

CONTROLLER ALERT: Reducing Burden For Federal Agencies By Rescinding Grants Management Related Requirements

Controller Alerts are designed to highlight emerging financial management issues that may require agency attention or action. These Alerts are intended to inform the Chief Financial Officer (CFO) community of key issues where the Office of Management and Budget (OMB) believes further action may be warranted, but do not constitute official guidance or prescribe specific tasks for agencies beyond consideration of appropriate steps to address the issue.

The purpose of this Controller Alert is to provide additional details and updates regarding the grants management related requirements that were rescinded in [M-17-26](#), *Reducing Burden for Federal Agencies by Rescinding and Modifying OMB Memoranda*.

M-17-26, Reducing Burden for Federal Agencies by Rescinding and Modifying OMB Memorandum

M-17-26, published on June 15, 2017, provided relief to agencies by rolling back low-value, duplicative, and obsolete activities to reduce costs and minimize staff hours responding to duplicative and burdensome reporting requirements.

To help reduce the burden for grants management related requirements, the following changes apply to agencies' management of grants and financial assistance:

- Agencies are no longer required to report the metrics measuring the impact of the Uniform Guidance (2 C.F.R. Part 200), as instructed by OMB Memorandum [M-14-17](#).
- Agencies are no longer required to prepare for an expanded Catalog of Federal Domestic Assistance (CFDA) numbering schematic, as informed by OMB's [Controller Alert](#) of December 22, 2016. OMB will consider future changes to the CFDA following the implementation of [M-17-22](#) Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce.
- The Council on Financial Assistance Reform (COFAR) was established by OMB Memorandum [M-12-01](#) and is now disbanded. The COFAR included the Chief Financial Officers of the eight largest grant-making agencies; it was created to provide recommendations to OMB on policies and actions to effectively deliver financial assistance, which culminated in the creation of the Uniform Guidance (UG). The UG reduced regulation volume by 75% and focused agency efforts on performance over compliance. With the completion of the designated purpose, moving forward, financial assistance priorities will be coordinated by the Chief Financial Officers Council (CFOC), consistent with the goal of involving a broader community of financial assistance agencies to participate in developing future priorities. The Office of Federal Financial Management (OFFM) looks forward to engaging with the CFOC, oversight entities, and non-Federal community as appropriate on topics relevant to the financial assistance community. Future groups may be formed around certain topics as necessary.

As an immediate action of financial assistance oversight, CFOs are asked to disseminate news of the following two resources to their financial assistance workforce:

Financial Assistance Management Career Roadmap:

In response to the challenges identified by the audit community, OFFM convened subject matter experts from various agencies and, through assistance from industrial/organizational psychologists, developed a Financial Assistance Management Career Roadmap. This financial assistance effort builds upon the success of the CFOC's financial management resource MyCareerCFO.gov, which specified the competencies needed to progress and excel as a member of the Federal financial management workforce,

The final report is available on the CFOC website. It will be also be posted soon on the Office of Personnel Management's Office of Communications website. An interactive tool is being developed that includes competencies and behavioral indicators that managers and staff will be able to select for any program or support position, regardless of job series. The roadmap will also be mapped to existing training resources to address agency need for inexpensive and quality workforce development.

Federal Grants Management 101 (Grants 101) course:

Finally, OFFM is excited to announce that the complete Federal Grants Management 101 (Grants 101) course, Modules 1-5, is now available at <https://grants101.usalearning.net>.

The course was developed to address the lack of affordable and widely accessible training on basic grants workforce competencies. OFFM worked closely with subject matter experts to incorporate agency best practices and enhance the course with practical grants management application. Knowledge checks help enforce the lessons learned in the modules.

This training resource supports the CFOC's priority of developing a quality workforce, which is instrumental in securing clean opinions on agency-wide and government-wide audited financial statements.

The course is divided into five modules:

Module 1 – Laws, Regulations, and Guidance

This module presents the underlying laws, regulations, policies, practices, and guidance for grant or cooperative agreement programs. Lesson 1 presents the basics for Statutes, Regulations, and Guidance. Lesson 2 discusses applicability of the governing regulations by recipient type.

Module 2 – Financial Assistance Mechanisms

This module presents the multiple types of Federal assistance programs – the difference between them and the use of specific award instrument. Lesson 1 describes the types of assistance awards and Lesson 2 describes the appropriate use for each types of award instrument.

Module 3 – Uniform Guidance Administrative Requirements

This module provides an introduction to the general provisions, pre- and post-award administrative requirements outlined in Subparts A through D of the Uniform Guidance (2 C.F.R. Part 200) for Federal awarding agencies and award recipients. The module includes examples of how Federal awarding agencies apply these requirements into their day-to-day grants management practices and what is required by the award recipient during the period of performance.

Module 4 – Cost Principles

This module provides an introduction to the cost principles that apply to award recipients outlined in the Uniform Guidance (2 C.F.R. Part 200). This module will outline the general principles governing cost, indirect costs, costs that require prior approval, other highlighted costs, and examples of how agencies apply the costs principles as they are administering grant and cooperative agreements.

Module 5 – Risk Management and Single Audit

This module provides common techniques to manage risk to strengthen compliance with the Uniform Guidance (2 C.F.R. Part 200) and an introduction to the single audit requirements, including recipient and Federal awarding agency requirements.

If you have any questions regarding this alert please contact Rhea Hubbard (rhubbard@omb.eop.gov) or Maribel Langas Miller ([Maribel L. Miller@omb.eop.gov](mailto:Maribel.L.Miller@omb.eop.gov)).