

Date: September 17, 2024
Subject: OMB updated Uniform Guidance

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ELIZABETH: Good afternoon, everybody. We are going to give folks a few minutes to join as we stream in here. And we will go ahead and get started. Thanks, everyone for joining again, my name is Liz Carr, I currently serve as the tribal advisor here to the director at the Office of Management and Budget. We are glad you are here today joining today's listening session on the recently updated revisions to Title two of the code of federal Regulations otherwise known as CFR, as Part of the Biden administration to conduct regular meetings, as discussed in the January 26, 2021 presidential memorandum on tribal consultation and presidential memorandum on uniform standards for consultation with these to November 2022 we were excited we were able to back in March 2023 post revision to Title 2 of CFR, 2 CFR is OMB three requirements per federal Rules, the revision of this OMB guidance aims to produce administrative burden for nonfederal entities receiving federal awards and reducing the risk of abuse. The purpose of today's listening session is for OMB to provide an overview of the changes to the uniform guidance which we believe reduce burden, clarify existing requirements and provide additional flexibility to federal agencies and all financial assistance recipients. This will highlight many of the critical revisions OMB made to uniform guidance with a focus on the changes that relate to tribal governments, I will turn it over to Deidre Harrison the active control of Office of Management and Budget. She is responsible for overseeing the office of federal financial management diverse proposal. Which includes issuing governmentwide policies through OMB circulars, bulletin memos the uniform guidance and other issuance. So, I will turn it over to you.

DEIDRE: Hi, everyone. Thank you for prioritizing this conversation today I really do hope it is a conversation we are going to have lots of time for question and discussion at the end if we say anything confusing or you want us to talk about, please be ready to ask it at the end of the presentation today. In terms of our agenda, I will do a quick introduction what we set out to do almost two years ago and turn it over to my colleague Stephen Mackey to talk in detail about the changes we made as well as wrap up with a short conversation about implementation and next steps. Want to have robust conversation please keep track of the questions for discussion at the end of our presentation. Almost two years ago at this point, we here at OMB announced when plans to do a comprehensive update to the uniform grant guidance and we wanted to do that in an open and transparent way. In that time will me made the announcement, we said we had a couple of specific overarching goals for the first we wanted to re-write it to

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the maximum extent practicable in plain English and improve the document, it's slow addressing inconsistent terms. Originally the document was a compilation of more than a dozen prior articles and other forms of guidance we knew it was time to make it one comprehensive more consistent document. We wanted to review statutory requirements and take a landscape of other statutory requirements that may have crept up over time and update accordingly throughout the guidance document. The third major goal there were a number of sections many of you and others have flagged for OMB over the years where our agency partners were interpreting those sections differently, they were reading the same words and coming to different conclusions and coming to us a OMB to ask for help for more consistency. We wanted to address those sections and re-rank them to make sure there will be one consistent interpretation across the federal government. All three goals were Part and parcel of our fourth most important goal which is overarching to the entire effort which was is Liz mentioned, to identify how we could reduce agency recipient burden while maintaining sufficient and appropriate oversight. We knew we weren't going to get it entirely right so we went out a couple of times for public comment include a listening session with you all here, I will tell him you on the public at large definitely did not disappoint. We received thousands of comments over our 2-year period with an RFI, request for information as well as response to our draft we put out earlier this year. Those comments were very positive, but they were also very constructive and helped us to get it right. We want to thank you for that, and for coming here today. Steve is going to get into some of the specifics but most importantly I want you to know this will be an ongoing process. We know agencies affective tomorrow by and large will be issuing all of their awards that start tomorrow and later consistent with these guidelines but there is more work to be done. Steve will go into specific changes, but if you really need additional information one place to go check out sooner rather than later, you will see a link to go to the 2024 revision and that are a variety of supporting materials including a redline and an explanation for each change in additional implementation guidance COFFA put out. I will turn it over to Steve and look forward to hearing your questions and discussions.

