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February 2014 COGR Meeting Guest Speaker

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Reducing Red-Tape to Improve Outcomes
The Council on Financial Assistance Reform's
New Uniform Guidance
2 CFR 200

February 27, 2014
Council on Governmental Relations

Progress in 2013



“Improper Payments Rate Drops for 4th Straight Year”



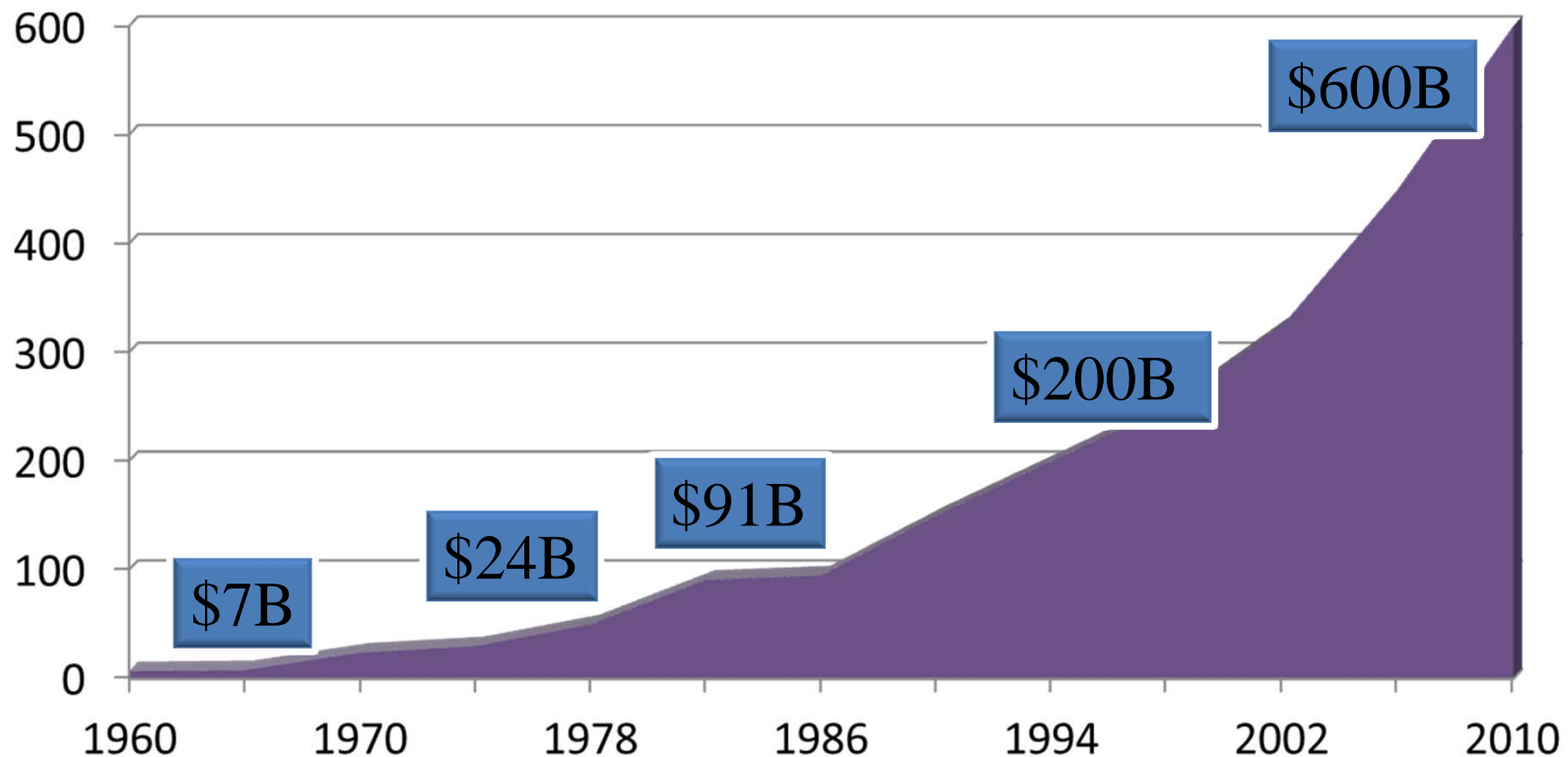
“DHS gets first 'clean' audit”

