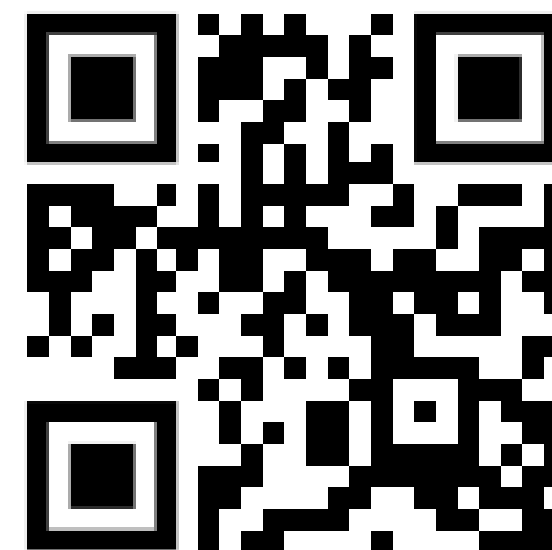


Uniform Guidance Revisions – Then, Now and When

October 23, 2025



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company/cogr](https://www.linkedin.com/company/cogr)

COGR Speakers:



Cindy Hope, Director, Costing and Financial Compliance



Krystal Toups, Director,
Contracts and Grants Administration

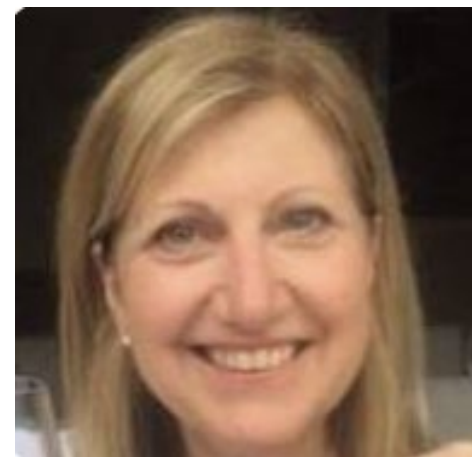
Our Panel:



Casey Erickson, Executive Director of Research Management and Compliance, University of Utah



Jeremy Forsberg, Associate Vice President for Research, University of Texas at Arlington
COGR Committee Chair, CFC



Vivian Holmes, Executive Director, Research Administration Services, Massachusetts Institute of Technology



Wendy Meister, Managing Director, Research, Huron

Agenda

- **Then – 2024 2 CFR 200 (Uniform Guidance/UG) Revisions**
- **Now – 2025 Draft Single Audit Compliance Supplement**
- **When? – Preparing for 2025 (or beyond) UG revisions**
 - **What do we know?**
 - **COGR Plans**
 - **Institution Plans**
 - **Continued advocacy for reimbursement of facilities costs and administrative costs allocable to federal awards**

**Then – UG revisions
effective October 1,
2024**

Reflections – One Year Ago “Today”

UG 2024

COGR's "Look" Series:

- [Fifth Look: Implementation and Readiness Guide for the OMB Guidance for Federal Financial Assistance \(September 20, 2024\)](#)
- [Fourth Look: COGR Proposes Technical Corrections and Comments for the OMB Guidance \(June 28, 2024\)](#)
- Third Look: COGR Meeting – Final OMB Guidance for Federal Financial Assistance, What's Next? (June 6, 2024, no slides/recording)
- [Second Look: Webinar on the Final OMB Guidance for Federal Financial Assistance \(May 15, 2024\)](#)
- [First Look: COGR Preliminary Assessment of Selected Items \(April 24, 2024\)](#)



10/1/2024 UG - Significant Changes

- Changes in October 1, 2024, version of UG (see [OMB 2 CFR 200 "Uniform Guidance" Resource Page](#)) included:
 - Fixed Amount Awards and Subawards
 - New Modified Total Direct Cost (MTDC) Thresholds
 - Subawards:
 - Agency notification for an added Subaward Condition
 - Prime Recipient to Negotiate IDC Rates with Subrecipient
 - Removal of Disclosure Statement requirement
 - Administrative closeout costs
 - Unused Leave Payout (resolved with 10/1 technical correction)

