Results-Oriented Accountability for Grants

The GREAT Act & Proposed Revisions to the Uniform Guidance: Things You Need to Know!
1. Learn about the GREAT Act requirements & ongoing work that supports implementation.

2. Learn about the proposed 2CFR revisions

3. Learn how to submit comments for the proposed revisions
Purpose

1. Modernize grant recipient reporting by creating and imposing data standards for the information that recipients are required to report;
2. Require OMB to implement the OMB DATA Act Section 5 Pilot recommendation to develop a “comprehensive taxonomy of standard definitions for core data elements required for managing Federal financial assistance awards”;
3. Reduce burden and compliance costs for grants recipients by enabling technology solutions; and
4. Strengthen oversight and management for Federal grants by consolidating the collection and display of and access to open data that has been standardized and, where appropriate, increasing transparency to the public.
Requirements

1. Evaluation of nonproprietary identifiers (within 1 year);
2. Establish governmentwide standards for information reported by grant and cooperative agreement recipients (within 2 years);
3. Issue guidance directing agencies to apply the standards (within 3 years);
4. Require agencies to use data standards for all future information collection requests; and amend existing information collection requests (within 1 year of guidance);
5. Enable the collection, public display, and maintenance of Federal award information as a governmentwide data set (within 5 years); and
6. Require the publication of data reported by recipients on an OMB-designated site (within 5 years).
Amendments to the Single Audit Act

1. Requirement to collect Single Audit data in an electronic form in accordance with data standards; and

2. Prescribe guidance applying the data standards related to single audit and issue guidance requiring audit-related information to be reported in an electronic form. Establish governmentwide standards for information reported by grant and cooperative agreement recipients (within 3 years);
Ongoing Work in Support of the GREAT Act

DATA Act Section 5 Pilot Report
- Pursue further standardization
- Seize opportunities to use information technology that can auto-populate fields from existing Federal sources
- Leverage information technology open standards to rapidly develop new tools as needs arise

Memorandum M-18-24: Strategies to Reduce Grant Recipient Burden
- Centralized Certifications and Representations
- Agency Evaluation of Recipient Data
- Adoption of Grants Management Data Standards
- Readiness Assessment
M-19-16 Centralized Mission Support Capabilities for the Federal Government

- Sharing Quality Services CAP Goal
- Outlines the desired outcomes for shared services
- Describes governance and accountability model

Results-Oriented Accountability for Grants CAP Goal

- Published first draft of core grants management standard data elements
- Version 1.0 of the grants management standard data elements
- Single Audit & Risk Management Working Groups

Proposed Changes to 2 CFR

- Aligns key definitions in policy
- Agency information collection requests must adhere to the OMB-approved standards
- Data collections in machine-readable formats
Results-Oriented Accountability for Grants

Goal Statement

- Maximize the value of grant funding by applying a risk-based, data-driven framework that balances compliance requirements with demonstrating successful results for the American taxpayer.

Challenge

- The Federal government uses grants to invest approximately $700 billion each year in mission-critical needs for American taxpayers, but managers report spending 40% of their time using antiquated processes to monitor compliance instead of analyzing data to improve results.

Opportunity

- Standardize the grants management business process and identify, open, standardize, and link data. Use standard business process and data to establish a robust marketplace of modern solutions that ease burden and drive efficiencies, respond to customer needs, and deliver on mission. Leverage data, including data produced by annual audits, to assess and manage recipient risk. Hold recipients accountable for good performance practices that supports achievement of program goals and objectives and streamline burdensome compliance requirements for those that demonstrate results.
Grants CAP Goal Strategies

**Standardize Business Processes & Data**
Standardize grants management business processes & identify, operationalize, standardize, & link data.

**Build Shared IT Infrastructure**
Use standard business process and data to establish a robust marketplace of modern solutions that ease burden and drive efficiencies, respond to customer needs, and deliver on mission.

**Manage Risk**
Leverage data, including data from annual audits, to assess & manage recipient risk.

**Achieve Goals and Objectives**
Hold recipients accountable for good performance practices that support achievement of program goals and objectives; & streamline burdensome compliance requirements for those that demonstrate results.
Proposed Revisions – January 22, 2020
The 2 CFR revision reflects the foundational shift outlined in the President’s Management Agenda (PMA) to set the stage for enhanced result-oriented accountability for grants.

This guidance is the beginning of the Administration’s pivot towards actions geared to focus on improved stewardship and ensuring that the American people are receiving value for money spent on grant programs.
Why are we making the revision now?

1. Guidance itself calls for lookback
2. Statutory requirements
3. President’s Management Agenda initiatives

How did we choose to which revisions to make?