STEVE: Thanks, good afternoon, everybody. I want to thank Deidre Harrison, it's been instrumental getting us to this end state which first we are celebrating tomorrow with the effective date of the uniform guidance. As Deirdre mentioned we want to make sure this is a conversation, want to say at the outset on COPPA you will find a spreadsheet with every change impacted in some way with the language as it was before and after and then a brief description of the change that is ultimately a great resource for going through changes and we tried to flag which were policy changes which were points of clarification and other types of changes. What I'm going to do today is highlight some of the key ones that we are lifting up by no means is a comprehensive of everything we did, want to leave plenty of time for discussion. At the outset, I am sure you are intimately familiar with 2 CFR but I thought this would be helpful to ground us in our conversation as we move forward today. Outlining the structure of 2 CFR, there are two chapters, chapter one has parts 25 to 184, this is OMB guidance but there really associated more with statutory requirements. So, recording civil wars, is linked to the

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federal funded transparency and accountability act, trafficking person went to a statute associated with that as well and a goes down the list. We made revisions to these sections mostly to clarify and provided examples of that and for the most Part the key changes in terms of guidance policy changes threshold increases, et cetera, are in chapter 2 which you can see in the second column which is what referred to his uniform guidance that is administrative requirements and other requirements. I would say roughly 80 percent of the changes are in chapter two. We did do general changes throughout wanted to highlight. They are specific to terminology throughout. We change any reference to grants and agreements to federal financial assistance broadly that includes the title, Title two will read federal financial assistance. That is not the applicability of the guidance, there are grants of cooperative agreements, loans, insurance and other type of financial assistance applicability of this guidance to one or the other type of agreement has not been changed there may be a few revisions here in there, for the most Part this is to make sure the guidance, the nomenclature reflects the policy more broadly. Further financial assistance is what we are referring to throughout. This is an impactful change in terms of the comprehension of the guiding. We replace nonfederal entity with the term recipient or sub recipient. Again, this was not a policy change it was being more specific in terms of what guidance applied to only recipient and only sub recipients or both. We found over the course of working with 2 CFR for many years, we had nonfederal entity there were certain areas where people had questions, does this apply to recipient and sub recipient or one or the other? We have now use that term. One exception is particularly in subpart F, if statute is tied specifically to the term nonfederal entity that we retain the use of that term. Where you see that term here and there it is because we did not want our guidance to mess around with the terminology in certain statutes. When we were going through this exercise and re-writing and revising the language, we look very carefully at the use of federal agency and pass-through entity, we found there were instances where people had questions should this be applicable to one or the other above. We took a review of the use of that term throughout and made revisions where necessary. I mentioned at the beginning in chapter one what we have certain parts of the guidance that were tied to statute we made provisions to clarify and improve the language in the organization of these sections, not so much in policy changes, but we did look for opportunities to reduce the burden in terms of using Sam.gov. There is only so much one can do with that but one thing we heard from certain international partners the rich challenges in registering, so we were able to make this allowance for entities up to 500,000 dollars the federal agency can accept the recipient from registering completely in Sam.gov although still has to obtain a UEI before deceiving funded so that was an allowance, as an example of more of the clarification we restructured that to ensure policies being clearly stated are from. Just a few examples in chapter one but most as I said in the beginning, revisions were in chapter two. Acronyms and definitions in subpart A reviewed everything top to bottom wanted to make sure the acronyms we were using, definitions were used throughout the guidance. We eliminated, this is a game changer, we eliminated many acronyms we thought were not used frequently throughout but found a

