



**Attendee Questions & Answers from May 15th Webinar:**  
***How the New OMB Uniform Grants Guidance Is Simplifying the Grants Process***

- 1. Can certain provisions of the amended Uniform Guidance be applied prior to the October 1 effective date? If so, what provisions?**

**The updated guidance will go into full effect on October 1, 2024.** However, many updates are meant to clarify what is allowed rather than establish new policy. Therefore, grantees can begin engaging federal agencies to clarify whether new language might apply to existing awards. Some agencies may elect to apply the revisions to existing awards, but can only do so by amending existing awards. Importantly, any revisions would only apply to activities and costs that occur subsequent to the amendment. Program statutes set by Congress may impose limitations in some cases.

- 2. One possible root cause of complicated funding announcements may simply be that there is a large and complicated web of program-specific, agency-specific, and cross-cutting Federal requirements for awards. Are any efforts underway or in the works for simplifying this complicated web of requirements so that we are not setting up new grantees for failure after competing for and receiving awards under the newly simplified and streamlined NOFOs?**

**The Uniform Grants Guidance takes numerous important steps to reduce burden throughout the grants lifecycle, including for new recipients.** Importantly, the work of the new Council on Federal Financial Assistance (COFFA) includes an emphasis on interpreting and implementing the Uniform Grants Guidance consistently across federal agencies. The COFFA's work will help federal government to "speak with one voice" and avoid creating conflicting or misaligned guidance to the field. However, neither the COFFA nor OMB guidance can override program- or agency-specific rules and requirements based on statute.

Looking at key parts of the grants lifecycle both before and after notices of funding opportunity (NOFOs) are issued, below are some of the additional ways that the guidance helps to align requirements, increase flexibility and otherwise reduce burden:



- **Program design.** Federal agencies are encouraged to consult with communities benefiting from or impacted by programs during the design process. They are also encouraged to coordinate with other agencies whose programs have aligned goals and objectives. Together, these actions should help to align programs that serve similar populations both around the needs and priorities of communities and with each other. See [Section 200.202\(b\)](#).
- **Award process.**
  - **Indirect cost rates.** Changes to indirect cost rates include raising the de minimis indirect rate to 15 percent (see [Section 200.414\(f\)](#)). In addition, the changes enable recipients to recover indirect costs on up to \$50,000 in subawards, if their rate is based on Modified Total Direct Costs (see definition of [Modified Total Direct Cost](#) at Section 200.201).
  - **Languages other than English.** Because federal award and other materials may be provided by both federal agencies and recipients in languages other than English (see [Section 200.111](#)), technical information and requirements can be communicated in the most accessible language for the recipient.
- **Implementation.**
  - **Prior approvals.** The guidance reduces the number of prior approvals that recipients must seek before spending grant dollars on specific costs. This reduction gives recipients more spending flexibility and the ability to act more quickly on certain spending decisions. See [Section 200.407](#) for details on prior approval requirements and the [OMB Reference Guide on Burden Reduction](#).
  - **Spending on data and evaluation.** The guidance clarifies areas of longstanding confusion by stating clearly that recipients may use federal funds to support data and evaluation, including integrated data systems ([§ 200.455\(c\)](#)), as long as these costs are applicable to the program. The guidance allows for both direct and indirect costs.
  - **Spending on community engagement.** The updated guidance encourages community engagement (see page 5 of the [OMB Reference Guide](#)). Spending on engagement, including through participant support costs (see Section 200.456), is allowed for all federal grants. In some cases, a statutory limitation may limit this spending.
  - **Performance reporting.** The updated guidance restricts agencies to collecting only information that is necessary for measuring performance and evaluation and allows agencies to waive any reporting requirements that aren't necessary to meet the grant goals and objectives. Moreover, the guidance requires agencies to relate performance reporting to the



goals and objectives established during program design which – as discussed above – is an area where the guidance emphasizes community consultation and cross-agency alignment. See [Section 200.301](#) and [Section 200.329\(g\)](#) for more information on performance measurement and reporting.

