

Ramish and Shaffer in Reuters: Key Takeaways From OMB's 2024 Revisions To The Uniform Guidance For Federal Financial Assistance

September 27, 2024 Daniel Ramish, Jonathan Shaffer

PRACTICES Federal Assistance: Grants and Cooperative Agreements, Government Contracts

Haynes Boone Counsel [Dan Ramish](#) and Partner [Jonathan Shaffer](#) authored an article for *The Government Contractor* after the Office of Management and Budget issued revisions to the Guidance for Federal Financial Assistance.

Read an excerpt below.

As of Oct. 1, 2024, all new grants, cooperative agreements and other federal assistance agreements will be subject to revisions to the Uniform Guidance issued by the Office of Management and Budget on April 22, 2024. OMB Guidance for Federal Financial Assistance, 89 Fed. Reg. 30,046 (Apr. 22, 2024). The updates were issued following multiple rounds of public comments in response to a notice of request for information and a proposed rule. OMB officials described the final guidance as a completely overhauled version. But the updated guidance does not provide sweeping changes in how grants and other federal assistance agreements are awarded or administered. Rather, for the most part it offers incremental, but welcome and helpful, improvements in specific areas. There are also certain changes that may present additional risk for some recipients and subrecipients.

OMB said its objectives with the updates to the guidance were “(1) incorporating statutory requirements and administration priorities; (2) reducing agency and recipient burden; (3) clarifying sections that recipients or agencies have interpreted in different ways; and (4) rewriting applicable sections in plain language, improving flow, and addressing inconsistent use of terms within the guidance.” 89 Fed. Reg. at 30,046. Along with the updated guidance, OMB provided implementation guidance, OMB Memo M-24-11, which stressed the measures to reduce the burden on agencies and recipients in the final guidance. OMB Memorandum M-24-11, Reducing Burden in the Administration of Federal Financial Assistance, Apr. 4, 2024.

The updated guidance makes various revisions intended to reduce administrative burden, including rolling out a new Notice of Funding Opportunity (NOFO) template and associated guidance; adjusting dollar thresholds that trigger compliance obligations; increasing the de minimis rate; providing other relief from cost requirements; and authorizing agencies to exempt foreign organizations and foreign entities from registering in the System for Award Management (SAM) in certain circumstances.

One change OMB made ostensibly “to better follow plain language principles” may create new obligations and risks for for-profit recipients: most references to the use of the term “non-Federal entity” have been changed to refer instead to “recipient,” “subrecipient,” or both. “Non-Federal entity” does not include for-profit companies, whereas “recipient” and “subrecipient” do. As a result, many more sections of the Uniform Guidance will apply by default to for-profit companies.

The updated guidance makes notable revisions to the intangible property provisions, which address intellectual property, expanding the definition of “intangible property” and adding language about providing greater public access to research data. The amended guidance also makes targeted changes to the procurement standards, in particular authorizing Indian Tribes to use their own procurement policies and procedures instead of those prescribed in the guidance, and removing restrictions on the use of geographic preferences in federally funded procurements.

Finally, the final guidance makes an array of other changes worthy of mention, including expressly requiring agencies to have written procedures for disputes; aligning the mandatory disclosure rule for grants and agreements with the Federal Acquisition Regulation rule for Government contracts; and introducing new whistleblower protections and cybersecurity control requirements.

To read the full article in *The Government Contractor*, click [here](#).