



Maximus Higher Education

"Decoding the Proposed Updates to Uniform Guidance"

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Introductions

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Introductions

Agenda

- Maximus Background Information
- Challenges/Solutions
- Q&A

Maximus Higher Education Practice

Organization and structure

- Established in 1985
- Headquartered in Northbrook, IL, with multiple satellite offices across the country

Consulting services

- F&A proposal assistance, Space Survey, Negotiations
- Fringe benefit rate proposals
- Reviews of service/recharge centers
- Moveable and Fixed Asset Inventory
- Sponsored Programs/Grants Management

Software Solutions

- Comprehensive Rate Information System (CRIS®) used by 250 institutions (90 of top 100)
- WebSpace® — Space Inventory and Survey System used by over 80 institutions
- Effort Reporting System®

39

Years of Experience

30

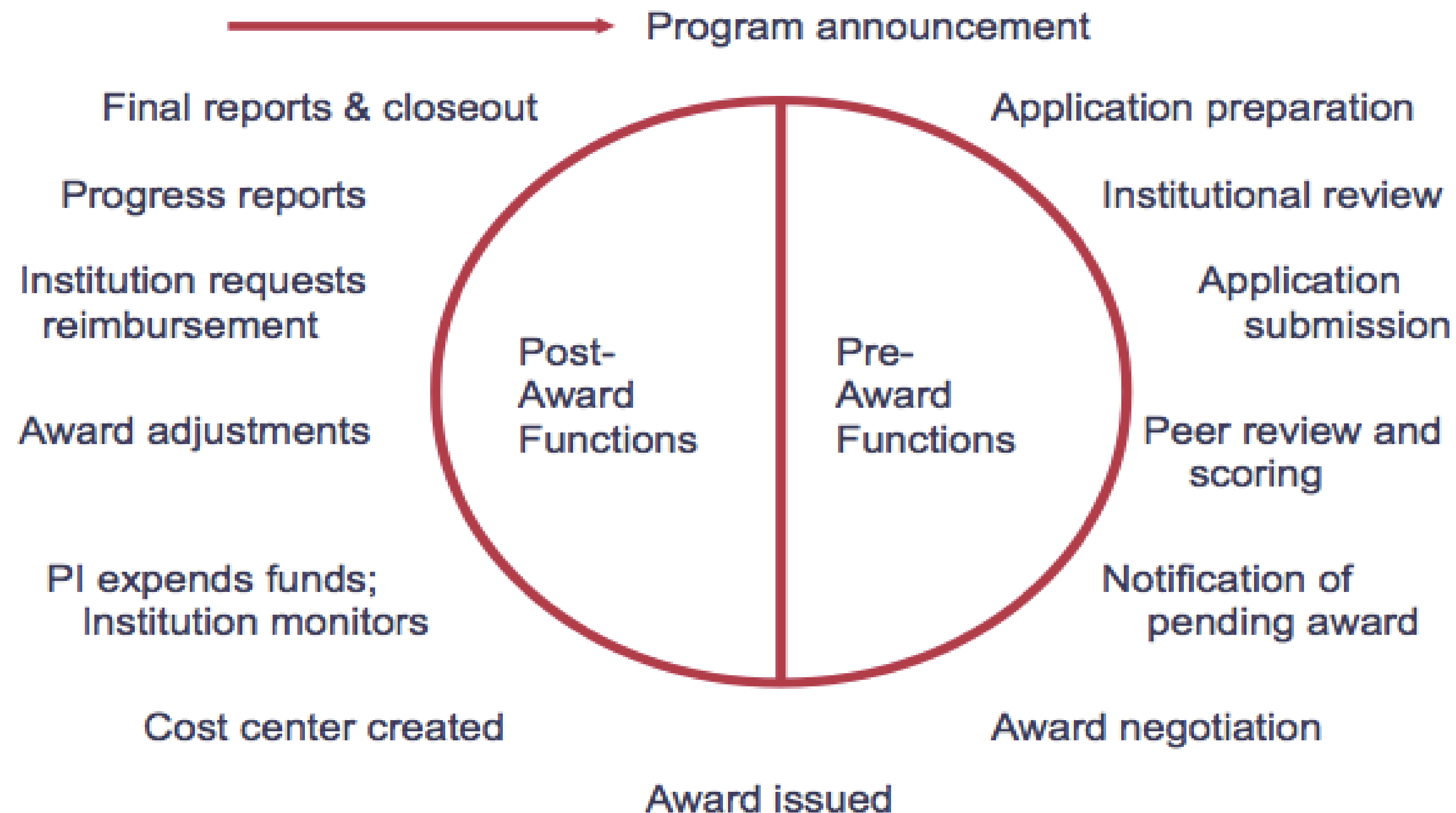
Full-time consulting and IT staff

250+

Colleges and universities served

Maximus Grants Management Services

- Interim Staffing for full cycle of Pre and Post Award Operations
 - proposal development, review, and submission
 - award management, billing/invoicing, collections
 - project closeout