Now – 2025 Draft Single Audit Compliance Supplement

2025 Compliance Supplement - DRAFT

- Downloadable from the [AICPA website](#) with a free account
 - 2208 pages, including appendices
 - Part 3.1 pages 37-131 -- Part 3.2 pages 132-227

PART 3.1 COMPLIANCE REQUIREMENTS

COMPLIANCE REQUIREMENTS, AUDIT OBJECTIVES, AND SUGGESTED AUDIT PROCEDURES UNDER 2 CFR PART 200 BEFORE OCTOBER 1, 2024

The following are compliance requirements A through N for awards applying the version of 2 CFR Part 200 effective before October 1, 2024. Part 3.1 may apply to certain existing awards after October 1, 2024 if the agency did not amend the terms and conditions of those awards to apply the 2024 UG revisions. In addition, in some cases Part 3.1 may not apply to new awards made between June 21, 2024 and September 30, 2024, or existing awards amended during that period, if the agency elected to implement the 2024 UG revisions early. The compliance requirements applicable to awards applying the 2024 UG revisions are available in Part 3.2.

PART 3.2 – COMPLIANCE REQUIREMENTS

COMPLIANCE REQUIREMENTS, AUDIT OBJECTIVES, AND SUGGESTED AUDIT PROCEDURES FOR AWARDS UNDER 2 CFR PART 200 REVISIONS EFFECTIVE ON OR AFTER OCTOBER 1, 2024

The following are compliance requirements A through N for awards applying the version of 2 CFR Part 200 effective on or after October 1, 2024. Part 3.2 may apply prior to October 1, 2024 if the agency elected to implement this version of the Uniform Guidance earlier, as indicated in the terms and conditions of individual awards.

Also of particular importance, Part 5, Clusters of Programs – 5.2 Research and Development and 5.3 Student Financial Assistance

Part 3.2, Compliance Requirement- Significant Changes – Fixed Amount Awards

- Added text in **bold/underlined**:
- “**...the cost principles have limited applicability to fixed amount awards,**
The cost principles do not apply to other federal awards under which a recipient or subrecipient is not required to account to the federal agency or pass-through entity for actual costs incurred. (See 2 CFR 200.401(a)).”

Part 3.2, Compliance Requirement- Significant Changes – Fixed Amount Awards

Tables 1 and 2 below are also provided to further the understanding about the compliance requirements applicable to the prior UG and the 2024 UG revisions.

Table 1-Requirements Under the Uniform Guidance Prior to the 2024 Revisions.

Table 2-Requirements Under the 2024 UG Revisions

The following portions of 2 CFR Part 200:	Are applicable to the following types of federal awards and Fixed-Price Contracts and Subcontracts (except as noted in 2 CFR 200.101(d) and (e)):	Are NOT applicable to the following types of federal awards and Fixed-Price Contracts and Subcontracts:
Subpart A - Acronyms and Definitions	All	
Subpart B - General Provisions except for 200.111 English language, 200.112 Conflict of interest, 200.113 Mandatory disclosures	All	
200.111 English language, 200.112 Conflict of interest, and 200.113 Mandatory disclosures	Grant agreements and cooperative agreements	Agreements for loans, loan guarantees, interest subsidies, and insurance Procurement contracts awarded by federal agencies under the FAR subcontracts under those contracts

	<u>Grants and Cooperative Agreements</u>	<u>Fixed Amount Awards</u>	<u>Loans, Loan Guarantees, Interest Subsidies and Insurance</u>	<u>Cost-reimbursement contract under the FAR*</u>	<u>Fixed-price contract or subcontract under the FAR that are negotiated*</u>
<u>Subpart A</u>	<u>X</u>	<u>X</u>	<u>X</u>		<u>X</u>
<u>Subpart B – 200.1 – 200.110</u>	<u>X</u>	<u>X</u>	<u>X</u>		<u>X</u>
<u>Subpart B – 200.111 – 200.113</u>	<u>X</u>	<u>X</u>			
<u>Subpart C – 200.201 - 200.202</u>	<u>X</u>	<u>X</u>			
<u>Subpart C – 200.203</u>	<u>X</u>	<u>X</u>	<u>X</u>		

