



Uniform Grant Guidance Updates for 2026: What You Need to Know

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Presenters:



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Today's Objectives:



Summary of
Revisions



Timeline



Impact on Your
Organization



Uniform Guidance - Summary of Revisions



Purpose of 2024 Revisions

Office of Management and Budget (April 2024 Federal Register):

- Reduce unnecessary compliance costs
- Remove barriers to entry
- Ensures assistance services intended communities
- Informs Agencies on how to strengthen the grant lifecycle
 - » Requiring further simplification of NOFOs
 - » Requiring improvements to the Federal Program Inventory (FPI)
 - » Supporting programs for Tribal nations



Summary of Revisions – Auditee Impact

*Not All
Inclusive!*

Subparts A through E

- Definitions
- Language
- Thresholds

Subpart F

- Thresholds
 - Audit requirement
 - Type A

Key Language Changes

- Grants and Agreements > Federal Financial Assistance
- Non-Federal entity > recipient, subrecipient, or both



Key Definition Changes

Contracts – procurement transaction

Subrecipient – not procured, contributes to the objectives of the project

Matching – type of cost-sharing

Improper payments – enhanced with more examples

Intangible property, real property and special purpose equipment

Participant – new definition

Questioned costs – how *known* and *likely* are calculated

Beneficiary – intentionally not defined by UG, too much variety across Federal agencies and programs



Threshold Changes

Area	Current UG	2024 Revised UG
Single Audit Threshold/ Type A Threshold	\$750,000	\$1,000,000
Micro-purchases	\$10,000	\$15,000
Equipment and Supplies	\$5,000	\$10,000
Proceeds	\$500 or 10% of proceeds from sale of equipment or supplies	\$1,000
Subawards based on fixed amounts (with prior written approval)	Simplified Acquisition Threshold	Up to \$500,000
Modified Total Direct Cost (MTDC)	Up to \$25,000 of each subaward	Up to \$50,000 of each subaward
de minimis rate applied to MTDC	10%	Up to 15%



Subpart C

§ 200.214 Indirect costs

- Removes the requirement that indirect cost rates be available on a governmental website

§ 200.217 Whistleblower protections

- New section
- Requires recipients and subrecipients to *inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712.*
- Whistleblower rights and protections communicated in writing.



Subpart D

§ 200.303 Internal controls

- Paragraph (a) – requires internal controls to be documented
- Paragraph (e) – added requirement related to cybersecurity

§ 200.319 Competition

- Changes to paragraph (c)
- Removed geographic preference

§ 200.331 Subrecipient and contractor determinations

- Clarifications that emphasize that it is the PTE's responsibility to determine whether a recipient is a subrecipient or a contractor



Subpart D

§ 200.332 Requirements for pass-through entities

- PTE responsibility to monitor Subrecipients
 - Current UG - timely corrective action (re: monitoring, Single Audits, site visits, etc)
 - Revised UG - Extends to *all significant developments* that negatively impact the subaward

§ 200.344 Closeout costs

- Changes to paragraph (b)
- Includes clarity on final reporting (close-out) when IDC rates have not been finalized
- Final reporting must remain timely
- Submit revised final financial report with negotiated IC rate



Subpart E

§ 200.407 Prior written approval (prior approval)

- Removed 10 items of cost from list requiring prior written approval

§ 200.472 Termination and standard closeout costs

- New paragraph (b)
- Allows for charges during close-out for *necessary administrative costs*
- Understand the timeline – incurred and liquidated by date of final report



Subpart E

§ 200.431 Compensation – fringe benefits

- New paragraph (6)(v.)
- Payments for *unfunded pension costs* follow allocation principles of Subpart E
 - Must be allowable under the terms and conditions of the Federal award



Subpart E

§ 200.414 Indirect costs

- Changes to paragraph (d)
- *PTE must accept* all Federally negotiated IC rates for subrecipients
- Ensure subaward agreements are consistent with:
 - Allowability
 - Application of negotiated IC rates



Subpart E

§ 200.455 Organization costs

- New paragraphs (b) and (c)
- Explicit listing of *unallowable costs*
- New *allowable costs for data and evaluation*
 - Expanded flexibility to capture costs to gather, store, track, manager, analyze, disaggregate, secure, share, publish, or otherwise use data in administering a Federal program
 - Includes costs to evaluate data



Subpart F

§ 200.512 Report submissions

- Changes to paragraph (a)(1)
- Opportunity to apply for *reporting deadline extensions*
 - Single Audit
 - Data Collection Form
 - Reporting package
- *Prepare to provide evidence of undue burden* to meet the 30-day/9-mo deadline



