

Preface

Grants & Agreements Management (GRT201)

Background

The fundamental structure and learning objectives of Grants and Agreements Management (GRT201) remain unchanged. A recent consolidation of the Office of Management and Budget (OMB) Circulars that formed the basis for the administrative requirements, cost principles and audit requirements, however, will result in a series of changes to the course materials over the next year or so. The OMB Circulars listed below have been consolidated and relocated to Title 2 Chapter II of the Code of Federal Regulations (2 CFR part 200) entitled: “Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

- OMB Circular A-21, “Cost Principles for Educational Institutions” (2 CFR part 220)
- OMB Circular A-87, “Cost Principles for State, Local and Indian Tribal Governments” (2 CFR part 225)
- OMB Circular A-89, “Federal Domestic Assistance Program Information”
- OMB Circular A-102, “Grant Awards and Cooperative Agreements with State and Local Governments”
- OMB Circular A-110, Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations” (2 CFR part 215)
- OMB Circular A-122, “Cost Principles for Non-Profit Organizations” (2 CFR part 230)
- OMB Circular A-133, “Audits of States, Local Governments and Non-Profit Organizations”
- OMB Circular A-50, “Audit Followup” (those sections related to audits performed under Subpart F of 2 CFR part 200)

Impact on GRT201

Some administrative requirements and cost principles were changed with the issuance of 2 CFR part 200, effective December 26, 2014, however, the most immediate impact on the GRT201 course materials is on the references to OMB circulars which have been revised to refer to various portions of 2 CFR part 200.

Impact of 2 CFR part 200 on Department of Defense Grant and Agreement Regulations

The impact on the Department of Defense Grant and Agreement Regulations (DoDGARs) is more profound. Part 32 of DoDGARs (32 CFR part 32) implemented the administrative requirements in OMB Circular A-110 for educational institutions, hospitals and other nonprofit organizations and part 33 (32 CFR part 33) implemented the administrative requirements in OMB Circular A-102 for states and local governments (including federally-recognized Indian tribal governments). As of December 26, 2014, awards to the types of recipients addressed respectively in parts 32 and 33 of DoDGARs are no longer subject to the administrative requirements, cost principles and audit requirements specified in those parts of DoDGARs.

DoD Implementation of 2 CFR part 200

DoD's implementation of 2 CFR part 200 will be accomplished in two phases. A first phase is needed because OMB wanted all agencies to implement by December 26, 2014 which was too soon to do the major update to DoDGARs required to properly implement the guidance. The first phase, DoD's Interim Implementation in Part 1103 of Title II (2 CFR part 1103) was issued as a component of the governmentwide "joint interim final rule" published by OMB in the Federal Register on December 19, 2014.

The DoD interim implementation specifies that DoD awards will no longer be subject to parts 32 and 33 of DoDGARs. All other parts of DoDGARs continue to be in effect, however, any references in other parts of DoDGARs to parts 32 or 33 do not apply to new awards. We are providing you with a table that directs you to the appropriate portions of 2 CFR part 200 that address the subjects in parts 32 and 33 that are referenced in parts 21, 22, 26, 28, 34 and 37 of the DoDGARs. The DoD interim implementation also provides for continuation of some pre-existing policies during the interim period and for some DoD specific definitions. See 2 CFR 1103.200 through 1103.225 for the pre-existing policies and 2 CFR 1103.300 through 1103.310 for the DoD specific definitions.

The second phase is the comprehensive implementation that will involve significant update to DoDGARs as a whole. A very important component of the second phase is to clearly state the requirements for recipients in the form of general terms and conditions for DoD grants and agreements. In the past, recipients complained about the differences in award terms and conditions among the DoD awarding offices. In some cases, awarding offices did not provide clear requirements in terms and conditions choosing instead to refer recipients to DoDGARs or to the OMB circulars.

A standard format for DoD grants and agreements will also be included in DoD's final implementation.