Part 3.2, Compliance Requirement- Significant Changes – Fixed Amount Awards

When activities are completed, unexpended funds are not considered profit

Allowable
Reasonable
Allocable
REMINDER -

§200.201 (b)(4) At end of award, certification includes “all expenditures were incurred in accordance with §200.403.”
(Factors affecting allowability of costs)

Table 2-Requirements Under the 2024 UG Revisions

	<u>Grants and Cooperative Agreements</u>	<u>Fixed Amount Awards</u>	<u>Loans, Loan Guarantees, Interest Subsidies and Insurance</u>	<u>Cost-reimbursement contract under the FAR*</u>	<u>Fixed-price contract or subcontract under the FAR that are</u>
<u>Subpart E – 200.400 (a) – (f)</u>	<u>X</u>			<u>X</u>	<u>X</u>
<u>Subpart E – 200.400 (g)</u>	<u>X</u>	<u>X</u>		<u>X</u>	<u>X</u>
<u>Subpart E – 200.401</u>	<u>X</u>			<u>X</u>	<u>X</u>
<u>Subpart E – 200.402 – 200.405</u>	<u>X</u>	<u>X</u>		<u>X</u>	<u>X</u>
<u>Subpart E – 200.406 – 200.407 (c)</u>	<u>X</u>			<u>X</u>	<u>X</u>
<u>Subpart E – 200.407 (d)</u>	<u>X</u>	<u>X</u>		<u>X</u>	<u>X</u>
<u>Subpart E – 200.407 (e) – 200.476</u>	<u>X</u>			<u>X</u>	<u>X</u>

Prior approval – required in 200.333 Fixed amount subawards

Part 3.1, For Awards NOT Subject to 10/1/24 UG – New Equipment Threshold

- Equipment and Subaward threshold increase was prospective but,
 - *OMB granted a limited exception to the equipment and unused supplies thresholds. ... Instead of using the previous equipment and unused supplies thresholds of \$5,000 ..., all recipients of both active and expired Federal awards, and subrecipients of both active and expired subawards, which applied the prior version of the Uniform Grants Guidance, may instead use the revised equipment thresholds of \$10,000 ... if permitted by the Federal agency that made the award. (federal agencies must approve use of the exceptions either by written notice or written approval responding to a request from a recipient)*
 - <https://www.coffa.gov/assets/files/2%20CFR%20Supplemental%20Information%201-30-25.pdf>

Part 3.2, Compliance Requirement- Significant Changes – New Equipment Threshold

- Added/revise text in **bold/underlined**:
- Equipment means tangible personal property, including information technology systems, having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes or **\$10,000** (2 CFR 200.1).
- A control system must be in place to ensure safeguards for preventing property loss, damage, or theft. Any loss, damage, or theft of equipment must be investigated. **The recipient or subrecipient must notify the federal agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.** (2 CFR 200.313(d)(3)).

Part 3.2, Compliance Requirement- Significant Changes – New Equipment Threshold

- Added/revise text in **bold/underlined**:
- ...If the federal agency or pass-through entity fails to provide requested disposition instructions within 120 days, items of equipment with a current fair market value in excess of **\$10,000** (per unit) may be retained or sold. However, the federal agency is entitled to the amount calculated by multiplying the percentage of the federal agency's contribution towards the original purchase by the current market value or proceeds from the sale. **If the equipment is sold, the federal agency or pass-through entity may permit the recipient or subrecipient to retain, from the Federal share, \$1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment. (2 CFR 200.313(e)).**

Not Mentioned in Compliance Supplement – New Conditional Title Requirement

- **§ 200.313 Equipment.**

(a) Title. Title to equipment acquired under the Federal award will vest upon acquisition in the recipient or subrecipient... must be a conditional title unless a Federal statute specifically authorizes the Federal agency to vest title in the recipient or subrecipient without further responsibility to the Federal Government (and the Federal agency elects to do so). ...a clear title is withheld ...until conditions and requirements specified in the ... Federal award have been fulfilled. Title ... is subject to the following conditions: (Which include (e) Disposition)

- **But does this apply to exempt equipment - § 200.312?**

c) Exempt property means property acquired under the Federal award where the Federal agency has chosen to vest title to the property to the recipient or subrecipient without further responsibility to the Federal Government. The Federal agency may only exercise this option when permitted by Federal statute and set forth in the ... of the Federal award.

