

OHIO AUDITOR OF STATE
KEITH FABER

2024 Revisions to the
Uniform Guidance

2025 Local Government Officials Conference

Presented By:
Amanda Stidham, CPA, CFE
Single Audit Coordinator

March 27, 2025

Efficient • Effective • Transparent

1

1

Agenda

Background

2024 Revisions to the Uniform Guidance

Effective Dates

Preparing for the 2024 Revisions

Efficient • Effective • Transparent

2

2

Background

Efficient • Effective • Transparent

3

3

What is the Uniform Guidance (UG)?

Establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards.

Efficient • Effective • Transparent

4

4

What is the Uniform Guidance (UG)?

Federal agencies must adopt the UG.

UG adoption may be achieved by:

- Giving regulatory effect to the UG as a whole or
- Making changes to UG language within the agency codification by adding specific requirements/exceptions or by editing/modifying existing language.

Efficient • Effective • Transparent

5

5

Sources of Compliance Requirements

Uniform
Guidance

Federal Agency
Adoption of
the UG

Other Federal
Agency
Guidance

Pass-Through
Agency
Guidance

Etc.

Efficient • Effective • Transparent

6

6

2024 Revisions to the Uniform Guidance

Efficient • Effective • Transparent

7

7

2024 Revisions to the Uniform Guidance

OMB Published Revised
Uniform Guidance in April
2024

Updates Impact Several
Parts of Title 2 of the Code
of Federal Regulations

- 2 CFR Part 180
- 2 CFR Part 184
- 2 CFR Part 200

Efficient • Effective • Transparent

8

8

Sweeping Updates

Throughout the UG

Plain Language Updates

“Recipient” and/or
“Subrecipient” Instead
of “Non-Federal Entity”

Efficient • Effective • Transparent

9

9

Questioned Costs

Definition {

- Clarified to promote consistent application.
- Provided examples of what a questioned cost is / is not.
- Added definitions of known and likely questioned costs.

2 CFR 200.1

Efficient • Effective • Transparent

10

10

Mandatory Disclosures

An applicant, recipient, or subrecipient of a Federal award must promptly disclose whenever, in connection with the Federal award, it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act.

The disclosure must be made in writing to the Federal agency, the agency's Office of Inspector General, and pass-through entity (if applicable).

Recipients and subrecipients are also required to report matters related to recipient integrity and performance in accordance with Appendix XII of this part.

2 CFR 200.113

Efficient • Effective • Transparent

11

11

Whistleblower Protections

Recipients and subrecipients required to provide whistleblower protections to employees.

Required to inform employees in writing of whistleblower rights and protections.

2 CFR 200.217

Efficient • Effective • Transparent

12

12

Internal Controls

Must establish, **document**, and maintain effective internal control over the Federal award...

Must take reasonable **cybersecurity and other** measures to safeguard information including personally identifiable information and **other types of information**...

2 CFR 200.303

Efficient • Effective • Transparent

13

13

Cost Sharing Versus Matching

Clarified that matching is a type of cost sharing.

2 CFR 200.1

Efficient • Effective • Transparent

14

14

Equipment

Equipment Threshold

- Increased minimum threshold from \$5,000 to \$10,000.
- Lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes or \$10,000.

2 CFR 200.1

Efficient • Effective • Transparent

15

15

Equipment

Disposition

- Equipment with a current fair market value of \$10,000 or less (per unit) may be retained, sold, or otherwise disposed of with no further responsibility to the Federal agency or pass-through entity.

Conditional Title

- Means a clear title is withheld by the Federal agency until conditions and requirements specified in the terms and conditions of a Federal award have been fulfilled.

2 CFR 200.313

Efficient • Effective • Transparent

16

16

Supplies

Supplies Threshold

- Increased minimum threshold from \$5,000 to \$10,000.
- Lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes or \$10,000.