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lot that are used throughout that were not provided. That was kind of a housekeeping effort on our Part to make sure the acronyms were as tight and useful as possible. Similarly with the definitions, we make sure the definitions in use were user-friendly in terms of the degree to which they were used throughout the guiding. Definitions contained in subpart E appear frequently throughout the guidance where as some of the definitions that had been placed there are only used maybe once or twice in one critical section, we thought it was easier for the reader to refer to that definition when perusing that section rather than having to go back and forth between subpart A the policy that was an organizational change, but we went to the precision of the language in all these definitions we got a lot of feedback from the RFI and agencies, and made changes we thought that was an improvement. We added a few definitions. I'm not going to read through them all but one definition we added was participation. Participant wasn't defined so we added that to subpart A. Many of you who have been familiar with some of these changes as we have been rolling this out since April, May heard that we have increased several thresholds in the uniform guidance. This was first encountered in subpart A that includes equipment threshold from 5000 to 10,000 that hadn't been touched in fair to say decades, we feel that was an important change, certain requirements are applied to equipment when something reaches that threshold, it is double from 5 to 10. Similarly, the application of indirect rates, in terms of charging indirect to the first \$25,000 each sub award is now doubled again to 50,000. Probably the biggest one I will mention now although it is not the definition strictly speaking is the increase of the de minimis indirect rate that was introduced in 2014 with the release of the uniform guidance, which allows recipients who don't have a negotiated rate to apply ten percent to certain costs and recoup that ten percent on cost of the award has increased to 15 percent I think that was one of the changes received most favorable attention and that was a change we made and are very proud of that. Couple of other things to highlight is in terms of the audience, the Indian tribe we made some revisions of that definition, I'd really like you to look at that. Is not going to be impactful necessarily change your status as a recipient but that was more of a legal, and little bit of language to make the definition more precise as it is already contained in statute. And things like clarifying the period of performance, that had a lot of questions over time in both agencies and recipients and we took the opportunity to make those changes in subpart A. These are a few of the ones I wanted to highlight today. Moving on to subpart B which is general provisions, try not to wade through each and every one, but one thing you'll notice is the former applicability table that we have. This is relevant to what I said at the outset, in terms of which sections apply to which types of wards, we do not make many revisions with that, is pretty much the same applicability as was contained in the guidance prior, but it is now in paragraph form, we got a feedback the table was confusing so it should be easier to navigate, that is one of the changes in terms of organization of uniform guidance that we made. Also, policy changes. Previously, English language was mandated for use in notices and reports, and correspondence basically anything that was formally being dumped in support of the execution or oversight of a federal award was mandated to be in English. Now, for our

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international partners and for some communities in the US where English may not be the language that everyone feels as comfortable working in, we can allow for additional languages other than English that was a policy change in subpart B. We updated mandatory disclosures required by in 200.113 it'll line strictly with the mandatory disclosure requirement in the Federal acquisition regulation. Had been back for a number of years so we brought them together, so they are one in the same. For preaward requirements, this is where we may a lot of emphasis, and in some cases policy changes to really reinforce the need to engage communities during program development to clarify requirements very clearly both identifying all eligible applicants organizing NOFO's more succinctly and plain English providing an executive summary and also diversity, there is a lot of language contained in subpart C which we feel is more conducive to program design and clearly communicating program opportunities. The fixed amount of awards was one of those things to draw your attention to. We made clarifications in the use of fixed amount of wards this is affecting agencies with fixed amount of wards and sub awards if the recipient is getting one, we went through that language top to bottom and look for getting feedback from people we were engaging with, to ensure we are clearly communicating a fixed amount towards are done. In fact, some of the principles in subpart D apply even if specific items are costs are not applicable. Moving on to post award requirements. We made a lot of changes, this is two slide but this is where some of the thresholding pieces are contained, we looked at reducing burden as Deidra mentioned and one is to allow for agencies to have more flexibility and disposition of equipment, and allowing Indian tribes to follow their own policies and procedures for equipment disposition that is a change relevant to this audience. With procurement procedures, previously as contained in the guidance, states can follow their own procurement procedures, but other entities have to file guidance in 2 CFR we have added Indian tribes to that as well. In procurement procedures we made several changes to procurement standards and some of these are just clarifying relevant provisions that one can put in contracts, under grants. There was a lot of question about labor related provisions we made a lot of clarifications in terms of what is allowable. And threshold increases we've increased for fixed amount sub awards now from previous 250,000 to point up to 500,000. If entities are given a fixed amount of sub awards, they are now able to get fixed amount sub awards at double the threshold that was previously in place. We made clarifications on termination provisions and emphasized pass-through entities are responsible for sub recipient contract termination not the federal agency. To cost principles, there are a lot of specific items contained in subpart E. Some are very specific to research awards for certain types of programs we wanted to be careful with a complete rewrite some contain specific terms we did look at plain language revision but also look for opportunities to reduce burden. We reduce the amount of prior approval requirements these are listed in 200.407, we looked at specific items of cost required prior approval and removed those we were able to eliminate several including for example, taxes, entertainment costs, participant and work cost required prior approval now are eliminated. We have the increase above threshold, that is contained in subpart E mentions sub award as well. We eliminated a