...

Part 3.2, Compliance Requirement- Significant Changes – Subrecipient Monitoring

- Some changes, but nothing that appears significant
- No mention of the requirement to ensure the prime recipient has notified the federal sponsor if it has added a special term to a subaward.
- Not new but, a more specific suggested audit procedure:
 - Select a sample of subrecipient audits with audit findings and review the management decision to verify it was issued in compliance with 2 CFR 200.521(a), (d), and (e), and that the subrecipient takes timely and appropriate action on deficiencies detected through audits (2 CFR 200.332(e)(2).

Part 3.2, Compliance Requirement-Significant Changes – Indirect Cost

- Added text in **bold/underlined**. Removed text in ~~red/strikethrough~~:
- Indirect Cost Rate - **Where a non-Federal entity only receives funds as a subrecipient, the pass-through entity will be responsible for negotiating and/or monitoring the subrecipient's indirect costs.**
- Disclosure Statement (DS-2) –
 - Cost Principles for Institutions of Higher Education (IHEs)
 - Allowable Costs – Special Requirements – Cost Accounting Standards ~~and Disclosure Statements~~
 - Also removed language related to the previous 2 CFR 200.419 DS-2 requirement
 - Cost Principles for Nonprofit Organizations
 - FAR based requirement for DS-1 and Cost Accounting Standards
 - No change, and content may be helpful for IHEs with FAR based contracts

Part 3.2, Compliance Requirement- Significant Changes – Closeout Costs

- Added text in **bold/underlined**:
- **Per 2 CFR 200.403(h), administrative closeout costs may be incurred until the due date of the final report(s). If incurred, these costs must be liquidated prior to the due date of the final report(s) and charged to the final budget period of the award unless otherwise specified by the federal agency. All other costs must be incurred during the approved budget period. At its discretion, the federal agency is authorized, to waive prior written approvals to carry forward unobligated balances to subsequent budget periods. (2 CFR 200.308(g)(3)).**
- Termination **and standard closeout** costs - §200.472 - Allowable with restrictions

Part 3.2, Compliance Requirement- Significant Changes – Closeout Costs

- Added text in **bold/underlined**. Removed text in ~~red/strikethrough~~:
- Unless the federal agency ~~or pass-through entity~~ authorizes an extension, a ~~non-federal entity~~ **recipient** must liquidate all financial obligations incurred under the federal award not later than 120 calendar days after the ~~end date~~ conclusion of the period of performance ~~as specified in the terms and conditions of the federal award~~. **A subrecipient must liquidate all financial obligations incurred under a subaward no later than 90 calendar days after the conclusion of the period of performance of the subaward (or an earlier date as agreed upon by the pass-through entity and subrecipient). (2 CFR 200.344(c)).**

Part 3.2, Compliance Requirement- Significant Changes – Closeout Costs

- Added text in **bold/underlined**. Removed text in ~~red/strikethrough~~:
- When used in connection with a ~~non-federal entity's~~ **recipient or subrecipient's** utilization of funds under a federal award, “financial obligations” means orders placed for property and services, contracts and subawards made, and similar transactions ~~during a given period~~ that require payment by the ~~non-federal entity~~ **recipient or subrecipient** ~~during the same or a future period~~ **under a Federal award that will result in expenditures by a recipient or subrecipient under a Federal award.** (2 CFR 200.1).

