From: cogr-l-request@mymaillists.usc.edu on behalf of COGR
To: cogr-l@mymaillists.usc.edu
Subject: [cogr-l] UG Update: Procurement and Conflict of Interest Grace Period Extension
Date: Friday, July 31, 2015 1:18:44 PM

From: David Kennedy <DKennedy@COGR.edu>

In a COGR letter to OMB, dated June 30, 2015, we requested that 2 CFR 200.112 (Conflict of interest) and 2 CFR 200.317-326 (Procurement Standards) be suspended immediately and subject to an extended grace period. The extended grace period would make these sections of the Uniform Guidance effective for an institution?s fiscal year FY2018. For most universities and research institutions, the effective date would be July 1, 2017. In the case of the Procurement Standards, this would result in an extension of the current grace period. And in the case of Conflict of Interest, this naturally would couple 2 CFR 200.112 with the Procurement Standards, and subsequently, allow for a correction to the awkward implementation 2 CFR 200.112.

Research institutions, as well as other stakeholders, have deemed an extension to the grace period as a ?must have?. Staff from OMB have been receptive to our request and have recommended to senior leaders at OMB that the request be approved. Unfortunately, we have not received a final confirmation.

As we have shared with OMB and the COFAR, this one issue has the potential for undoing the many positives of the Uniform Guidance implementation. In the June 30 letter, we reiterated our message of past two years: IHEs and NROs should be granted the same opportunity as States to be exempt from these standards. Our current procurement systems are state-of-the-art systems that have resulted in significant cost savings and efficiencies for IHEs, NROs, and the Federal government. The track record of our systems with both the Single Audit and Federal Audit communities is stellar and there has been little evidence of our systems promulgating fraud, waste, or abuse. While our position remains that IHEs and NROs should be granted an exemption and allowed to use our current systems and processes, at a minimum, an extension of the grace period for all stakeholders will allow the grantee community and its Federal partners to address the full scope of issues and concerns.

We will provide an update to the Membership in as soon as we learn more.