1. Do you follow your cognizant agency or your funder if the levels are different? I believe this question deals with the increase in procurement levels per the June 2018 OMB Memo. My understanding is that the OMB memo sets for consistency in this area across all agencies and this will soon be reflected in an updated 2 CFR 200 (Uniform Guidance “UG”). However, if your cognizant or funding agency is telling you something different, you may want to either push back or conform until UG is updated.

2. What if we change our policy subsequently for the new fiscal year that has not been audited? Any changes to your procurement policy should be applied prospectively (i.e. you cannot apply any change on a retrospective basis).

3. You mentioned needing to update the policy for the procurement bands. The OMB memo indicates that the agency needs to approve that, so do we first need to check if our agency has done so? And if they have, do we need to get approval to change our policy if we have ongoing awards? The general guidance is that the grantee community can rely on the OMB memo for purposes of setting procurement bands.

4. Does the procurement thresholds apply to state agencies? The circular says state should follow the state purchasing policy. I do not audit any states so I cannot provide you with any further insights other than what is written in UG.

5. Who is required to submit the Data Collection Form (DCF)? States, local governments and nonprofit organizations that were subject to a single audit (i.e. had annual federal expenditures (as defined in UG) of at least $750,000 for the entity’s fiscal year. The auditee is principally responsible for the DCF submission, but, certain portions of the DCF are completed by the single auditor.

6. Who should upload the schedule of federal expenditures (SEFA) information to DCF? If we provide the information in Excel to the auditors, is that sufficient? The DCF is designed for joint involvement in the preparation and organizations can provide the information to the auditor for input assistance. However, the person at the organization who certifies the submission should take full responsibility for the accuracy of the DCF including the SEFA information.


8. Is there a template (link) for the DCF? The home page for the Federal Audit Clearinghouse is: https://harvester.census.gov/facweb/
9. The changed threshold of $10,000 came out last year. Can we still update our policy now to reflect that change and make it retro? See #2 (above)

10. On the question of procurement policy, you mentioned that the policy of the organization needs to be updated. The OMB memo indicates that each agency needs to approve this change - does that mean they need to adopt the OMB change or that they need to approve each awardee’s change in policy before an awardee can update their procurement policy? Agencies need to update their policies to conform to the new guidance.

11. Is that deadline to submit the DCF whatever is shorter or longer? I.e., if we get our audit done by end of January, do we have until February or the full 9 months to submit? If you have a year-end of December 31, and your auditor issues by January 31 (this is very fast in my humble opinion), you have 30 days from that point to formally submit your DCF and related reports (i.e. March 2 or March 1, depending if it is a leap year or not).

12. Can our agency adopt a procurement policy that is applicable only for purchases with government money - does not apply for any purchases not associated with government funding? I would say “yes” with the provision that your federal policy is more restrictive than your non-federal policy. Otherwise, the government would want to take advantage of what your other funders benefit from, etc.

13. If you are new to overseeing federal grants at an institution, where can you go for federal grant training? Depending on what part of the country you are from, you may have many choices or slim to none. The AICPA NFP Conference (held each June in the Washington, D.C. area) has a “Yellow Book” track that provides a lot of good information in this area. State society conferences may have some as well. RSM, as well as a few other firms, can provide tailored training for your organization.

14. I process payments from the grant (I am the tail end because all compliance is done before me), any suggestions as to documents I should keep or questions to ask in case the auditors question me? Great question! Whether your payables are in a manual system or highly automated (paperless) it all comes down to good internal controls that address the risks you are trying to manage. Hopefully, one of the steps along the chain is for someone with appropriate knowledge of the cost principles of UG has reviewed the purchase and associated cost center coding and believes the cost to be chargeable/allowable to that cost center (i.e. award). If this documentation is part of their job description and they get adequate professional development each year, there is not a lot of documentation you need to add to the specific purchase other than to make sure that person’s approval is documented/captured in some form.

15. How do these independent rules work in an outsourced accounting model? Can an outsourced accountant function as the SKE (skills, knowledge and experience) for an organization? If management does not have the SKE but as an extension of the management function they hire an outsource provider that has the appropriate SKE, this may be fine so long as the outsource provider is independent of the external auditor.

16. Where can I find that federal contracts under Federal Acquisition Regulation (FAR) must be included on your SEFA? Is it detailed in the UG? (section number?) Please see the following two references: 2 CFR 200.38 and 2 CFR 200.502
17. How do we identify if the contract we have is a "Type Cost" contract which should be included in SEFA? You would have to read the contract and determine how revenue is earned. If the contract says that you will be paid based on allowable costs incurred, there you have it. Certainly, it can be trickier than that but sometimes it is that simple. Additionally, you should be able to obtain this information from the funding source or your single audit cognizant or oversight agency.

18. What if the timesheet exceeds the percent budgeted across the board? Doesn't that lead to exceeding the amount budgeted? And then grant end adjustments? Internal controls are very important here. Certainly, if the award will not bear unbudgeted time, you may have to limit what is charged to the award. However, the risk is that budget exceeds the actual effort and the government will not pay for the difference.

19. Vendor/sub-recipients paid more than what dollar amount need a System for Award Management (SAM) check? Did you say more than $25,000? Vendors with contracts of at least $25,000 and all subrecipients regardless of the amount of the agreement.

20. I didn't realize SAM.gov checks were only required on subs greater than $25,000, is that definitive? See UG 2 CFR 200.213. It refers to Executive Orders 12549 and 12689 and 2 CFR 180. These rules establish the $25,000 threshold for contractors.

21. Can you talk more about the comment you made about how some federal contracts actually have UG compliance requirements even though it doesn't say it in the agreement? Where can we learn more? See #16.

22. If a vendor is not registered on SAM, should they be required to be registered? I am not aware of any requirement for vendors to register. However, if they are suspended or debarred they will be on the prohibited list.

23. Where does an organization go to find out about these updates? Please make a point of attending RSM’s Federal Grants Management Update webinar every August – we will keep you informed. We have received awards since the M-18-18 memo and the 2019 guidance update was issued that were not included in our award documentation by the federal agency or even referenced. Unfortunately, some agencies are better than others at keeping their grantees informed. Many of the rules referenced today are “law of the land” type requirements and may apply to you based on the type of entity you are versus any sort of contractual inclusions.

24. Is having a provision in the contract that the entity is not disbarred enough, or do you still need to document that you checked SAM? You can ask the entity to sign a certification that they are not suspended or debarred and that should be able to meet your requirements under UG. However, I would recommend a quick check of the list under SAM.gov as additional verification. If you do this, document the step so you can take credit for it.