A DoDGARs working group led by OSD with representatives from the military departments and DoD agencies (collectively referred to as DoD Components) is developing the terms and conditions along with prescriptive language for DoD Components on their use. These general terms and conditions cover all types of grants and agreements and are adaptable to specific types of awards and types of recipients. These general terms and conditions will be published for comment and will be a part of DoD's final regulatory implementation of 2 CFR part 200. DoD's implementation will be located at Chapter 11 of Title II Code of Federal Regulations.

Awarding Grants and Agreements During the DoD Interim Implementation

During the interim implementation of 2 CFR part 200, the general terms and conditions being developed by the DoDGARs working group will be made available for use, with some exceptions, in DoD Component awards. The exceptions relate to provisions that may deviate from requirements in 2 CFR part 200. All proposed deviations must be cleared by OMB and must be subjected to public comment before they become effective. A subset of the DoDGARs working group is customizing the terms and conditions for use specifically on research grants and agreements. These will also be made available for use as appropriate throughout DoD. Grant and agreement officers will continue to operate under the general provisions in part 21 of the DoDGARs and grants and agreements will continue to be awarded and administered in accordance with part 22 of the DoDGARs. As previously noted, parts 26, 28, 34 and 37 of DoDGARs remain in effect.

**LOCATIONS IN 2 CFR PART 200 CORRESPONDING TO SECTIONS OF DoDGARS PARTS 32 AND 33 AND OMB CIRCULARS CITED IN
DoDGARS PARTS 21, 22, 34, AND 37 -- Page 1 of 3**

	Following portion(s) of current DoDGARS . . .	Refer to following portion(s) of DoDGARS parts 32 or 33 or OMB circulars that now are in 2 CFR part 200 . . .	On the following subject . . .	Which now is addressed in the following portion(s) of 2 CFR part 200 . . .
1	21.300(b)	General 32 and 33	Instruments subject to DoDGARS	200.101 and 200.201(a)
2	21.320(d)	32.32	Prescribing requirement for use/disposition of real property for IHEs and nonprofit organizations	200.311(b) & (c)
3	21.335(b)	32.4 and 3.6	OMB concurrence in class deviations -	200.102(a) and (c) "Exceptions"
4	22.100(b)(4)(i) & (ii)	General 32 and 33	Administrative requirements by type of recipients	200.210(b) & Subpart D
5	22.100(c)	General 32, 33 and 34	Organization of part 22 parallels cited parts of DoDGARS. Note: part 34 remains in effect	Subparts C and D
6	22.405(b)	32.14 and 33.12	Special award conditions	200.207 "Specific conditions"
7	22.420	32.25(c)(2) and 33.30(d)(3)	Prior approval – change in key person(s)	200.308(c)(2)
8	22.505(a)	General 32 and 33	Implementation of A-102 & A-110 administrative requirements	Subparts B through D
9	22.610(a)(3)	General 32 and 33	Grants officer's instructions for post-award administration to be included as award provisions	200.210(b) & Subpart D
10	22.610(a)(3)	32.24(b)	Example of grants officer instruction-disposition of program income	200.307(e)
11	22.700	General 32 and 33	Policies & procedures for administering grants and cooperative agreements	Subpart D
12	22.710(a)(1)&(2) and (b)(2)&(3)	A-21 and A-122 & Attachment C to A-122	Assignment of grant administration office: (a) to ONR for IHEs subject to A-21 & nonprofit organizations subject to A-122 & (b) to DCMA for nonprofit organizations identified in Attachment C of A-122 as subject to 48 CFR part 31 or nonprofit orgs with principal business other than research	Subpart E & Appendix III for IHEs; or Appendix IV for nonprofit institutions and Appendix VIII for nonprofits exempt from 2 CFR 200
13	22.715(a),(1), (3) and (3)(iii)	A-133, 32.26 and 33.26	Grants administrative office functions related to	Subpart F