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requirement for, made clarifications on unfunded pension costs there should be limited to employees that are associated with the given award. A change that a lot of people are excited about is clarifying the applicability or allowability of certain data and evaluation costs. We provided new language in section 455 which is organization cost that really explained that certain data and evaluation costs are applicable -- are allowable. There had been the absence of any language or information on that that love people questioning whether they were allowable costs are now in terms of federal awards. That is a reducing burden, administrative close out and adjusted, we know during the close out period of 120 days at the end of a federal award, recipients expend costs whether that is for administrative staff, or accountants, filing the reports, we are allowing certain administrative costs to be associated to be applied to the award if they are associated with closing out the award. We clarified that agencies and recipients can agree to closing out and award with a provisional micro rate in place if both parties agree that waiting for the final rate to come into place is not really worth it let's say it's a small dollar award and they can agree on accepting that provisional rate that is in place and move forward so it doesn't hinder prompt closeout in cases where both parties are in agreement to that arrangement. Finally, subpart F this is a big threshold increase from 750,000 to 1 million in terms of determining whether an organization needs to have a single audit or major program audit. That has gone from 750,000 to \$1 million. In the final closeout point, under 200 we have a series of dependencies some are indirect costs that are very specific we did not do a full re-write but one we did completely replace his appendix one which outlines the requirements that agency should use in designing or putting together their NOFO. We wanted to provide more clarity in terms of requirements that go into the opportunity so appendix one has been completely revised and will be used starting tomorrow. I know it's a lot of information and fairly compact review of all of the changes that we wanted to highlight some of the big ones but we did want to leave enough time to have a discussion at the end of this, so we are going to take a pause.

ELIZABETH: Thank you. We really want this to be a conversation at this point in time we will open it up for comments, questions and answers. As is standard we require tribal leaders 1st and move on to other designees to provide comment please use the raise your hand feature and we will call on tribal leaders first if you are dialed in by phone use *six to raise your hand and with that we will go ahead and open it up for questions and comments.

STEVE: While we are waiting this information has been provided to you for a reason we encourage you to use this grant mailbox that is monitored daily is a good way to submit your questions and have them answered promptly.

ELIZABETH: Looks like we don't have questions at this point if you are not a tribal leader at this point, please feel free to raise your hand.

TOM: I think we have 6 or 7 questions in our chat.

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ELIZABETH: Are at the White House we don't have access to the chat and zoom but will rely on Tom to ask those questions for us.

TOM: From Sherry Davis, she is asking what is the process for a recipient to get a UEI without registering in Sam?

STEVE: The go to Sam.gov it should have fairly clear instructions, but you can receive a UEI with not completing full registration there is a way to fully register and Sam.gov and obtaining a UEI is Part of that but there is a way to just apply for a UEI, you aren't doing right -- deregistration but you do get a UEI. I can't walk you through step-by-step, there are 2 different for tracks if you are not doing full registration you can get the UEI without completing full registration.

TOM: Unknown participant: if recipient elect to increase demand must to 15 percent for the entity should they wait until the start of their next fiscal year that begins after 10/1/2024.

STEVE: In general, the de minimis rates apply to specific awards. It is kind of award specific. I know broadly it affects the organization in terms of the percentage generally increases for how much money you can recover from each award, but it is an award to specific action. If you are receiving an award in let's, say a week from now or, applying for an award you will put that in your budget that you are applying the 15 percent to minimus. In terms of awards issued already, let's say you have a ten percent for an award issued three months ago, agencies have some discretion in terms of amending an existing award to apply some of these revisions moving forward but they wouldn't be backdated to any time before October 1st but in terms of amended existing awards already in place, that would be agency specific but generally, yes, after October 1st when applying for funding or signing the award you should have the 15 percent you are certainly allowed to use the 15 percent at that point.

