subrecipients.
 - “Grants Agreements” has been replaced with “Federal Financial Assistance.”

- “Cost sharing” is used for both “cost sharing” and “matching.”
- “Indirect costs” is used in lieu of “facilities and administrative (F&A) costs.”
- The University of Idaho will be migrating our use of these terms to match these changes. Related policies, documents and webpages will be gradually updated.
- **De minimis rate subrecipients without a federally negotiated rate may budget their indirect costs up to 15% (instead of 10%) of modified total direct costs.**
 - On October 1, 2024, OSP can approve subrecipient budgets from entities without a Negotiated Indirect Cost Rate Agreement (NICRA), in proposals using the newly issued 15% de minimis rate (on a base of modified total direct costs).
 - Please note, subrecipients may elect to use a lower rate than 15% per the guidance.
 - This will not automatically apply to proposals submitted prior to October 1, 2024.
 - Some agency guidance and updated terms may allow supplemental and competing continuation funding on existing awards after 10/1/24 to utilize the updated de minimus rate. See the specific agency implementation guidance below or ask OSP if this applies.

Select Updates with Future Impact: (dependent on sponsor policy updates and award terms, University of Idaho internal policy revisions, rate agreement negotiations and/or state policies).

Do NOT include these in your budget currently.

- Equipment Threshold increased from equaling or exceeding \$5000 to **\$10,000**.
 - *University of Idaho will not implement this change until after our next Negotiated Indirect Cost Rate Agreement (NICRA) is approved and only if State equipment classification thresholds are updated.*
- Definition of Modified Direct Total Costs (MTDC) threshold to allow for indirect cost recovery for each subaward to increase from \$25,000 to \$50,000.

Continue to prepare your budgets with a subaward threshold of \$25,000.

The University of Idaho is not authorized to implement this change until we have an updated Negotiated Indirect Cost Rate Agreement (NICRA) reflecting an updated threshold.

- Prior approval requirements are changing or being eliminated:
 - This does NOT mean the rules determining allowability and documentation change. Until further communicated by OSP, please continue to submit prior approval requests as currently advised or referenced in award documents, sponsor resources or policy, and the university [APM](#). Our Post Award team will be monitoring federal sponsor changes and if your prior approval request is not necessary, we will reply with an internal response.
 - If you have a National Science Foundation (NSF) funded award, please refer to their updated policies and award terms regarding prior approvals but note that prior policies remain in effect for awards issued or effective prior to 10/1/24. [NSF Policy Office](#)
- Participant Support Cost Definition updated in 200.1.
 - Some federal sponsors (such as NSF) are implementing this new definition to include items such as ‘temporary dependent care’ effective 10/1/24 for new funding.
 - UI is working to update policies to match these new standards.
- Single Audit Threshold raised from \$750,000 to \$1,000,000. The threshold for determining whether a single audit or program-specific audit is required for a non-Federal entity that expends federal funds during the non-Federal entity’s fiscal year was raised from \$750,000 to \$1 million.
 - Please note: this change will go into effect differently for each non-Federal entity due to differences in fiscal year calendars and expenditure schedules.

FAQS:

What does this mean for currently funded projects (those funded prior to 10/1/24)? No budget changes/updates are necessary. Current (prior to 10/1/24) policy guidelines, award terms and conditions apply. Sponsors may issue updated terms and conditions for your project via an amendment. Please pay close attention to any award amendments issued. We will carefully review award terms and conditions with each funding renewal and communicate those changes to the award team if budget or administration updates are necessary.

What if my award receives renewed funding annually? Due to the varied ways federal sponsors may incorporate these updates, we will carefully review award terms and conditions with each funding renewal and communicate those changes to the award team if budget or administration updates are necessary. Competitive new funding, including some supplemental and continuation requests, may be subject to these updated terms – the funding announcement or amendment should specify.

What if my proposal just received a notice of award and the period of performance begins after 10/1/2024? The project budget and scope of work will proceed as approved. Our Post Award team will be reviewing terms and conditions carefully and will be communicating any changes to budget or award administration, as necessary.