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			implementation of audit requirements in the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507)	
14	22.805(a)(1) and (2)	General 33 and 32	Post-award administrative requirements for recipient types formerly under A-102 & A-110	Subpart D
15	22.810(b)	32.22(a) and 33.21(b)	Payment policy – minimize elapsed time between transfer of funds and disbursement by recipient – Treasury-State CMIA agreements and 31 CFR part 205	200.305(a) &(b)
16	22.810(c)(1)	32.22 and 33.21	Grant administrator handling of payment requests	200.305
17	22.825(a)(1) - (2) and (b)(2)(ii)	32.71-.72 ,33.50-51 and A-133	Closeout, audits & post-closeout adjustments	200.343, 344 and Subpart F
18	34.1(b)(2)(ii)	General 32 and 33	Administrative requirements based on type of instrument	200.210(b) & Subpart D
19	34.17 (b)(1), (2) and (4)	A-21, A-122 & Attachment C thereto, and A-87	Allowable costs: (1) Cost Principles for IHEs, (2) Other nonprofit organizations, and (4) Governmental organizations. Note: 34.17(b)(3) cites 45 CFR part 74, Appendix E, “Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals. These principles remain in effect and are referenced in Appendix IX to 2 CFR 200.	Subpart E & Appendix III for IHEs, or Appendix IV for nonprofits and Appendix VIII for nonprofits exempt from 2 CFR 200, or Appendices V, VI and VII for governmental organizations.
20	34.41	32.51 and 32.52	Reports and records: Monitoring and reporting program performance and financial reporting	200.328 (program performance) & 200.327 (financial)
21	37.620(a) and (b)	33.20 and 32.21(b)	Financial Management Standards for: (a) state and local governments & (b) for other nonprofit organizations, except GOCOs & FFRDCs that are excepted from the definition of recipient in 32 CFR part 32.	200.302 (a) for states and 200.302(b) for all governmental entities, IHEs and other nonprofit entities. 200.38 for definition of “federal award”, which excludes

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				GOCOs. Note: does not exclude FFRDCs that are not GOCOs.
22	37.635 (a), (b) and (d)	(a) A-87, (b) A-21 and (d) A-122	Cost principles for nonprofit participants (see row 19 above)	See row 19 above.
23	37.665, 37.665 (a) and (b)	A-133, (a) 33.26 and (b) 32.26	A-133 “Single Audits” for (a) state and local governments and (b) for other nonprofit organizations	Subpart F.
24	37.690 (a), (b) and (b)(2)	(a) 33.31 & 33.32, (b) 32.32 & 32.33, and (b)(2) 32.33(b)(3)	Management of real property and equipment by: (a) states and local governments, (b) other nonprofit participants except GOCOs and FFRDCs, (see row 22 above) and (b)(3) title vesting including vesting without further obligation to the government.	200.310 “Insurance”, 200.311 “Real property”, 200.313 “equipment, including vesting title without further obligation to the government.
25	37.695(b) and (c)	(b)33.32(f) and (c) 32.33(a) & 32.34(f)	Federally owned property requirements for (b) state or local governments & (C) nonprofit organizations other than GOCOs and FFRDCs (see row 22 above).	200.312
26	37.710	(a)(1) & (2)	Purchasing system standards for (a)(1) state or local governments, (a)(2) nonprofit organizations other than GOCOs and FFRDCs (see row 22 above)	200.317 for states and 200.318 for all other recipient types.
27	37.880(a)	32.51 and 32.52	Program and business (financial) status reports	200.328 “Monitoring and reporting program performance” and 200,327 “Financial reporting”
28	37.920(a) and (b)	(a) 33.42(e) and (b) 32.53(e)	(a) state and local governmental organizations and (b) nonprofit organizations (including GOCOs and FFRDCs)	200.336
29	37.1305(b)	A-110 and 32 CFR part 32	Definition of institutions of higher education (IHEs)	200.55