Part 3.2, Compliance Requirement- Significant Changes – Closeout Costs

- Added text in **bold/underlined**. Removed text in ~~red/strikethrough~~:

Source of Governing Requirements

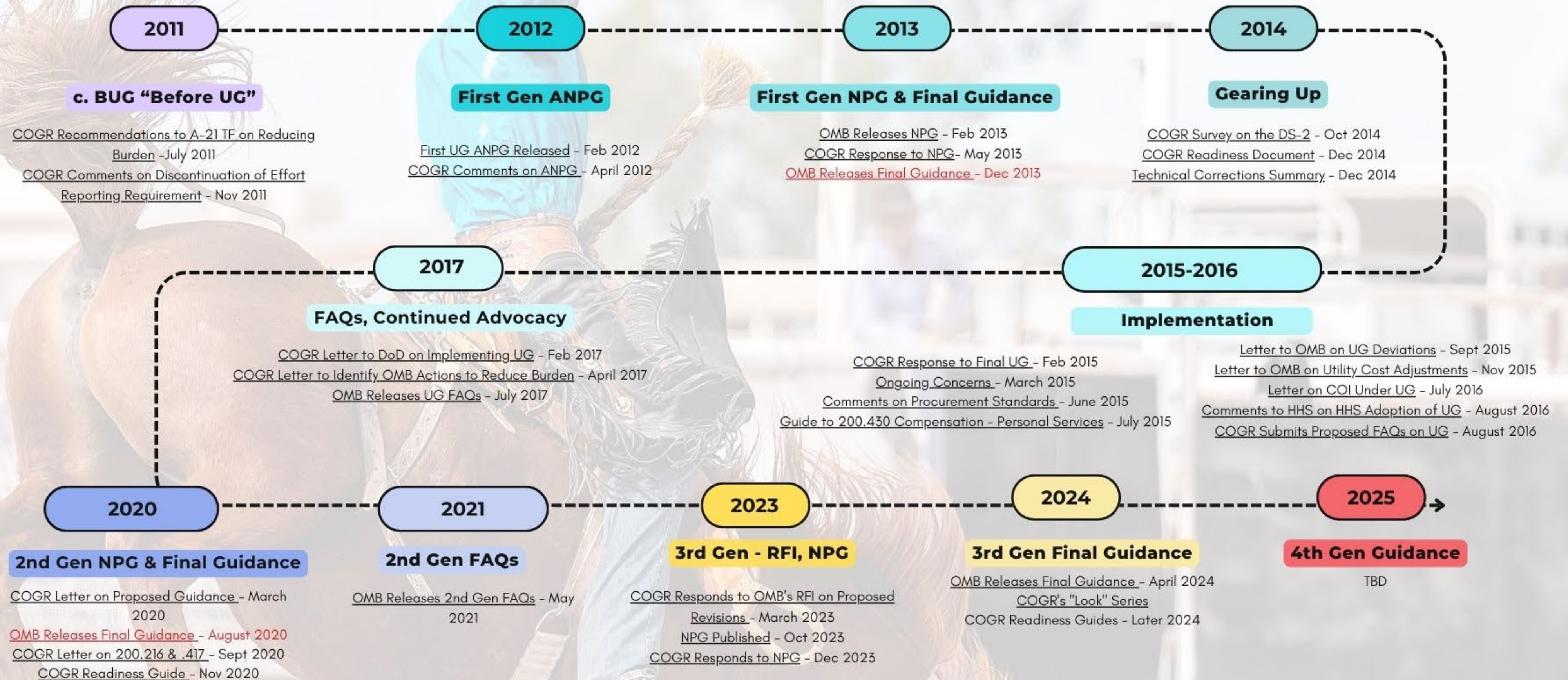
- The requirements for the period of performance are contained in 2 CFR 200.1 (definitions for “budget period,” “financial obligations,” and “period of performance”), 2 CFR 200.308 (revision of budget and program plans), 2 CFR 200.309 (modifications to period of performance), 2 CFR 200.344 (closeout), **2 CFR 200.403(h) (administrative closeout costs)**, program legislation, federal agency regulations, and the terms and conditions of the award.

Suggested Audit Procedures – Compliance

- For federal awards with performance period ending dates during the audit period, test transactions for costs recorded during the latter part and after the period of performance and verify that the costs, **excluding administrative closeout costs**, had been incurred within the period of performance.

When – What do we know?

OMB's Guidance for Federal Financial Assistance: Not COGR's First Rodeo



...and countless updates to the membership, COGR meeting sessions, listserv updates, ongoing conversations with OMB and implementing federal agencies, committee and workgroup discussions, etc.