2 CFR 200.1

Efficient • Effective • Transparent

17

17

Supplies

Disposition

- Residual inventory exceeding \$10,000 in aggregate value of unused supplies at the end of the period of performance may be retained or sold.
- Unused supplies means supplies in new condition, not having been used or opened before.
- Aggregate value consists of all supply types, not just like-item supplies.

2 CFR 200.314

Efficient • Effective • Transparent

18

18

Procurement: Competition

Removed prohibition on statutorily or administratively imposed state, local, or tribal geographic preferences in the evaluation of bids or proposals.

Recipients may reward bidders that commit to specific numbers and types of US jobs, minimum compensation, benefits, on the job training, and other worker protections.

2 CFR 200.319

Efficient • Effective • Transparent

19

19

Procurement Methods

Updated terminology: “Small Purchases” are now called “Simplified Acquisitions.”

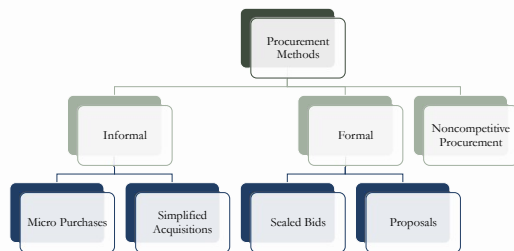
2 CFR 200.320

Efficient • Effective • Transparent

20

20

Procurement Methods



2 CFR 200.320

Efficient • Effective • Transparent

21

21

Procurement Methods

Simplified Acquisitions require price or rate quotations from an adequate number of qualified sources.

Clarified that the recipient or subrecipient may exercise judgement in determining what number is adequate.

2 CFR 200.320

Efficient • Effective • Transparent

22

22

Subrecipient and Contractor Determinations

Clarified that the pass-through entity is responsible for determining whether the entity receiving Federal funds is a subrecipient or contractor.

2 CFR 200.331

Efficient • Effective • Transparent

23

23

Requirements for Pass-Through Entities

Pass-through entities must verify subrecipients are not suspended, debarred, or otherwise excluded.


2 CFR 200.332(a)

Efficient • Effective • Transparent

24

24

Prior Written Approval



Removed items of cost that do not require prior approval.

Removed items of cost for which prior approval was not required for allowability.

2 CFR 200.407

Efficient • Effective • Transparent

25

25

Prior Written Approval

Removed

- 200.201 Changes in principal investigator, project leader, project partner or scope of effort
- 200.311 Real property
- 200.313 Equipment
- 200.413 Direct costs
- 200.438 Entertainment costs
- 200.454 Memberships, subscriptions, and professional activity costs
- 200.456 Participant support costs
- 200.467 Selling and marketing costs
- 200.470 Taxes

2 CFR 200.407

Efficient • Effective • Transparent

26

26

De Minimis Indirect Cost Rate

De Minimis Indirect Cost Rate

- Increased from 10% to 15% of Modified Total Direct Costs.
- May apply rates below 15% at discretion of recipient/subrecipient.
- Federal agencies and pass-through entities may not require the use of a de minimis rate below 15% unless required by statute.
- De minimis indirect cost rate not applied to cost-reimbursement contracts issued directly by Federal government.

2 CFR 200.414

Efficient • Effective • Transparent

27

27

De Minimis Indirect Cost Rate

Modified Total Direct Costs (MTDC)

- Includes first \$50,000 of each subaward (previously \$25,000).

2 CFR 200.1

Efficient • Effective • Transparent

28

28

Negotiated Indirect Cost Rate

Pass-through entities must accept all federally negotiated indirect cost rates for subrecipients.

Recipients or subrecipients may notify OMB of disputes with Federal agencies regarding application of a negotiated indirect cost rate.

Recipients and subrecipients are not required to use the de minimis rate, they may choose to receive a negotiated rate.

2 CFR 200.414

Efficient • Effective • Transparent

29

29

Required Certification

Subrecipients must certify to the pass-through entity whenever applying for funds, requesting payment, and submitting financial reports:

“I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.”