TOM: From Josephine Greenfield: where can we find this recording?

STEVE: That, I don't know.

DEIDRE: Thank you for that question I think we will work with the White House Council on American first to make sure we get this call on the website.

TOM: From Faith Domine: for existing multiyear awards, that were awarded prior to 2024 but are still in effect since they are multiyear, are we able to increase the indirect amount to the new rate of 15 percent?

STEVE: My answer was the same there's a couple of things if the award is in place it is ten percent from before October 1st when an award is being amended to add additional funds which is usually a case with multiyear awards were getting each year and allotment of funds that's amended formally as the award the 15 percent you are allowed to apply that for amendments moving forward. The only question terms of agency-to-agency award processes is whether that existing award is in place, but the agency is

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not amended it to add additional funds, they don't have to, to amended to apply the revised guidance. Let's say the award has four months left, might be someone burdensome to amend it and apply the balance but you should be working with the agency to ensure that you are able to apply the 15 percent and as many cases as possible with existing awards. We have implementation, additional implementation information is located on the COPPA website that speaks to these scenarios.

TOM: From Daniel Celaya: 200.313 cybersecurity, will there be more info on what this actually means, please provide examples. Thank you.

STEVE: I have to look at the specific language but I think in in fro controls we mentioned the need to take reasonable cybersecurity measures, we were not explicit about what that means we did not want to be overly prescriptive that recipients are now required to do this, and the other it's an important signal in the guidance cybersecurity is a priority but if it is not elaborated on anything beyond the mention of cybersecurity, that means we are along for flexibility in the interpretation. In terms of 313 which would be equipment I would have to recall the specific use of cybersecurity in that section, but in general, it is not elaborated on beyond mentioning the terminology in general, there is more flexibility in terms of applicable to that policy.

TOM: Messages in Chat: to the leadership team some thank you's, great job Stephen. Jodi: is asking will this PowerPoint be available, and we will work with OMB to post the relevant materials to counsel website. Same question from Cheryl, Greg Hardy no visible hand raised feature. I'm going to try to find you in our stack and enable that for you. Greg, if you could try now to on Unmute.

>> Can you hear me? I didn't really have a question I know there are other folks in our Group that you have questions and was commenting there was no hand feature available.

TOM: Perhaps if you have a question and not able to use the raise hand feature may be in the chat put down, I have a question I will find you and we will unmute you that way.

>> Sounds good.

TOM: From: Jenna Clark: every year we lose about a month on our Sam registration because of the requirement to register early to make sure it gets approved is there any way to change this so it is due the same time each year?

STEVE: I cant speak specifically to Sam.gov that is a system managed by GSA we work with them in terms of policy insuring the system reflects the policy change or a new statute comes out and something needs to be revised. In terms of the user ability and functionality of it, it is important that they reflect the policy we have in place so far, but in terms of fixes to it or improvements that is not something I can unfortunately speak directly to we do work closely with them and would be glad to take that back. I will make a note of it but that would be something I would encourage you to write the address on the screen now and we will certainly try to follow up on that.

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TOM: From Cheryl: requesting a link for the new uniform guidance.

STEVE: If you go to COPPA.gov, you can see a number of resources you can go to 2024 revisions, you will see the uniform guidance the first version posted on April 4th and there is supplementary implementation information which speaks to things like some of the de minimis questions like we received today. The federal register itself, ECF are, Code of Federal Regulations that will reflect the revised uniform guidance tomorrow the link if you look for title two that should be updated tomorrow. I do encourage you to use COPPA.gov there is a web line document that shows how the prior guidance was impacted by these changes and specific revisions and there is that helpful spreadsheet which walks you out of it changes section by section but officially two CFR.gov will be updated tomorrow.