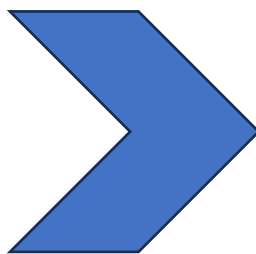
What is OMB Doing and When?

- UG Revisions very likely to include further limits to federal reimbursement of Indirect costs
 - Might see implementation of EO 14332 *Improving Oversight of Federal Grantmaking* (August 7, 2025) calling for IDC changes, termination for convenience, etc.
 - Might include other EOs and aspects of the administration's *Compact for Academic Excellence in Higher Education*
- When?
 - Shutdown timing is unpredictable
 - Do not know exactly where OMB was in the process
 - Might newer EOs and/or Compact also impact timing?

Status of Major Court Cases re. Research Funding

Cases on 15% Indirect Cost Cap

- **DOD Rate Cap** – [AAU v. DOD](#): The District Court held that it had subject matter jurisdiction over the case and granted summary judgement in favor of the plaintiffs. The District Court declared that the DOD's Rate Cap Policy was invalid, contrary to law, and arbitrary and capricious.
- **NSF Rate Cap**
 - [AAU v. NSF](#): Summary judgment in favor of plaintiffs vacating rate cap. Government appealed to 1st Circuit. The 1st Cir. voluntarily dismissed NSF's appeal per NSF's unopposed motion to dismiss.
 - [State of NY v. NSF](#): Court denied motion for Preliminary Injunction and held that it did not have subject matter jurisdiction over termination claims. Plaintiffs voluntarily dismissed their suit.
- **DOE Rate Cap** – AAU v. DOE: Court enters final judgment vacating DOE policy imposing 15% rate cap. Government appealed to 1st Cir. The parties filed a joint motion to stay the briefing schedule because of the gov. shutdown.
- **NIH Rate Cap**
 - [AAMC v. NIH](#)
 - [AAU v. NIH](#)
 - [Mass. v. NIH](#)



Cases consolidated. Final judgement entering Permanent Injunction on rate cap nationwide. Government has [appealed decision to 1st Circuit Court of Appeals](#). Oral arguments set for Nov. 5.

Reminder - Joint Associations Group (JAG) on Indirect Costs

- Formed in response to renewed attacks on federal reimbursement of indirect cost - limits to legal approach to blocking caps
- Ten national organization representing universities and other non-profit research organizations (AAU, APLU, AAMC, COGR...)
- Announced initiative, gathered SMEs, proposed models
 - Financial Accountability in Research (FAIR)

<https://linktr.ee/JAGTownHall>

COGR

FAIR Model – Status

- FAIR informed legislative approach of JAG organizations
 - Status of legislative approach to blocking caps
 - Update tomorrow at 9:45!
- It is a model
 - Non-negotiables are TBD
 - COGR continues to explore cost allocation strategies

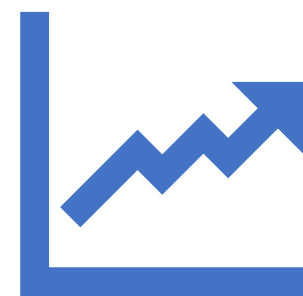


As a Reminder – FAIR Model Includes

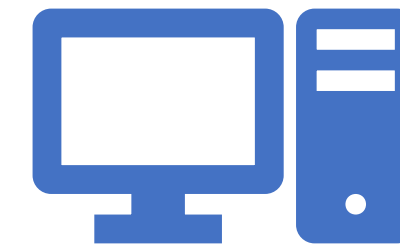
- **Research Performance Costs (RPC)** – Today’s “direct”
- **General Research Operations (GRO)** – 15% total cost
- and,
 - **Essential Research Performance Support (ERPS):**



Essential Research
Performance Facilities
(ERPF)



Regulatory Costs



Research Information and
Data Services (RIDS)



Award Management,
Oversight, and Reporting
(AMOR)

- **Simple Option** – 10% total cost for ERPF + RIDS and allowed to direct charge RC and AMOR
- **Detailed Option** – direct charge all ERPS costs