2 CFR 200.415(b)

Efficient • Effective • Transparent

30

30

Interagency Service

Increased standard indirect cost rate from 10% to 15% of direct salaries and wages for providing the service.

2 CFR 200.417

Efficient • Effective • Transparent

31

31

Cost Principles: Selected Items of Cost

Clarification: List is not comprehensive.

Minor clarifications throughout this section.

2 CFR 200.420-476

Efficient • Effective • Transparent

32

32

Cost Principles: Selected Items of Cost

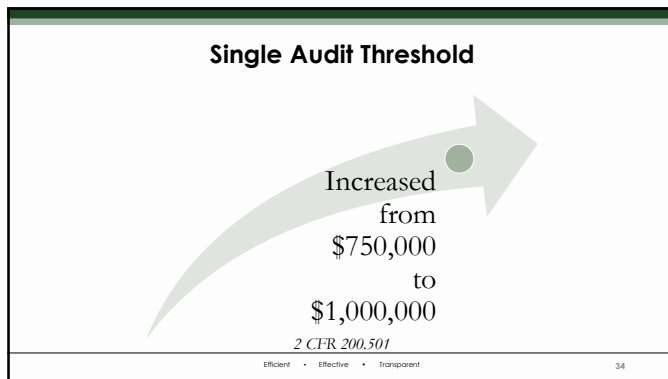
Payments for unfunded pension / post retirement health plan (PRHP) costs must be charged in accordance with the allocation principles of this subpart. Specifically, the recipient or subrecipient may not charge unfunded pension / PRHP costs directly to a Federal award if those unfunded pension / PRHP costs are not allocable to that award.

2 CFR 200.431(g)(6)(iv) and .431(h)(5)

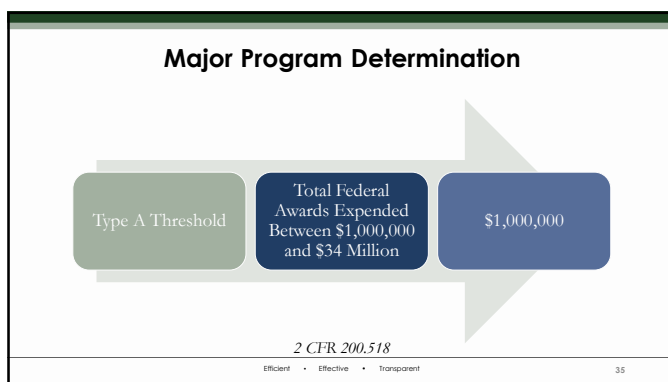
Efficient • Effective • Transparent

33

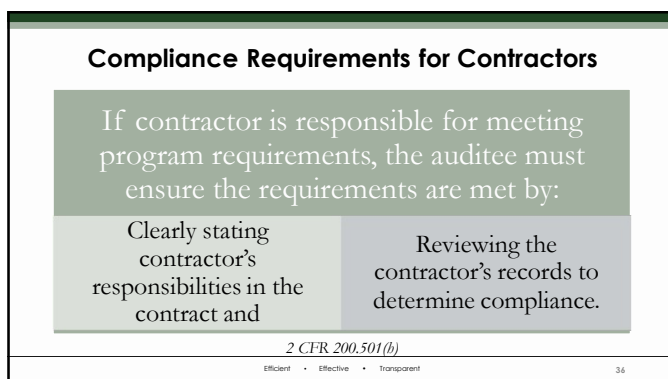
33



34



35



36

Report Submission

The cognizant agency for audit or oversight agency for audit may authorize an extension of the filing deadline when the nine-month timeframe would place an undue burden on the auditee.

2 CFR 200.512(a)

Efficient • Effective • Transparent

37

37

Standards and Scope of Audit

Auditor must determine whether the auditee's financial statements are presented fairly in all material respects in accordance with generally accepted accounting principles (or a special purpose framework such as cash, modified cash, or regulatory as required by State law).

- OCBOA and/or Regulatory basis of accounting are not **required** by Ohio law.