The scope of the proposed revision was limited to (see preamble):

1. To support implementation of the President’s Management Agenda Results-Oriented Accountability for Grants CAP Goal and other Administration priorities
2. To meet statutory requirements and to align with other authoritative source requirements
3. To clarify existing requirements
Title 2 Parts Proposed for Revision

• **Part 25**: UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT

• **Part 170**: REPORTING SUBAWARD AND EXECUTIVE COMPENSATION INFORMATION

• **Part 183** (new section): NEVER CONTRACT WITH THE ENEMY

• **Part 200** (Uniform Guidance): UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS
1. How to access the Federal Register, submit a comment, and provide a comment in the requested format
   • Begin each comment with the section number in brackets. For example; if the comment is on 2 CFR 200.1 include the following before the comment [200.1]

2. How to access the proposed revisions in tracked changes
   https://www.performance.gov/CAP/grants/
How to access the guidance in the Federal Register

FEDERAL REGISTER

Guidance for Grants and Agreements
A Proposed Rule by the Management and Budget Office on 01/22/2020

This document has a comment period that ends in 53 days. (03/23/2020)

SUBMIT A FORMAL COMMENT

AGENCY:

ACTION:
Proposed Guidance.

SUMMARY:
The Office of Management and Budget is proposing to revise sections of Title 2 of the Code of Federal Regulations (CFR) Subtitle A, OMB Guidance for Grants and Agreements. The proposed revisions are limited in scope to support implementation of the President’s Management Agenda, Results-Oriented Accountability for Grants Cross-Agency Priority Goal (Grants CAP Goal) and other Administration priorities; implementation of statutory requirements and alignment of 2 CFR with other authoritative source requirements; and clarifications of existing requirements in particular areas within 2 CFR. These proposed revisions are intended to reduce recipient burden, provide guidance on implementing new statutory requirements, and improve Federal financial assistance management, transparency, and oversight.
Aegon’s Conquest

The Targaryen host landed at the mouth of the Blackwater Rush next to three hills. Upon the highest hill, Aegon started construction of a wooden motte and bailey fort as his first claim to the mainland of Westeros. Visenya crowned Aegon and Rhaenyra hailed him as king. He sent Visenya and Rhaenyra to subdue the local lords; Rhaenyra yielded to Rhaerys and Visenya took Skakethor without any bloodshed. The Defenders of Dukenfield and Mootons of Maesteal did put up a fight but were easily beaten.
The scope of the proposed revision was limited to (see preamble):

1. To support implementation of the President’s Management Agenda and other Administration priorities - 11
2. To meet statutory requirements and to align with other authoritative source requirements - 5
3. To clarify existing requirements - 4
Support implementation of the President’s Management Agenda Results-Oriented Accountability for Grants CAP Goal and other Administration priorities

Some revisions include (see preamble for more details):


- Standardization of terminology and implementation of standard data elements (§§ 200.1, 200.301, 200.312(c), 200.328(b)(2))

- Making indirect cost rate agreements transparent (§200.414(h))

- Strengthening merit review by requiring a merit review process for discretionary grants (§200..204)
Meet statutory requirements and align with other authoritative source requirements

Some revisions include (see preamble for more details):

- Aligning 2 CFR to the Federal Acquisition Regulation (FAR) and the 2017 and 2018 National Defense Authorization Acts (NDAA) to raise the micro-purchase threshold from $3,500 to $10,000 and the simplified acquisition threshold from $100,000 to $250,000 (§§200.2, 200.319)

- Aligning 2 CFR with the 2019 NDAA section 889, Prohibition on certain telecommunications and video surveillance services or equipment (§200.216)

- Aligning 2 CFR with the General Accepted Accounting Principles (GAAP), specifically the Government Accounting Statements Board (GASB) statement 68 and 45, related to pension costs and depreciation (§200.431)
Clarifying existing requirements

Some revisions include (see preamble for more details):

- Codifying some frequently asked questions related to the prior release to 2 CFR (§§200.101, 200.331, 200.414)

- Clarifying the responsibilities of the pass-through entity to address only a subrecipient’s audit findings related to their specific subaward (§200.331)

- Clarifying the documentation requirement for using the de minimis indirect cost rate (§200.414)
Summary

1. **Major revisions to the guidance in the 3 scope areas:**
   - Support implementation of the President’s Management Agenda Results-Oriented Accountability for Grants CAP Goal and other Administration priorities
   - Meet statutory requirements and to align with other authoritative source requirements
   - Clarify existing requirements

2. **Provide comments through the Federal Register:**
PUBLIC SUBMISSION

Docket: OMB-2019-0005
Guidance for Grants and Agreements

Comment On: OMB-2019-0005-0001
Guidance for Grants and Agreements

Document: OMB-2019-0005-0002
Comment on FR Doc # 2019-28524

Submitter Information

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General Comment

I am thrilled to see these proposed changes and I fully support their implementation. Thank you!
Contact OMB with Questions

We are here to help!

Email us your questions:
GrantsTeam@omb.eop.gov

THANK YOU!