What if I have a proposal already submitted in VERAS? Do I need to update the budget or scope of work? We anticipate there may be changes to allowable direct costs, including those associated with participant support, data and evaluation related activities, and community engagement activities. *As specific guidance is published by federal sponsors,* we will share those with PIs and DGAs. The responsibility to review proposal budget is assigned to the Project PI. If changes are needed to align with updated guidance from the proposal sponsor, please contact your SPA or submit a ticket.

What if I am currently working on a proposal but have not submitted it yet to VERAS? We encourage you to submit your proposal in VERAS as soon as possible to allow adequate time to work with pre-award team on any needed changes. We also encourage you to continue to review updated information from your specific federal sponsor. Our Pre-Award and Cost Accounting teams are a resource for you and can help answer questions related to updated budget implications. Please email us at preaward@uidaho.edu or osp-cost@uidaho.edu. Policy and process updates will be published by OSP as agency implementation guidance becomes available and we will share these items with the listservs.

Will these updates apply to our subrecipients? If the award has a period of performance date on or after October 1, 2024, our subrecipients are required to adhere to the award terms and conditions and applicable Uniform Guidance links sponsors provide in final award documents. Subrecipients without a Negotiated Indirect Cost Rate Agreement are allowed to use a de minimis indirect rate up to 15% of modified total direct costs for awards beginning on or after October 1, 2024. Please note that any awards receiving an amendment that include a subrecipient must submit a ticket to amend the subaward as well.

We recognize there will continue to be newly released updates, award communications from sponsors, learned best practices from other institutions and information received in webinars and other trainings. If you are unsure about how an update may affect your proposal or award, please email us at osp@uidaho.edu.

Sincerely,
Sarah Martonick
Director, Sponsored Programs

Below are some, but not all, agency specific resources for your reference.

Sponsor Specific Information

- National Science Foundation (NSF)
 - Prior Approval Matrix will be archived effective October 1, 2024. For all awards with a period of performance beginning or after October 1, 2024, refer to the new Prior Approval Matrix ([oct24.pdf \(nsf.gov\)](#))
 - *This applies to NSF only - No additional agencies will be listed on the new prior approval matrix.*
 - Research Terms and Conditions being archived effective October 1, 2024
 - Grant General Conditions (GC-1) will be updated effective October 1, 2024 [oct24.pdf \(nsf.gov\)](#)
 - CA-FATC will be updated effective October 1, 2024 [cafatc_1024.pdf \(nsf.gov\)](#)
 - SBIR/STTR Grant General Conditions [sbiri_1024.pdf \(nsf.gov\)](#)
 - Special Conditions FL 26 updated effective October 1, 2024 [fl26_1024.pdf \(nsf.gov\)](#)
- EPA
 - [Introduction to Regulations, Policies and Guidance for EPA Grants | US EPA](#)
 - [What's New in the Uniform Grants Guidance 2024 Revision to 2 CFR 200 | US EPA](#)
- NASA
 - [gn-24-01-nasa-grant-policy-update.pdf](#)
 - To streamline and simplify NASA-specific grant policy, the agency will release a revised edition of the NASA Grant and Cooperative Agreement Manual (GCAM) on October 1, 2024. The revised GCAM will combine the current Grant and Cooperative Agreement Manual (GCAM) and the Proposer's Guide into a single, consolidated document.

- The disclosure requirements outlined in NASA’s policy will apply to new awards and funded amendments issued on or after October 1, 2024. If a proposal is submitted to NASA prior to October 1 and results in an award issued on or after October 1, then the NASA Shared Services Center will contact applicants for copies of the biographical sketch and current and pending (other) support forms. NASA will soon be placing the forms on its Grants Policy and Compliance website for download. [Grants Policy and Compliance Team - NASA](#)
- US Department of Education
 - [faqs-uniform-guidance.pdf \(ed.gov\)](#)

Additional Resources:

- **Council on Government Relations:** [2 CFR 200 \(Uniform Guidance\): COGR Publications & Guidance Documents | Council on Governmental Relations](#)
 - [COGR Matrix of Federal Agency Adoption and Implementation of 2 CFR](#)