2 CFR 200.514(b)

Efficient • Effective • Transparent

38

38

Standards and Scope of Audit

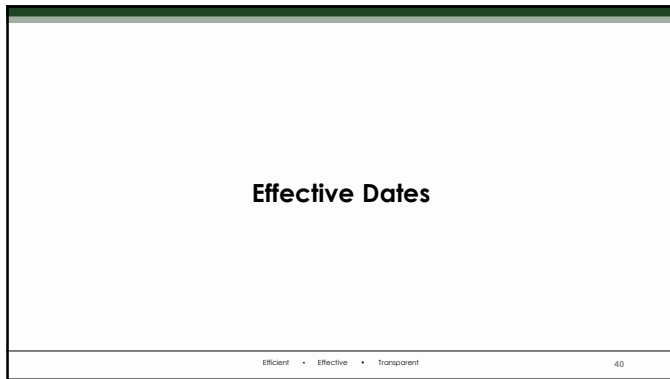
Auditor must follow up on prior audit findings, regardless of whether a prior audit finding is related to a major program in the current year.

2 CFR 200.514(c)

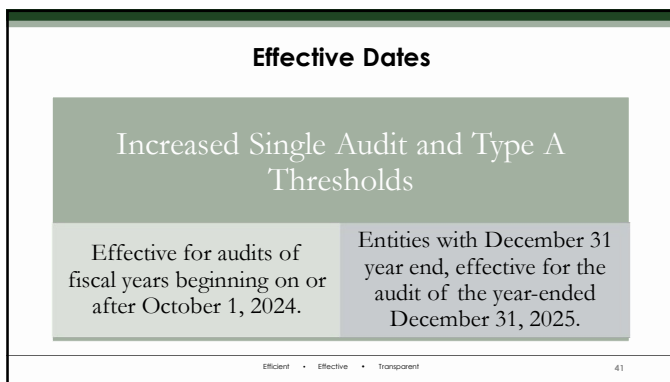
Efficient • Effective • Transparent

39

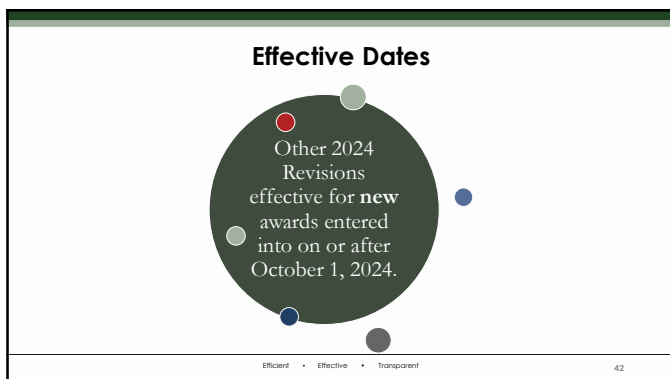
39



40



41



42

Effective Dates

Notices of Funding Opportunity (NOFO) issued prior to October 1, 2024, which result in awards issued on or after October 1, 2024.

- 2024 Revisions will apply in most circumstances; however, the Federal agency should provide clear direction to applicants.

Efficient • Effective • Transparent

43

43

Effective Dates

Existing awards (issued prior to October 1, 2024):

Federal agencies encouraged to apply 2024 Revisions to amendments entered on or after October 1, 2024, and existing awards that will extend into fiscal year 2025.

Expectation is that amendments explicitly state the 2024 Revisions apply and be executed by the Federal agency / pass-through entity and recipient.

2024 Revisions will apply prospectively to activities on or after the amendment date.

Efficient • Effective • Transparent

44

44

Effective Dates

Subawards

- When a Federal agency amends an existing award to apply 2024 Revisions, the pass-through entity **must amend** subawards issued under that award.
- If the Federal agency has not applied the 2024 Revisions, the pass-through entity **must not** apply the 2024 Revisions to subawards (even if subaward is executed on or after October 1, 2024).