TOM: From Melissa: can you clarify the effective date of October 1, 2024, are these changes effective for all grants and deep prior to the first of October or only ones beginning after 10/1 specifically regarding procurement standards?

STEVE: In general, the changes go into effect for a new award issued after October 1st. For example, if you have an award that was issued a year ago it has only four months left, say you do have to do some kind of procurement activity under the existing award, we are not expecting you and agency should not be expecting you to apply that immediately to an award that has already been in place. Agencies are required, we do this specifically so that was clarity for the recipient community they are required to amend an existing award to apply 2024 revisions to any ongoing or existing award in place. For the most Part October 1 moving forward, and that is the separation point. Some of the revisions to the guidance are really more recipient centered, they are not like changes the agency is putting into an award, but it is policy outlined in 2 CFR which impacts the recipient community. We do realize there may be a period during which a recipient is managing processes let's say internal controls or procurement standards under different awards, works with the old guidance and new revisions in place. In our implementation supplementary information we put on COPPA.gov, we are making clear agency should be engaging with recipients in cases like new standards for procurement, might impact existing awards and vice versa. They should be going into effect October 1st and beyond and there will be that transition period were recipients we know are managing different awards at the same time. Maybe agencies and recipients can work together through those issues.

TOM: From Unknown participant: Since there are no exceptions in Sam.gov, we need to update any information on our end in Sam?

STEVE: No, you shouldn't do it is only that exception for the \$500,000, the agency should be issuing that exception they want to apply, it's not something that is going to blanket provided for everyone. It's award specific and specifically international recipients, so there should not be required changes, if an agency let's say State Department or somebody working with an international partner issuing an award for under \$500,000, they can issue that exception to except the recipient from fully

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registering at Sam.gov. This is not the policy change that impacts everyone automatically and it's nothing that would require any action on your Part on Sam.gov.

TOM: From Andrea Kelly: other places where the definition of federal financial assistance is guided by statute in Part 200?

STEVE: Well --

TOM: If so, can you outline the larger differences interested in understanding what used to be in the chart that is now gone from statute 200.101 applicability B.

STEVE: Generally, it's not been revised in any market way. There's a couple of things. In certain statutes, usually my experience they will define federal financial assistance as defined in 200.1, in cases let's say a statute defined from the financial assistance in some other way, then the statute takes preference over, -- precedents. In terms applicability everything, the policy has not shifted from the table use to know a paragraph form. There were a couple of minor revisions I will give you one example. Previously the applicability table said subpart E does not apply to awards giving food commodities that is not lit exactly true and all case because some grants at issue food commodities have some other program activities with the cost principles would apply. That is an example of something fairly minor that is updated to say the cost principles don't apply to the food commodity portions of a grant but not to the entire award those revisions were made, but in general the applicability of guidance to grants and cooperative agreements at large or two loans and insurance programs, the scope of the applicability has not changed it's just reflected in a little bit of a different format. For the most Part the vast majority of the guidance only applies to grants and cooperative agreements and some other types of agreements, but the limitations on loans and insurance and other types of financial assistance is the same as it was before. Along complicated answer.

TOM: From Unknown participant: For the single audit threshold does a threshold increase apply to the first full fiscal year of the recipient that starts after 10/1/2024?

STEVE: Yes. If your fiscal year starts in December 2024 is that full year and for audits -- I encourage you this is contained in the compliance supplement put out several months back we have additional clarifying information on the applicability and that supplementary implementation information but yes, it is for fiscal year beginning on or after October 1, nothing is in place right now.

TOM: From Jessica: for clarification with the continuation of multiyear awards starting October 1st, federal agencies are required to amend any awards to reflect changes for instance, the indirect costs, collection related to contracts up to \$50,000 amount is my understanding or statement accurate?