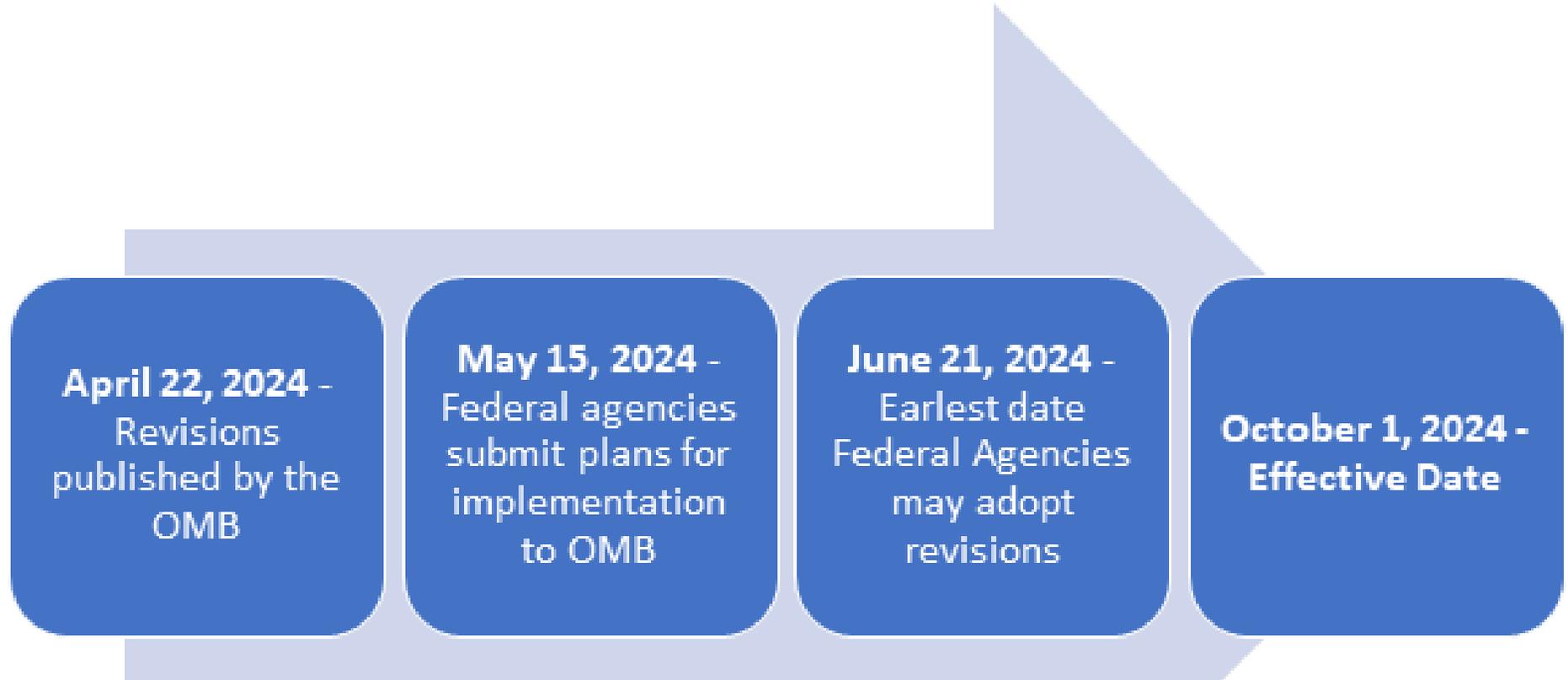
Reporting Requirements – Expanded Guidance

Area	Current UG	2024 Revised UG
Closeout liquidation period for subrecipients	“non-Federal” entities 120 days	Recipients 120 days to liquidate Subrecipients 90 days to liquidate
Annual, semi-annual, or quarterly financial reporting by recipients and subrecipients (calendar days after the reporting period)	No less than annually nor more frequently than quarterly (no due dates provided)	Annual reporting – no later than 90 days Semi-annual or Quarterly reporting – no later than 30 days
Final financial reporting by subrecipients and recipients (calendar days after the period of performance) – at discretion of funding agency	Not previously specified	Recipients – no longer than 120 days Subrecipients – no longer than 90 days



Timeline

Overall Timeline



What does effective October 1, 2024 mean?