**“A Whole New World: OMB Publishes
New Grants Reform Guidance”**

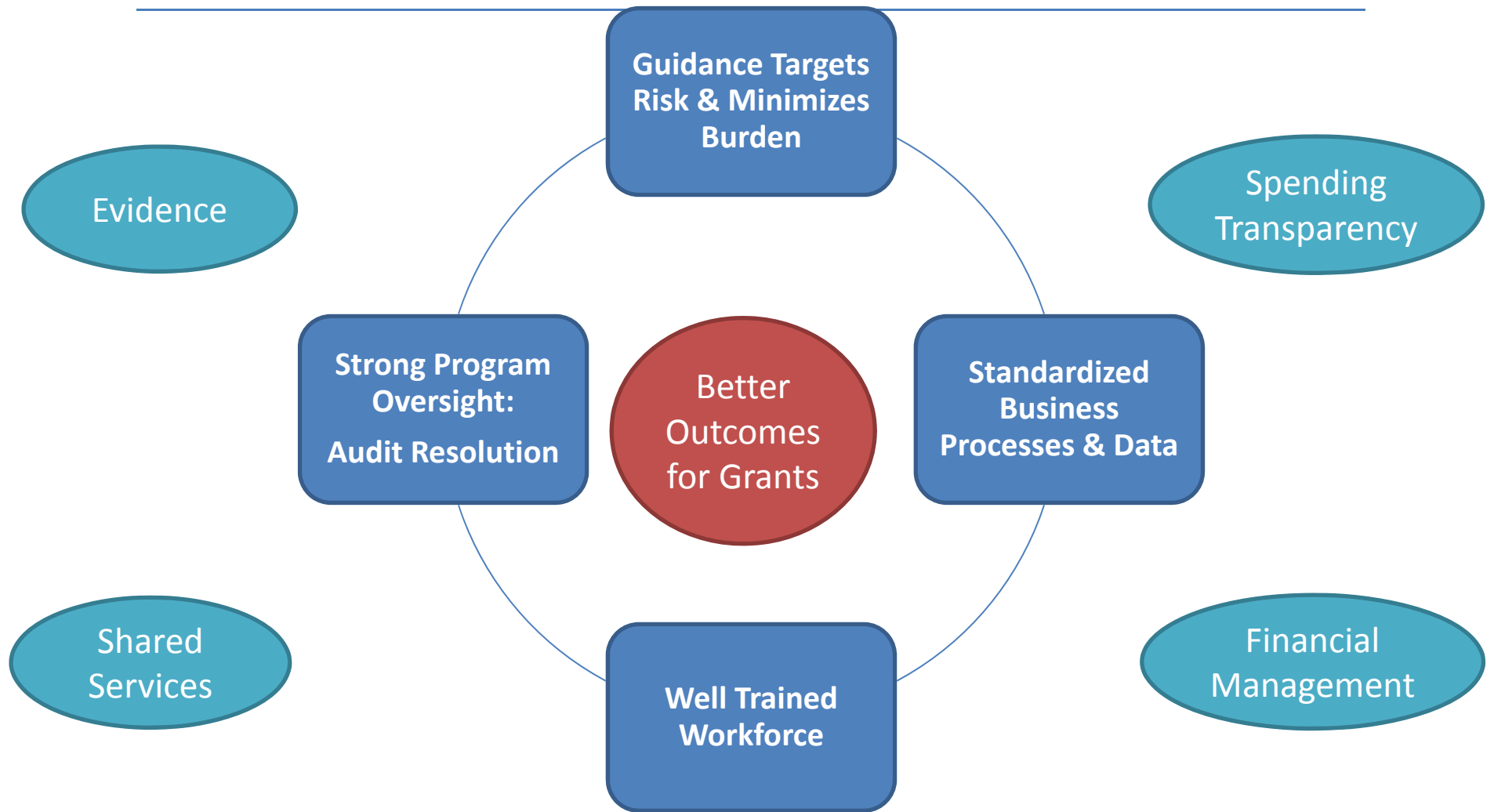


Increase in Federal Grants Activity

The Catalog of Federal Domestic Assistance lists over 2,000 Federal grant programs



Council On Financial Assistance Reform Priorities



Guidance Reform History

Nov. 2009:
Executive
Order:
Reduce
Improper
Payments

Feb 2012:
Advance
Notice of
Proposed
Guidance
(public
comments)

Dec 2013:
Final
Uniform
Guidance

Feb 2011:
Presidential
Memo: Reduce
Administrative
Burden and
Improve Results

Feb 2013:
Notice of
Proposed
Guidance
(public
comments)



