



December 19, 2014

TO: NIFA Staff and Awardees

FROM: Cynthia Montgomery   
Deputy Director  
Office of Grants and Financial Management

SUBJECT: Implementation of 2 CFR part 200

The Office of Management and Budget (OMB) published a final rule, 2 CFR part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (78 FR 78589; December 26, 2013). Federal agencies must implement the policies and procedures applicable to Federal awards by promulgating a regulation, developing related award terms, and updating agency-specific documents as appropriate.

To accomplish the promulgating of a regulation, OMB will be publishing a joint interim final rule to implement the final guidance for all Federal award-making agencies, including USDA and NIFA. It will be published in the Federal Register December 19th and effective for new awards or some funding increments on or after December 26, 2014. Through the joint interim final rule, USDA will establish 2 CFR part 400 which adopts the OMB guidance in subparts A through F, as USDA policies and procedures for uniform administrative requirements, cost principles, and audit requirements for Federal awards. Further, through the joint interim final rule NIFA will update the regulatory references within the NIFA regulations that are necessary as a result of the implementation of 2 CFR part 200.

NIFA is working with other agencies to develop federal wide Research Award Terms implementing 2 CFR part 200. The Research Award Terms will not be completed by December 26; therefore, NIFA will be working on award terms for use in the interim.

Finally, NIFA also will be updating the [NIFA Policy Guide](#) to implement 2 CFR part 200. The NIFA Policy Guide is the single, comprehensive guidance document applicable to NIFA competitive and capacity grants. The guide is based on laws, regulations, USDA and NIFA guidance, NIFA policy, and administrative manuals, etc. applicable to NIFA financial assistance. Once the update is complete, NIFA will post the updated version to the appropriate NIFA web page and will publicize the posting accordingly.

Questions regarding NIFA’s implementation of 2 CFR part 200 may be submitted via e-mail to: [mkrizmanich@nifa.usda.gov](mailto:mkrizmanich@nifa.usda.gov). Include “Implementation of 2 CFR part 200” in the subject line of the message.