STEVE: I will say this again. I am sorry if I am not saying it thoroughly. If an award is in place for the last several years for example, agencies, in order to apply the revisions of the uniform guidance to those existing awards they do need to amend the award it could

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be like an administrative amendment that says we hereby apply the revisions of the uniform guidance on this award moving forward. With indirect it's a little different because indirect rates change year to year, you might have a multiyear award and OMB revisions are no revisions that rate is going to change year by year that is the final financial report has many lines in it, it accommodates change in indirect costs. Any new can be applied to costs after October 1st, but if we are talking about a negotiated rate recipients need to be in touch with her agency for indirect costs, those rates would have to be changed to reflect for example, the increased definition or increase threshold to the direct costs that can't be applied automatically since those rates were negotiated using a prior definition, we encourage implementation information we put on COPPA.gov, cognizant agencies are encouraged to revise indirect rates for example, have many years left on them but adhered to the old definition but recipients will need to reach out to the cognizant agency to discuss indirect rates and terms of change of the rate agreement itself.

TOM: Thanks, Stephen. Sylvia SC had your hand up why don't we get through the next two questions in the chat, and I will work to unmute you. From Susan: is the following correct, supplies materials up to 10,000 equipment. Materials \$10,000 and above?

STEVE: The threshold for unused supplies and for equipment used to be 5000 is now 10,000 and above. That is correct. The threshold has doubled from 5000 to 10,000. Any requirement will it to unused supplies or equipment that should be applied to unused supplies above 10,000 and above. And equipment 10,000 and above.

TOM: From Camilla: wondering if you could tell us why the term grantee was chained to recipient if there was a method behind that?

STEVE: In general, the change was from nonfederal entity, we replace the term nonfederal entity with recipient or sub recipient. I don't -- maybe grantee was used in some instances, but I think in general the big switch we made was not federal entity now referred to as sub recipient, recipient or sub recipient or in some cases recipient and sub recipient depending on the applicability of the guidance of one or the other or both. Going to go back and look for this but I don't think that was used throughout the existing original 2 CFR in a significant way I think a lot of agencies and other groups and put out guidance related to grants do use the term grantee but I think recipient is more specific because grantee implies they are only the recipient of a grant but it is technically other types of financial assistance, recipients is a broader term that captures recipients of all kinds of financial assistance.

TOM: Sylvia, I'm going to ask you, you a message to unmute. Looks like you are good to go.

>> Hello and thank you. I'm hoping you can speak little to the change that allows a tribe to acquire some procurement policies when entering into procurement and I want to kind of clarify, that's a great number of people on this call who are here representing tribally designated housing entities and are not necessarily Part of the tribe, the way the

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change reads it seems as if the tribe itself could apply their own standards but the TBH he would still have to follow the procurement standards and 2 CFR 200 and there are some places where the TDHE adopts whatever travel procurement standards exist one them to have two separate policies now. That's a lot.

STEVE: Before it was limited to states, we are extended that to tribes. It was always limited to the procurement standards that were contained in subpart D. We are allowing tribes to use their own procurement standards if they choose. We view that as a flexibility that is a positive change. In terms of TDHE, they are not specifically mentioned in 2 CFR as necessarily Part of the tribe or you can extend the guidance to them I'm not going to get into the details on that, they have the status of a nonprofit organization or 501(c)(3) they are not legally related to the Indian tribe, the guidance would not just automatically extend it even though the relationship may be strong and in some cases the same employees. I can't get into details on the aspect of the question we are working on that right now.

TOM: See no more hands I will jump back into the chat. This is from Betty Kerr: If a tribe has their own procurement policy and applies it to all funds, does this mean the tribal policy applies including threshold amounts?

STEVE: Need to hear that one more time. If they have their own, can you read it one more time?

TOM: If a tribe has their own procurement policy and applies it to all funds, does this mean the tribal policy applies including threshold amounts?

STEVE: It is extended to these provisions and apply to all funds, I guess that means it applies it to all awards moving forward, the equipment threshold for example, that specifically associated with the tribal standards or State standards that flows, that is policy that is attributed to all federal funding in general is not as closely associated which is procurement standards if the tribe has their own procurement standards they can follow their own procurement standards but the general definition of equipment and those thresholds are in place. If the tribe had their own procurement standards and that was codified the equipment had a different definition, I think legally there might be some flexibility but I can't speak to those scenarios off-line, but in general that is how I would answer that but I am happy to engage further on that if you would like to me an email.