FAIR Model - Structure

To receive ERPS > 10% Total Cost -

- **Recharge Centers* for:**
 - **Simple Option – RC and/or AMOR**
 - **Detailed Option – RC, AMOR, and/or RIDS**
 - **ERPF – also need an allocation method (next slide)**
- **More precise cost allocation, but challenging**

***Is there another method for more precisely allocating?**

ERPF – Allocation Strategies - Considerations

- **Space Survey or other reasonable method required for facilities related costs**
 - **Current Simplified Method in 2 CFR 200 Appendix III?**
 - **Simplify room functionalization?**
 - **FTE or Salaries and Wages**
 - **Room type based rates**
 - **Complicate functionalization for more precise cost allocation?**
 - **Downside – very high cost for some research**
 - **Upside – more transparency**

FAIR Model - Application

Institution Changes Required:

- Systems
- Policies and procedures
- Accounting and budgeting (sponsored and non-sponsored)
- Culture
- Proposal and award oversight
- Audit environment, requirements, process, and cost

Federal Agency Changes – Innumerable?

All/most of above likely necessary for OMB model as well!

COGR Response to FAIR Model and/or OMB Model

- ***Explore Cost Allocation Strategies***
 - ***Refining ERPS Categories***
 - ***Assessing GRO vs ERPS***
 - ***Assessing NEW Cost Categories (e.g. CMMC)***
 - ***Keep advocating for practical solutions!***
- ***Keep advocating for reimbursement of research and research support costs!***
 - ***Upcoming paper finds (again) that University rates are not higher than industry, private university rates are not unexplainably (or consistently) higher than publics, and more.***

COGR Approach to UG Revisions 2025

- **Extension**
- **Analysis**
 - Potential Significant Issues to Address
 - F&A, Termination for Convenience, Fixed Amount Awards, ?????
 - **Other Areas to Address**
 - Appeals process for terminations
 - Unaddressed ideas/items from 2023-24
 - Actionable Ideas on Deregulation
- **Institutional Template Letters**
- **Workgroups**

Institutional Preparations for Unknown Changes

Which of the following is your institution considering in response to a potential decrease in federal funding of the direct and/or indirect cost of research? (check all that apply)

0

None, waiting until we know more (A) 0%

Modifying indirect cost reimbursement distribution policy/practice (B) 0%

Reducing funding for direct cost of research (e.g. institution funded R&D, cost sharing, (C) 0%

Reducing funding for indirect cost of research (e.g. administrative staff, research facility (D) 0%

Other budget cuts not specifically tied to research (E) 0%

Other (We'll ask you to write it in shortly) (F) 0%

I don't know. (G) 0%

If you answered "Other," to the last question, tell us what your institution is considering in response to a potential decrease in federal funding of the direct and/or indirect cost of research.

Nobody has responded yet.

Hang tight! Responses are coming in.

Reminder – No IDC changes are now in place or guaranteed to happen!