- Subparts A-E Administrative and Cost Principle
 - » Changes are effective for new grants received October 1, 2024 or later
 - » Agency discretion to award with effective changes as early as June 21, 2024
- Subpart F - Clarified in the OMB 2024 Compliance Supplement
 - » Single Audit threshold: \$1,000,000 for auditee fiscal years beginning *on or after October 1, 2024*
 - Fiscal year ends single audit first applicable to
 - Sept 30, 2025
 - December 31, 2025
 - March 31, 2026
 - June 30, 2026
 - » Although the Compliance Supplement did not explicitly state the effective date for the type A threshold change, we understand it to follow the overall threshold effective date



Determining Applicable UG Version(s) – Direct Awards

Award Details	Which Version of UG Applies?
<i>New direct award</i> issued <u>on or after</u> Oct. 1, 2024	2024 Revisions
<i>Existing direct awards</i> issued <u>prior to</u> Oct. 1, 2024, with:	
<i>Amendment</i> issued <u>on or after</u> Oct. 1, 2024 that explicitly states 2024 UG revisions apply	2024 Revisions
<i>Amendment</i> issued <u>on or after</u> Oct. 1, 2024 that does NOT explicitly state 2024 UG revisions apply.	Assume prior UG applies
<i>No Amendment</i> issued on or after Oct. 1, 2024, and	
Agreement’s terms and conditions are included directly in the award agreement and do not reference the 2024 revisions.	Assume prior UG applies
Agreement’s terms and conditions contain a link to the federal agency’s standard terms and conditions, which have been revised to state the 2024 revisions apply to the grant.	Recommend the recipient entity discuss the applicability of the 2024 revisions with the federal awarding agency.



Determining Applicable UG Version(s) - Subrecipients

Award Details	Which Version of UG Applies?
Subrecipient award, when:	
The federal agency amends an existing award to apply the 2024 revisions to the direct recipient:	PTE must amend sub-awards to apply 2024 revisions. Consultation with the PTE is recommended.
The federal agency has not applied the 2024 revisions to the award to the direct recipient	PTE must not apply 2024 revisions to sub-awards. Consultation with the PTE is recommended.



Example 1 - Facts

- Period Under Audit: FYE June 30, 2026
- Program Details:
 - Program consists of 1 award, issued *prior to* Oct. 1, 2024.
 - Amendment subsequently issued that explicitly states the 2024 UG revisions apply as of Oct. 1, 2024.
- Which version of UG applies to the award?



Example 1 – Answer

Transactions Incurred From:	Applicable Version of UG
July 1, 2024 – September 30, 2024	Prior UG
October 1, 2024 – June 30, 2025	Revised 2024 UG

Bonus Question: What is the single audit and major program threshold for this audit?



Example 2 - Facts

- Period Under Audit: FYE June 30, 2025
- Program Details:
 - Multiple awards under one ALN.
 - Award A**: issued prior to Oct. 1, 2024, no amendments
 - **Award B**: issued prior to Oct. 1, 2024, amended to apply revised UG.
 - **Award C**: issued on Oct. 1, 2024.
- Which version of UG applies to the major program?



Example 2 – Answer

Transactions Incurred From:	Applicable Version of UG
Award A – issued prior to Oct. 1, 2024 not amended	
All transactions	Prior UG
Award B– issued prior to Oct. 1,2024 amended	
July 1, 2024 – September 30, 2024	Prior UG
October 1, 2024 – June 30, 2025	Revised 2024 UG
Award C– issued on Oct. 1, 2024	
All transactions	Revised 2024 UG



Impact to Organizations

Anticipated Benefits of 2024 Revisions to Uniform Guidance



Lowers burden on recipients



Measurable Evaluation - strengthens program evaluation to gather data and evaluate impact of programs



Plain language



Simplifies federal grant announcements (streamlined NOFO template)



Common Questions

Q: How can I determine if an award is subject to the current UG or the new UG?

A: For new awards, will be based on the date. Can also look to the terms and conditions.

Q: When Uniform Guidance was first adopted (in 2014) was additional adoption guidance for grant recipients, including guidance specific to incremental funding of existing awards. Is there similar guidance for this implementation?

A: This is unclear at this time. Transition guidance is expected from OMB – keep your eyes open!



Common Questions

Q: How will subawards be impacted?

A: The applicability of the new UG revisions to subawards made to eligible subrecipients will depend upon the prime recipient's award.

Q: My organization has a June 30 fiscal year end. Does that mean the \$1,000,000 threshold increase will be applicable to me for June 30, 2026?

A: YES. The first single audit for June 30 fiscal year ends that the \$1,000,000 threshold will apply to is June 30, 2026.



What should I do now?

- **Review existing policies and update as needed**
 - Procurement
 - Subrecipient monitoring
 - Allowable costs/Indirect Costs
 - Equipment and Supplies purchased with Federal dollars
 - Other Thresholds
- **Consider the impact of administering multiple grants that might follow pre-2024 and 2024 UG**
 - Including monitoring for federal agency adoption



Uniform Guidance Resources

[Federal Register - April 22, 2024](#)

[OMB Memo M-24-11 - April 4, 2024](#)

[OMB Reference Guide](#)

[2024 Uniform Guidance - redline document](#)

[2 CFR Frequently Asked Questions](#)

[Department of Education UG Revision Implementation FAQs](#)

Q&A

Contact your presenters



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Thank you!