Maximus Grants Management Services

- Policies and Procedures Compliance Review
 - Review Pre-Award and Post Award Policies in High-Risk Areas
 - Option: update existing policies and SOPs and create new ones if needed

Status	Policy	Recommended updates	Reference
<p>Policy requires updates for one or more of the following reasons: does not reference OMB, does not specify roles and responsibilities, or lacks key information.</p>			
<p>Policy requires updates e.g., OMB requirements, does not specify roles and responsibilities, or lacks information.</p>			
<p>No recommended changes</p>			
	Allowable Costs and Activities - Cost Principles Policy	Add clear definitions and examples of direct and indirect costs and those that that can be both e.g., Admin salaries. Link for "Chart of Allowable and Unallowable Costs does not work."	The OMB Uniform Guidance (§200.420 through §200.475) Cost Principles
	Capital Equipment	Develop policy on classification, safeguarding, <u>depreciating</u> and retiring equipment.	OMB 200.313 Equipment
	Cost Sharing	Missing guidance on reduction of effort. Combine with Cost Share Guidelines. Include in policy approvals for proposals <u>which</u> require too much cost sharing.	https://www.ecfr.gov/Cost Sharing
	Cost Transfers	Add the procedure for <u>processing cost</u> transfers that require multiple reviews and approvals. Assign responsibility for approving cost transfers over 90 days.	http://www.ecfr.gov/Cost Transfers

Risk Scorecard

Maximus Grants Management Services

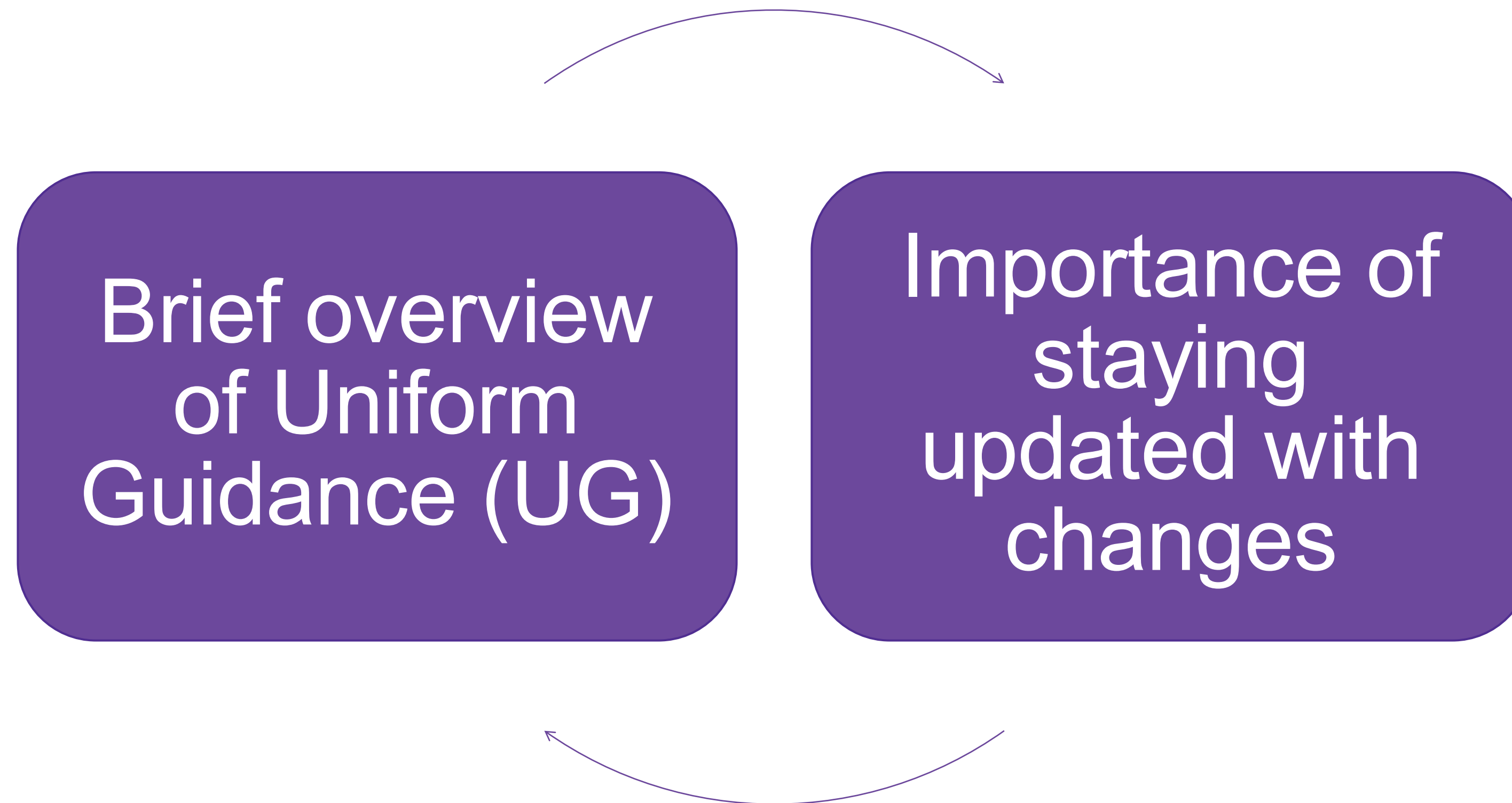
- Organizational Review and Change Management
 - Structure/Staffing levels
 - Business Processes
 - Technology
 - Staff Training

