



## Guidance for Federal Financial Assistance (Uniform Guidance)

*NOTE: This document reflects GHSAs understanding of the Uniform Guidance as of May 15, 2024. National Highway Traffic Safety Administration (NHTSA) Regional Offices are the best resource to answer questions specific to State Highway Safety Offices (SHSOs).*

The Office of Management and Budget (OMB) is revising several parts of the OMB Guidance for Grants and Agreements, now called the OMB Guidance for Federal Financial Assistance, located in title 2 of the Code of Federal Regulations (CFR). This guidance is also known as the Uniform Guidance. Revisions are being made to these parts of 2 CFR:

Part 1	About Title 2 of the Code of Federal Regulations and Subtitle A
Part 25	Unique Entity Identifier and System for Award Management
Part 170	Reporting Subaward and Executive Compensation Information
Part 175	Award Term for Trafficking in Persons
Part 180	OMB Guidelines to Agencies on Government-Wide Debarment and Suspension (Non-procurement)
Part 182	Government-Wide Requirements for Drug-Free Workplace (Financial Assistance)
Part 183	Never Contract with the Enemy
Part 184	Buy America Preferences for Infrastructure Projects
Part 200	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

OMB is revising the Uniform Guidance in part 200 and other parts of 2 CFR for the purpose of:

- (1) incorporating statutory requirements and administration priorities;
- (2) reducing agency and recipient burden;
- (3) clarifying sections that recipients or agencies have interpreted in different ways; and
- (4) rewriting applicable sections in plain language, improving flow and addressing inconsistent use of terms within the guidance.

The updated version of this guidance was released in April 2024 and represents a significant milestone in the management of Federal funds. The updated guidance is the product of extensive engagement with many grant community stakeholders. The OMB held a launch event on April 4, 2024, and various speakers from agencies such as the OMB, Department of Health and Human Services, Results for America, Inc., Jobs to Move America, and the Government Finance Officers Association showed their support of the 2024 Uniform Guidance revisions. Speakers discussed how the revisions to the Uniform Guidance will lower the burden on grant recipients,

streamline grant processes and simplify the language. A speaker shared an example of streamlining by using cross references and links instead of repeating language in a Notice of Funding Opportunity (NOFO).

The effective date for the final guidance is October 1, 2024. Federal agencies may elect to apply the final guidance to Federal awards issued prior to October 1, 2024, but they are not required to do so. For agencies applying the final guidance before October 1, 2024, the effective date of the final guidance must be no earlier than June 21, 2024. NHTSA has indicated October 1, 2024 is their date of effectiveness.

The following links provide an updated version of the [Uniform Guidance](#) and accompanying [implementation memorandum](#) as well as [reference guides](#). The part 200, Uniform Grants Guidance Revision 2024 reference guides, provide excellent summaries related to: Evaluation; Data; Community Engagement and Public Participation; Notices of Funding Opportunity; Labor; and Burden Reduction. SHSOs will particularly be interested in the Burden Reduction section which includes the following changes:

### **Burden Reduction**

The Uniform Guidance 2024 revision provides clearer, more precise guidance that itself represents a reduction in burden by saving Federal agencies and recipients time deciphering complex language and requirements. Among many of the changes to the Uniform Grants Guidance that accomplishes this are increasing the thresholds in Federal financial assistance, recognizing recipient costs of doing business, simplifying language and program requirements, eliminating burdensome requirements, and clarifying costs and requirements.

### **Increasing Thresholds in Federal Financial Assistance**

The Uniform Guidance contains thresholds for how recipients must manage their Federal funds. The 2024 revision increases a variety of these thresholds in order to reduce burden, including:

- **Equipment:** The Uniform Grants Guidance 2024 Revision increases from \$5,000 to \$10,000 the value of equipment that at the end of the grant period “may be retained, sold, or otherwise disposed of with no further responsibility to the Federal agency” (see section 200.313(e)(1)). It also clarifies that Indian Tribes may use their own procedures for use, management, and disposal of equipment. If they do not have procedures then they must follow the ordinary guidance. (Added note: This could increase the threshold for determining items that are considered to be (major) equipment, requiring NHTSA pre-approval, from \$5,000 to 10,000).
- **Unused Supplies:** The Uniform Guidance 2024 revision increases from \$5,000 to \$10,000 the value of unused supplies that recipients of Federal funds are required to sell at the end of the grant award period as well as clarifying that this amount is the total amount of remaining unused supplies, not just like items (see section 200.314).
- **Single Audit:** The 2024 revision increases from \$750,000 to \$1,000,000 the level at which a recipient of Federal funds is required to conduct a single audit or a program specific audit (see section 200.501).

- **Fixed Amount Awards Subawards:** The revision increases from \$250,000 to \$500,000 the amount of fixed amount subawards that a recipient may provide with prior written approval from the Federal agency (see section 200.333).

### **Recognizing Recipient Costs of Doing Business**

- **De Minimis Indirect Rate:** The revision increases from 10% to 15% the maximum rate that recipients of Federal funds may use for indirect costs without negotiating an alternative rate with the relevant Federal agency.
- **Calculating Indirect Costs:** The revision increases from \$25,000 to \$50,000 the amount of subawards that recipients can apply to their indirect rate (see section 200.333).

2 CFR part 200 is considered guidance and not regulation. Current implementations of 2 CFR part 200 by federal agencies remain in effect until their adoption of the 2024 revisions. Federal agencies had to submit to OMB their plan for implementing the 2024 revisions by May 15, 2024. NHTSA plans to conduct a webinar with the states on Uniform Guidance changes in the coming months. Information regarding the NHTSA webinar will be shared as more information becomes available.

States will need to take the new Uniform Guidance changes into account when updating highway safety policy and procedure manuals.