TOM: Betty, if you want to clarify that verbally say something in the chat I will work to unmute you. Next, I think this is related to thresholds from Jodi Lewis: \$10,000 also includes contract for services for beneficiaries?

STEVE: I'm not sure what the \$10,000 refers to, we talking about equipment and supplies? Maybe you have to look at his specific section of the guidance to know what we are talking about there. Apologies, I don't have all the language in front of me.

TOM: From Jodi: construction contracts for home repair for example.

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STEVE: That is not equipment. There is no threshold I am aware of, are we talking about the procurement standards in terms of like a small purchase for simple acquisition threshold. It took a minute to catch up with you. Whatever those levels are as described in the guidance, if there is no description of any kind of limitations as to the type of contract that would apply broadly, I would have to go back and look.

TOM: Jodi, I see you have come off mute.

>> I was looking to clarify with the micro and macro participating threshold whether construction contracts for home ownership repair for example, still fits that threshold that is what I was trying to clarify.

STEVE: If we did not change anything and you say still, you have been applying it that way, we did do anything around the definitions of anything of like what contracts would not be applied to or what kind of construction programs a lot of the guidance is silence on this kind of thing and if you have been working with your agency or your own interpretation have been applying that policy before then nothing has changed in these revisions.

>> Thank you.

TOM: Betty, I see your hand is up. I am sending you a message to unmute.

Sorry, I should've had the slides pulled down.

TOM: Betty, are you able to come off mute? If not, I think we may be getting close to time. You can put your question in the chat real quick we have one more question if there is time.

STEVE: One more question.

>> From Carrie regarding the 2 CFR 200.317 regulation that now allows a tribe to use its own procurement policies, does this regulation dominate tribal sub entities/tribal organization i.e. illegal sub entity of the tribe can use their own procurement policies.

STEVE: I don't think I can answer that broadly with a yes or no. For the most Part an entity that is legally affiliated with a tribe would extend from the tribe and therefore yes, be able to. But I don't have the knowledge in terms of all those legal nuances to give you a yes or no. I think the agencies in the tribe would need to work together to make sure that is understood for any specific award. We can try to look more into that to provide additional information I know this has come up and put that out but in general if the organization is a subset or extension of the tribe that would in my view be included in the definition of the Indian tribe in general.

TOM: You may have covered this, Terry writes are there new thresholds for supplies and equipment for single purchases or cumulative in a fiscal year?

STEVE: There is no new threshold in terms of the definition of that for equipment it is per each piece of equipment and for unused supplies is more in aggregate but the

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amount has changed 5000 to 10,000 but the definition in terms of how those are figured out is not policy wise.

TOM: Last question coming from Carol. The current CFR requires recipients to have written policies or protocols for certain procurement standards for example, 200.318 C1 requires written standards of conduct for conflict of interest is having our own procurement policy allow us to disregard that requirement?

STEVE: I would have to go back, but if the guide you're referring to, some of this is hard to navigate without, the guidance being referred to is contained in this section of 2 CFR that is basically for all other nonfederal entities as opposed to the section that says for states and tribes, then that policy that flows down below is applicable to the tribe if they are using their own set of procurement standards and is one section. The rest of the guidance contained below is basically for all other recipients. If the language referring to is in a different section, that may apply you would have to look at how it is organized.

TOM: Cara is writing that is helpful. Thank you. With that, the chat is clear.

ELIZABETH: Thank you for walking us through those questions and apologies to the Group for us not having access to the chat. I want to end today's call by thanking you for joining today's listening session if you have questions regarding the 2 CFR, please feel free to reach out to tribal consultation at OMB, we will make sure Steve, and his team get those questions we can be responsive to you. We appreciate our government relationship with tribes and are hopeful these changes to the uniform guidance reduce burden and clarify existing requirements and provide additional flexibilities to you as federal financial assistance recipients. Thank you so much and we will be in touch.