Efficient • Effective • Transparent

45

45

Effective Dates

Subawards

- Subrecipients **must** communicate with the pass-through entity to determine whether the 2024 Revisions apply.

Efficient • Effective • Transparent

46

46

Effective Dates

Award Details	What UG applies? *
New direct federal award issued on or after October 1, 2024, with no reference to UG	2024 Revisions
Amendment to existing direct federal award issued on or after October 1, 2024, that explicitly states 2024 UG Revisions apply	2024 Revisions
Amendment to existing direct federal award issued on or after October 1, 2024, with no reference to new UG	Assume the prior UG if the amendment does <u>not</u> explicitly state 2024 Revisions apply.
Existing direct federal award issued prior to October 1, 2024, with no amendments issued on or after October 1, 2024	Assume the prior UG if the amendment does <u>not</u> explicitly state 2024 Revisions apply.
Same as prior item, but the agreement's terms and conditions contain a link to the federal agency's standard terms and conditions, which have been revised to state the 2024 Revisions apply	Recommend discussing the applicability of the 2024 Revisions with the federal awarding agency.

Source: AICPA's Government Auditing Quality Center (GAQC)

Efficient • Effective • Transparent

47

*Information provided is the AICPA's interpretation based on the Council of Federal Financial Assistance (COFFA) guidance and conversations with OMB staff. When in doubt contact the appropriate federal awarding agency for guidance.

47

Effective Dates

Award Details	What UG applies? *
Same as prior item but the federal agency only issues broad guidance on its Web site saying that "all awards" are to apply the new UG	Recommend discussing the applicability of the 2024 Revisions with the federal awarding agency.
New federal subaward issued by PTE on or after October 1, 2024	Depends. PTE must tell subrecipient what UG applies based on its direct federal award.
Existing federal subaward issued by PTE prior to October 1, 2024.	Depends on whether the PTE's direct federal award has been amended to apply the new UG. Per the COFFA guidance, the PTE must amend the subaward when a federal agency amends an existing award to apply 2024 Revisions.

Source: AICPA's Government Auditing Quality Center (GAQC)

Efficient • Effective • Transparent

48

*Information provided is the AICPA's interpretation based on the Council of Federal Financial Assistance (COFFA) guidance and conversations with OMB staff. When in doubt contact the appropriate federal awarding agency for guidance.

48

Effective Dates

Recipients and subrecipients will have grants under both the prior Uniform Guidance and the 2024 Revisions over the next several years.



Recipients and subrecipients **must** track the requirements applicable to each award!

Efficient • Effective • Transparent 49

49

Effective Dates: De Minimis Indirect Cost Rate

Recipients may elect to use the new 15% de minimis indirect cost rate for any award executed on or after October 1, 2024.

All federal agencies must honor the new de minimis rate after this date unless a different rate is required by law or otherwise allowed by 2 CFR part 200.

Efficient • Effective • Transparent 50

50

Effective Dates: De Minimis Indirect Cost Rate

Federal agencies may allow a recipient to apply the 15% de minimis rate to an existing award if the agency determines there are sufficient funds to support the increased rate.

- Increased rate applies only to costs incurred after the effective date of the amendment to implement the increased rate.
- Increased rate may not retroactively apply to costs incurred prior to the effective date of the amendment.

Efficient • Effective • Transparent 51

51

Effective Dates: Negotiated Indirect Cost Rate



Negotiated Indirect Cost Rates (NICRA) negotiated prior to October 1, 2024 must continue to be honored by Federal agencies and recipients.

Cognizant agencies are encouraged to accommodate requests to renegotiate NICRAs which are in effect beyond October 1, 2025 for the new Modified Total Direct Cost base.

Efficient • Effective • Transparent

52

52

Preparing for the 2024 Revisions

Efficient • Effective • Transparent

53

53

Preparing for the 2024 Revisions Grant Recipients / Subrecipients

Review the 2024 Revisions and evaluate their impact on policies / procedures for Federal programs.