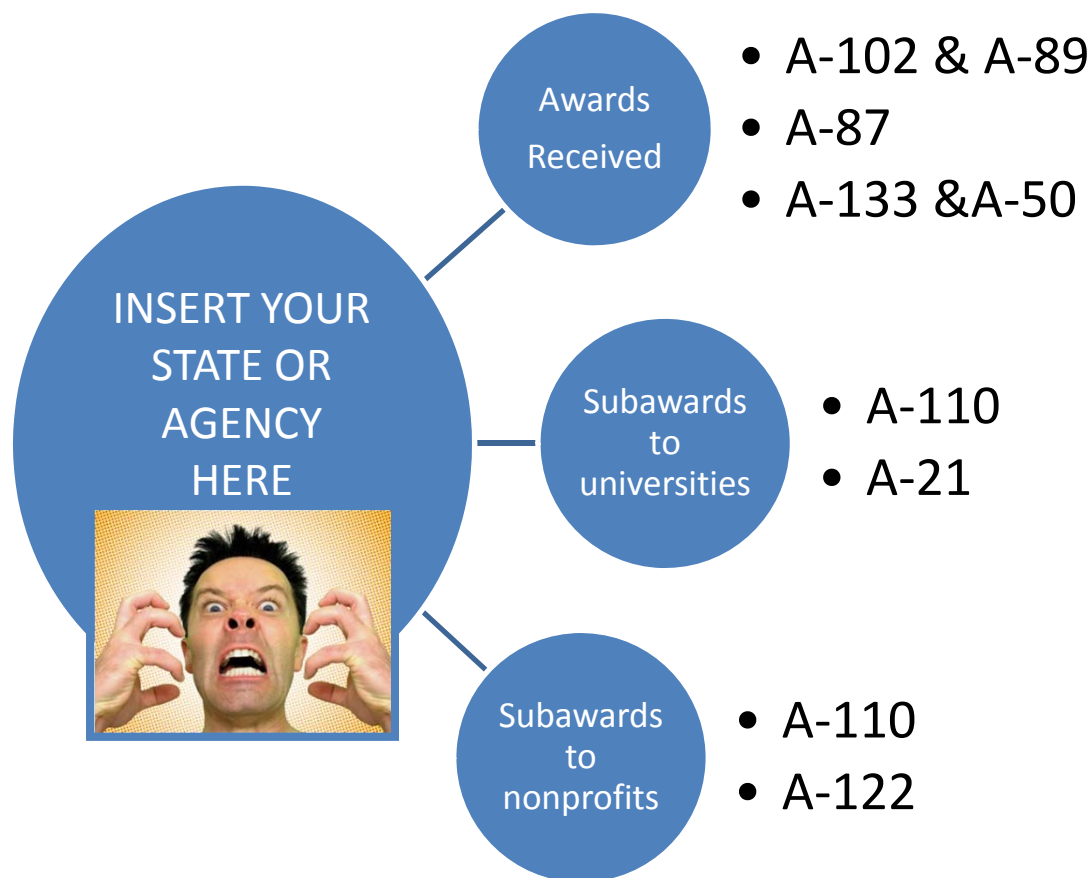
Diverse Range of Stakeholders Engaged

Type of Institution Represented	Examples
State Governments	NASACT
	NASCIO
Nonprofits	National Council of Nonprofits
Auditors	AICPA
	CIGIE
Indian Tribes	NAFOA
	GAO
Grants Professionals	AGA
	NGMA
Universities	COGR
	AAU
	APLU



Eliminating Duplicative and Conflicting Guidance

Then:



Now: All OMB guidance streamlined in 2 CFR 200.



Impact Uniform Guidance

- Eliminates Duplicative and Conflicting Guidance
- Focus on Performance and Internal Controls over Directive Compliance for Accountability
- Provides Framework for Standard Business Processes & Data Definitions
- Promotes Efficient Use of IT and Shared Services
- Requires Consistent and Transparent Treatment of Costs
- Encourages Family-Friendly Policies
- Stronger Oversight & Target Audits on Risk of Waste, Fraud, and Abuse
- Increased Accountability for Effective Resolution of Weaknesses



Stakeholder Reactions

- Significant interest in training webcast held January 27, 2014 & future outreach
 - Over 5,000 registrations for mailing list
 - Recorded version will be available at CFO.gov/COFAR
- General recognition of significance of reform
- Interest in resources to assist in smooth implementation



Guidance Metrics

Metrics to gauge impact of guidance on reducing the risks of non-compliance and unnecessary administrative burden

Possible General Metrics:

- % PI/PD time on admin. (FDP Survey)
- Ratios of Admin. Cost to total IDC pools
- Frequency of Fed. Agency deviations from Guidance (not by statute or regulation)
- # OMB Approved Collections for Assistance
- # Fixed Amount Awards
- # IDC rate extensions approved by cognizant agencies
- Accuracy of data in USA Spending



Guidance Metrics

Possible Audit Metrics for Guidance:

- Issuance of annual Compliance Supplement by March 31st
- # of major programs before and after guidance effective
- % of timely submissions of single audits
- # of repeat findings
- # of 'unclean' opinions for major programs
- # of material audit findings in single audits



Guidance Reform Future

December 2013:
Final Guidance
Published

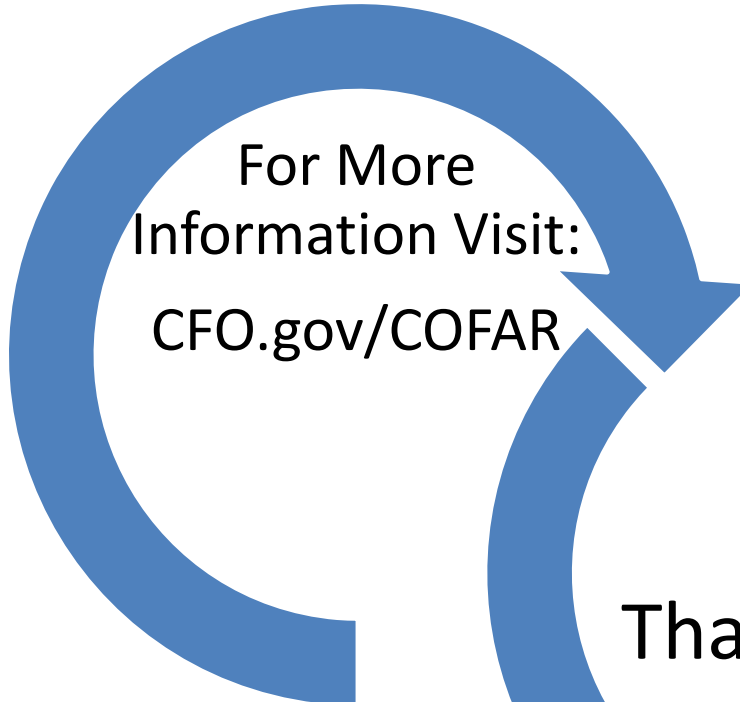
June 2014:
Agencies Submit
Draft Rules to
OMB, Continued
Outreach on
Implementation

January-April 2014:
Training Webcasts,
Single Audit & Other
Metrics, Publish 2014
Single Audit
Compliance
Supplement

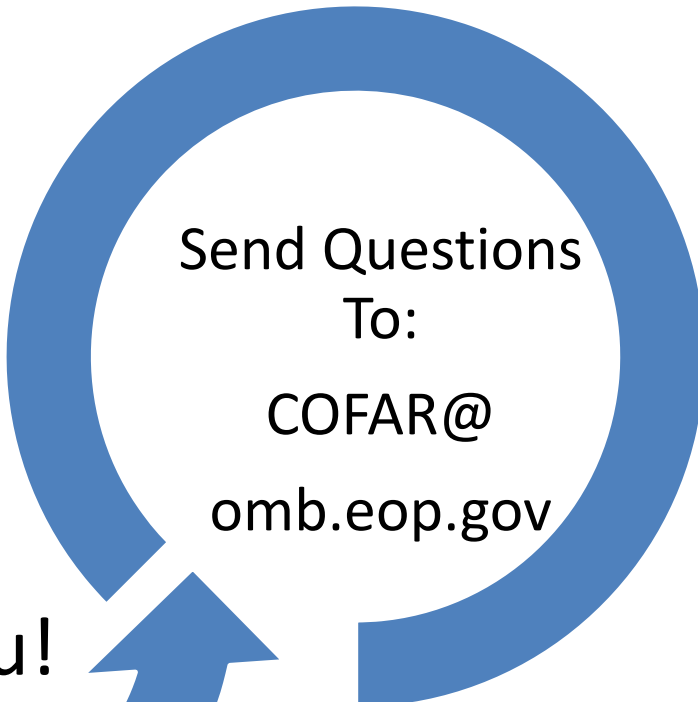
December 2014:
Final Guidance
Effective, Baseline
Metrics Collected,
Case Studies of Best
Practices Published



Engage With COFAR



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Thank you!