- **Close-out.** The guidance allows recipients to charge administrative close-out costs up to the due date of the final report. This allows recipients to fully pay for appropriate costs that are necessary to close out the grant and submit final reports. See [Section 200.403\(h\)](#).

**3. With the increased want to utilize AI, will there be guidance on how we can use federal grants to enhance data systems (that will ensure the digital privacy of the public)?**

**Yes, the guidance directly addresses the allowability of costs related to data and evaluation.** The guidance states, “Data costs include (but are not limited to) the expenditures needed to gather, store, track, manage, analyze, disaggregate, secure, share, publish, or otherwise use data to administer or improve the program, such as data systems, personnel, data dashboards, cybersecurity, and related items.” Program statutes set by Congress may impose limitations in some cases. See [Section 200.455\(c\)](#) of the final guidance for allowable data and evaluation costs.

**4. Will more funding be provided for data analysis and evaluation aside from program implementation funding?**

**While Uniform Grants Guidance allows federal grants to support both direct and indirect costs related to data and evaluation, it does not have the authority to influence the total amount of grant funds available.** Instead, funding levels and priorities may be determined by Congress as it passes legislation or by the current administration and agency leadership as they establish new programs or continue to implement existing ones.

**5. Where can I find an "actual clean published copy" of the updated Uniform Guidance?**

**The final guidance is published in the [Federal Register](#) and also available online at [govinfo.gov](#) and includes both OMB’s explanation of changes and the guidance text.** The text of Part 200, which contains the Uniform Grants Guidance, begins on page 91 of the linked document available through govinfo.gov.



- 6. Are there plans to streamline the forecasting of grants? Agencies have their own landing pages, and don't always post forecasts on grants.gov. It would be VERY useful to consolidate the forecasting in one place.**

Currently grants.gov is undergoing a redesign to streamline and simplify the design and usability of the website. More information is available at [simpler.grants.gov](https://simpler.grants.gov) and you can sign up for updates from the Department of Health and Human Services, which manages grants.gov.

- 7. How much (percentage or absolute numbers) do you expect the new guidance to reduce indirect/overhead costs of grantees?**

**The updated guidance is expected to help recipients use their funds more efficiently and effectively, including by reducing burden.** All recipients should experience less red tape – such as needing fewer prior approvals and responding to simpler and shorter NOFOs – which will allow them to dedicate staff time and resources to the highest and best uses. However, it is not possible to determine a specific percentage or dollar amount associated with this reduction in burden.

- 8. It's important that the federal grants management systems use the same terminology that's written in grants policy. Inconsistent terminology causes confusion and misunderstandings. Has this been addressed or are there plans to address this?**

The increased focus on data standards and the work of the COFFA will help improve grants management systems over time to ensure more consistent terminology.

- 9. What are the metrics that you are using to evaluate NOFO improvement?**

In its pilot, the Department of Health and Human Services has seen the following improvements between original and simplified NOFOs:

- 45% reduction in word count
- 39% reduction in sentence length
- Reduction of three to four reading grade levels

- 10. I am fairly concerned about how any of this can be implemented in Grant Solutions. Grant Solutions has generally been a time-drain for us generally.**



As the guidance goes into full effect, changes made by agencies will be reflected as appropriate in the Grant Solutions system.

**11. Can the 15% de minimis provisions be applied prior to Oct. 1?**

Because this increase is a change in policy – rather than a clarification of existing policy – the new rate will go into effect on October 1, 2024. Some agencies may elect to apply the guidance in full or in part prior to that date by amending existing awards.

**12. For grantees using the de minimis cost rate, will the new 15% rate go into effect automatically starting on October 1, 2024 for all awards? Or will grantees need to take a particular action?**

The new de minimis indirect cost rate of 15% will go into effect on October 1, 2024 for all new awards issued under the revised guidance as stated in the award terms and conditions. This will not impact existing awards, unless agencies choose to modify existing awards to allow an increased de minimis rate applicable to costs incurred on or after October 1, 2024.