Revise policies, procedures, and internal controls, as necessary.

Gather and retain support for whether the 2024 Revisions apply to grant awards.

Efficient • Effective • Transparent

54

54

Preparing for the 2024 Revisions Grant Recipients / Subrecipients

Implement a system to separately track portions of grant awards subject to the 2024 Revisions if only a portion of certain awards is subject to the 2024 Revisions.

Remain alert for additional guidance from COFFA, OMB, the Auditor of State, etc.

Efficient • Effective • Transparent

55

55

Resources

Efficient • Effective • Transparent

56

56

eCFR

www.ecfr.gov



Code of Federal Regulations
A point in time eCFR system



eCFR

HEADER ADS

Welcome to the eCFR! Check out our *Getting Started* guide to make the most of the site.

Enter a search term or CFR reference (eg. fishing or 1 CFR 1.1)



Efficient • Effective • Transparent

57

57

eCFR
www.ecfr.gov

Table of Contents

- Table of Contents
- Details
- Print/PDF
- Display Options
- Subscribe
- Timeline
- Go to Date

ENHANCED CONTENT - GO TO DATE

View table of contents for this page.

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

Authority: 31 U.S.C. 503; 31 U.S.C. 6101-6106; 31 U.S.C. 6307; 31 U.S.C. 7501-7507.

Source: 89 FR 30136, Apr. 22, 2024, unless otherwise noted.

Subpart A—Acronyms and Definitions

ACRONYMS

\$ 200.0 Acronyms.

Go to Date

Date:

Compare Dates

Efficient • Effective • Transparent

58

eCFR
www.ecfr.gov

Code of Federal Regulations

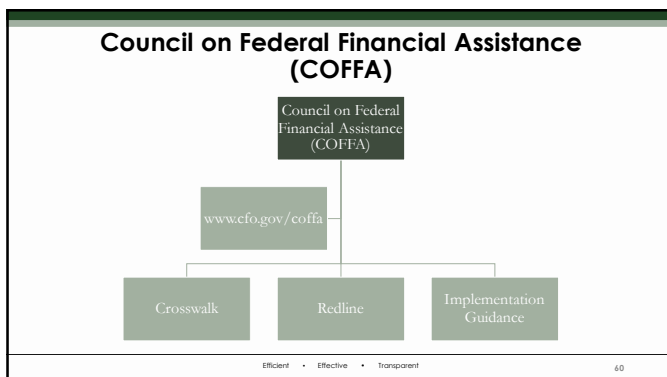
A point in time eCFR system

Title 2

Displaying the eCFR in effect on 8/01/2024


Efficient • Effective • Transparent

59



60

Council on Federal Financial Assistance (COFFA)



Welcome to COFFA.gov!
The link for Federal financial assistance and the Council on Federal Financial Assistance (COFFA) are available on the COFFA.gov website. This page provides information on the resources available to you.

[Read More](#)

Uniform Guidance: Title 2 of the Code of Federal Regulations

Overview

2024 Revisions & Resources

- Federal Register Notice
- Budget Guide
- 2024 Compliance 2024
- Implementation Memorandum 08-24-11 on revisions
- Federal Agency Implementation
- Reference Guides: Evaluation, Data, Contracts, Engagement, NFOs, Labor Budget Reduction

2023 Revisions & Resources

2022 Revisions & Resources

2021 Revisions & Resources

Efficient • Effective • Transparent

61

61

Auditor of State Website

www.ohioauditor.gov



Federal Program Resources

[Learn More](#)



Federal Resources

General Federal Resources
Guidance for Ohio governments who receive and expend Federal funding.

[Federal Resources](#)

Efficient • Effective • Transparent

62

62


Questions?

Efficient • Effective • Transparent

63

63

OHIO AUDITOR OF STATE
KEITH FABER



Amanda Stidham, CPA, CFE
Single Audit Coordinator
Center for Audit Excellence
AOSFederal@ohioauditor.gov

Efficient • Effective • Transparent

64