"Decoding the Proposed Updates to Uniform Guidance"

Dr. Rashonda Harris, MBA, CRA



Introduction



Background

Original intent and history of UG

Summary of current regulations
and their impact

Proposed Changes Overview

Rationale behind the proposed updates

Key objectives of the changes

- Pre-Award Changes
- Post Award Adjustments
- Compliance & Audit Adjustments

Impact & Analysis

Detailed Analysis of Proposed Changes (Pre-Award Changes)

Increased Thresholds for Procurements

Before: Micro-purchase threshold at \$10,000

After: Increased to \$50,000



Example Impact: Streamlines small purchases, reducing paperwork for small-scale procurements.

Detailed Analysis of Proposed Changes (Post- Award Adjustments)

Equipment Classification Threshold Changes

- Before: Equipment threshold at \$5,000
- After: Increased to \$10,000

Example Impact: Allows more purchases to be classified as supplies, easing capitalization and tracking requirements.

Inclusion of Veteran-Owned Businesses

- Before: No specific encouragement for procuring from veteran-owned businesses
- After: Explicit encouragement added

Example Impact: Increases opportunities for veteran-owned businesses, diversifying procurement sources.

Subawards in the Modified Total Direct Cost (MTDC) base

Previously, only the first \$25,000 of each subaward could be included in the MTDC base for the purpose of calculating Facilities and Administrative (F&A) costs. The new change increases this cap to \$50,000.

Here's a breakdown of what this change entails:

1. Modified Total Direct Cost (MTDC): MTDC is a basis for calculating F&A costs, which includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award).

2. Subawards: A subaward is an award provided by a pass-through entity to a subrecipient to carry out part of a federal award. The change means that for each subaward, the first \$50,000 can now be included in the MTDC base, potentially increasing the recoverable F&A costs.

- Impact: This change can affect the budgeting and financial management of grants and contracts. It allows institutions to recover a higher portion of their indirect costs, which can provide more funds to cover the administrative and overhead costs associated with managing these awards.
- Implementation: Institutions must update their internal policies and procedures to reflect this change. Grant managers, administrators, and principal investigators should be informed about the new cap and how it impacts their grant budgets and financial reporting.

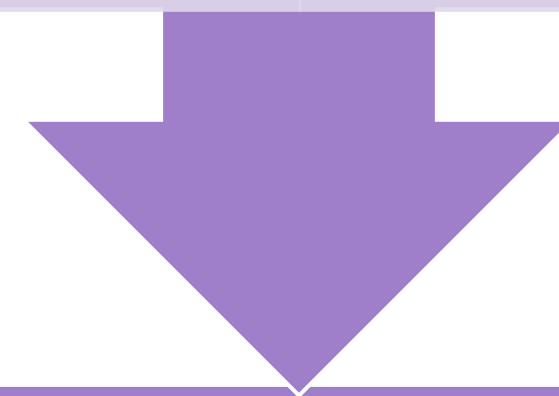
This adjustment is beneficial for institutions managing multiple subawards, as it allows them to recoup more indirect costs, thereby potentially enhancing their capacity to manage and support federally funded projects.

Detailed Analysis of Proposed Changes (Compliance & Audit Adjustments)

Single Audit Threshold Increase

Before: Audit requirement for expenses over \$750,000

After: Increased to \$1 million



Example Impact: Reduces audit burden for smaller entities, focusing efforts on larger grants.

Impact

Analysis

- Analysis of how changes will affect different stakeholders
- Potential for streamlined operations and reduced administrative costs

Implementation Timeline

- Overview of the public comment process
- Expected timeline for adoption and implementation of changes

Preparing for the Transition

- Strategies for adapting to new thresholds and requirements
- Resources available for navigating the transition



Questions

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THANK YOU FOR ATTENDING!