

Office of Statewide Reporting and Accounting Policy
State of Louisiana
Division of Administration

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COMMISSIONER OF ADMINISTRATION

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OSRAP MEMORANDUM 16-26

TO: Fiscal Officers
All Agencies

FROM: Afranie Adomako, CPA
Director of Management and Finance

SUBJECT: Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) – the Super Circular and Addendum to OSRAP Memorandum 14-17 of 2014

The “Super Circular” is now effective: On February 11, 2014, The Office of Statewide Reporting and Accounting Policy (OSRAP) issued OSRAP Memorandum# 14-17 which informed all agencies/colleges of the new publication issued by the Office of Management and Budget (OMB). The link to that memo is <http://www.doa.la.gov/osrap/library/memos/14/OSRAP1417.pdf>. This publication consolidated OMB Circulars A-21, A-50, A-87, A-89, A-102, A-122, and A-133 into one document called the *Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200)*, referred to as the “Super Circular”.

The new Circular requires non-federal entities (state agencies) to comply with the new requirements effective for awards made on or after December 26, 2014. For grants that were made prior to December 26, 2014, each Federal agency will make the determination of whether the new guidance will apply on an award by award basis. You will need to read the terms and conditions related to every funding increment to ensure the appropriate guidance is followed. Audit requirements are effective for fiscal years beginning on or after December 26, 2014.

Administrative Requirements – Subpart C and Subpart D (§200.200 and §200.300) – agencies should have implemented various administrative and management procedures. We have listed a few here but there are many more to consider:

- Risk assessment of subrecipient before award is granted.
- Communicate the required information/data elements – DUNS and FAIN numbers, award date – begin and end; CFDA number and name; R&D classification; indirect cost, etc.

- Subrecipient performance – monitoring and reporting.
- Grant Management Systems – incorporate fund accounting, reporting, internal control, budgetary control, written procedures for cash management and cost allowability.
- Pass-through entity's responsibilities (§200.331).
- New terminology – contractor vs subrecipient determination.

Audit Requirements – Subpart F (§200.500) – agencies should be familiar with the audit requirements that will be applied during their audit fiscal year. We have listed a few here but there are many more to consider:

- Increase audit threshold for agencies' expenditures – \$500,000 to \$750,000.
- Major program determination.
- Programs are grouped based on dollars.
- Frequency of audits – high risk of Type A and B programs.
- Auditee must prepare a Schedule of Federal Awards (SEFA).
- Audit findings follow-up.
- Report submission.

Schedule of Expenditures of Federal Award (SEFA) – Subpart F (§200.510b) – must be prepared for the period covered by the agency's financial statements which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended.

- The SEFA instructions are taken from the *2016 2 CFR 200, Appendix XI to Part 200 - Compliance Supplement*, however, it is not available at this time. The OMB Compliance Supplement is usually available in the month of June of the current year.
- You will report Federal Awards expenditures using the SEFA portal on OSRAP website. The SEFA portal will be available for submission in July for FY 2016 reporting.

Available Resource:

The *Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR 200 referred to as the Super Circular) is available as an e-CFR (electronic Code of Federal Regulations). To assess this document, go to www.ecfr.gov. (Select Title 2-Grants and Agreements, then select Subtitle A, Chapter II – Parts 200-299, and click on 200).

AA:kbp