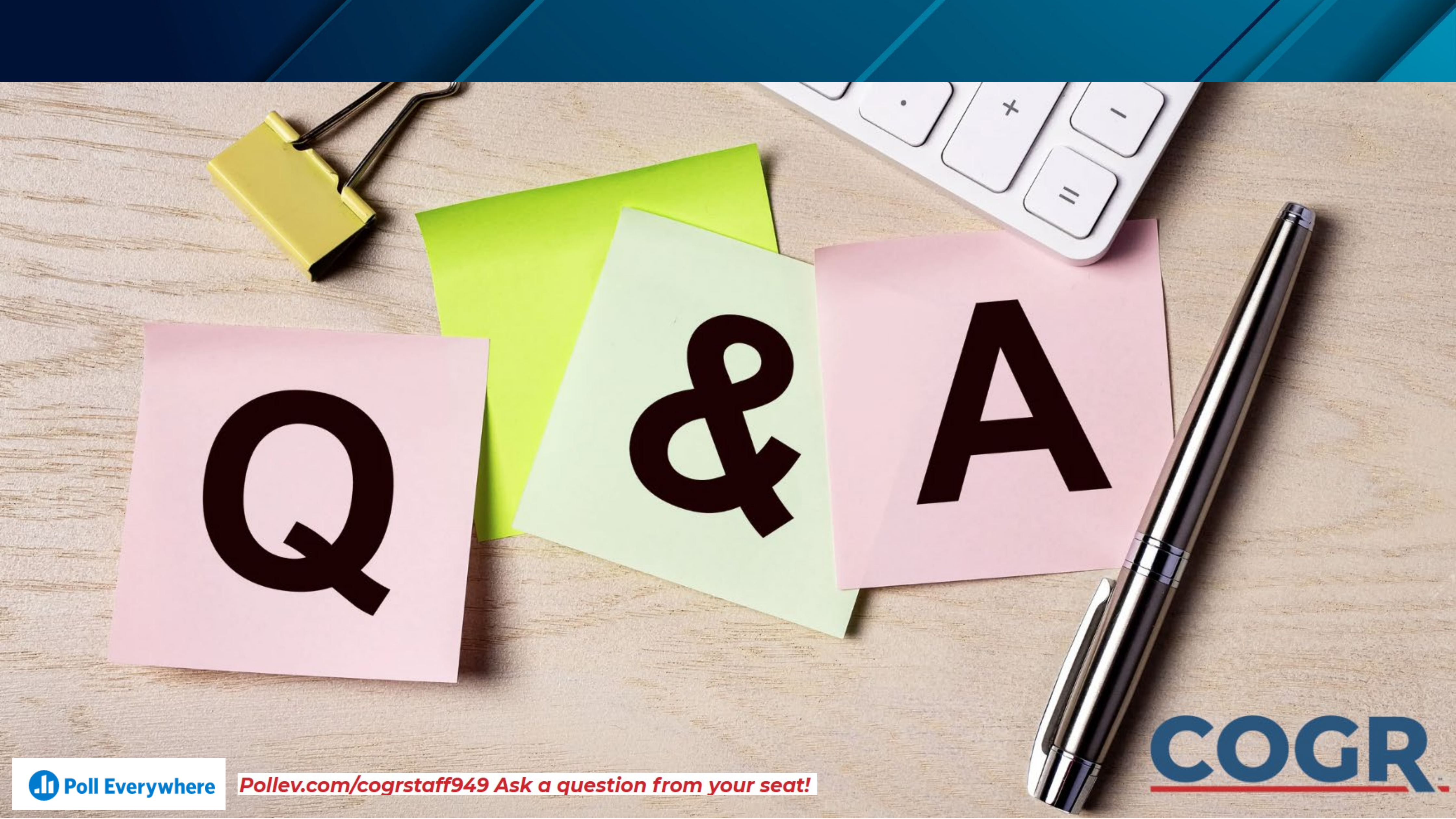
- What IS allowable NOW:
 - Make course release contingent on academic year salary savings, or otherwise charge all allocable faculty salary
 - Reduce/eliminate service center subsidies
 - Reduce/eliminate institution funded GA positions
 - Reduce/eliminate voluntary cost share
 - Direct charge more equipment
 - Direct charge new (since 1991) compliance (and other) costs
 - Other?

Considerations for the Panel:

- "I don't know" could be meaningful – this is a very sensitive topic!
- Based on the poll results, your institution, and your colleagues who have shared, what are institutions considering? (Please mention any pros/cons to consider)
 - Preparing for less IDC reimbursement? Preparing for less Direct Cost reimbursement?
 - Modifying indirect cost reimbursement distribution policy/practice
 - Reducing funding for direct cost of research (e.g. institution funded R&D, cost sharing, committed institutional support)
 - Reducing funding for indirect cost of research (e.g. administrative staff, research facility construction/renovation, equipment)
 - Other budget cuts not specifically tied to research

Considerations for the Panel:

- Based on the poll results, your institution, and your colleagues who have shared, what are institutions considering? (Please mention any pros/cons to consider)
 - System changes, including preaward (e.g. preparing for more direct charging of normally indirect)
 - More direct charging of normally direct cost (e.g. faculty academic year salary)
 - More direct charging of normally indirect cost (e.g. research compliance)
- Can Institution's safely "wait and see"?
 - Any risk of missing an opportunity?
 - What about if it is a base year, or just finished a base year?
 - Other NICRA scenarios – a continuum?
- What about fringe rates?



Q

&

A