

What Federal Award Recipients Must Do to Implement the 2024 Uniform Guidance Revisions

By Lisa Saul, Uniform Guidance Director

On April 22, 2024, the U.S. Office of Management and Budget (OMB) released the [revised Guidance for Federal Financial Assistance](#), which is located in Title 2 of the Code of Federal Regulations, [2 CFR Part 200](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Also referred to as the Uniform Guidance, these are the federal regulations surrounding federal financial assistance, including single audit requirements.

The effective date of these changes is generally October 1, 2024, for new direct federal awards issued on or after that date. However, this guidance may also affect federal awards issued prior to October 1, 2024.

If your organization receives federal awards, it's important to understand the two Uniform Guidance versions and how the effective dates apply to you. To help, this article provides a summary of the changes along with a look at several example awards, the effective dates for these awards, and whether they fall under the 2024 revised Uniform Guidance or the historical Uniform Guidance.

Key Changes in the 2024 Revised Uniform Guidance

[This document](#) from the Council on Federal Financial Assistance (COFFA) summarizes the key changes in the 2024 revised Uniform Guidance (2 CFR § 200), including:

- Increasing the equipment threshold from \$5,000 to \$10,000
- Increasing the unused supplies threshold from \$5,000 to \$10,000
- Increasing the de minimis indirect cost rate from 10% to 15%

The revisions also remove the prior written approval requirements for certain costs under Subpart E, Cost Principles ([2 CFR § 200.407](#)).

Finding the Correct Uniform Guidance Version

Now that there are two versions of Uniform Guidance, it's important to use the one that applies to your federal awards.

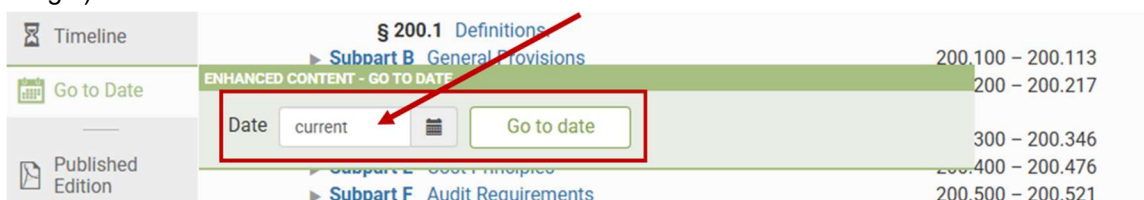
The [federal e-CFR website](#) now points to the 2024 revised version of the Uniform Guidance, as highlighted below:



To access the historical Uniform Guidance, click “view historical versions” in the upper right corner of the website, as shown here:



The following box will then pop up. (Note: You may need to scroll down to see the pop-up box, depending on your browser settings.)



Enter the date you need and select “Go to date” to access the version applicable to your award.

Federal Award Examples

Below, we provide some example federal award agreements and discuss:

- The effective dates, considering a fiscal year-end of June 30, 2025
- The factors to consider when determining which Uniform Guidance version to apply

For reference, these example agreements and their terms are fully laid out in the chart on the second tab of [this spreadsheet](#). The file also includes an Award Review Template on the third tab that you can use to track your agreements and consider how the changes may apply to your organization’s federal awards.

Let’s start with an existing federal award.

Example A

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.267	3/1/2024	2/28/2025	\$ 2,400,000	Y	N	\$ 1,600,000	\$ 1,600,000	\$ -

The federal award in our first example was signed in March 2024 and ended in February 2025. It is an existing direct federal award issued prior to October 1, 2024, with no amendments issued on or after that date, and \$1.6 million was spent during the fiscal year ended June 30, 2025.

Although some expenditures were after October 1, 2024, you must look at the date the agreement was signed. Because the agreement was signed before October 1, 2024, and has no amendments on or after that date, the historical Uniform Guidance applies.

Subsequent Federal Award Examples

Example B

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.267	3/1/2025	2/28/2026	\$ 2,400,000	Y	N	\$ 800,000	\$ -	\$ 800,000

Our second example is a direct federal award issued on March 1, 2025, with no reference to the Uniform Guidance. Only a portion of the funds were spent during the fiscal year ended June 30, 2025, but because this award was issued on or after October 1, 2024, and has no reference to Uniform Guidance, it is subject to the 2024 revisions.

Example C

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.267	7/1/2024	6/30/2025	\$ 1,800,000	Y	N	\$ 1,800,000	\$ 1,800,000	\$ -

Example C is an existing direct federal award issued prior to October 1, 2024. There are no amendments issued on or after October 1, 2024, but the agreement's terms and conditions contain a link to the federal agency's standard terms and conditions.

Because the amendment does **not** explicitly state that the 2024 revisions apply, you can assume the historical Uniform Guidance applies.

Example D

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.267	10/1/2024	9/30/2025	\$ 1,200,000	Y	N	\$ 900,000	\$ -	\$ 900,000

This example is a new direct federal award issued on or after October 1, 2024, with no amendments. The agreement's terms and conditions contain a link to the federal agency's standard terms and conditions.

However, the federal agency's website only provides broad guidance stating that "all awards" are to apply the revised Uniform Guidance. Because of the phrase "all awards," the 2024 revised Uniform Guidance applies to this award. The organization should discuss the applicability of the 2024 revisions with the federal awarding agency.

Example E

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
93.224	10/1/2024	9/30/2025	\$ 2,400,000	Y	N	\$ 1,600,000	\$ -	\$ 1,600,000

Example E is a new direct federal award issued on or after October 1, 2024. There is no reference to Uniform Guidance. The fact that there is no reference to Uniform Guidance is not the determining factor, however. The determining factor is that the award was issued on or after October 1, 2024, which means the 2024 revised Uniform Guidance applies to this award.

Federal Awards Received by Subrecipients

Now let's look at two examples of subawards received from pass-through entities:

Example F

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.267	11/1/2024	10/31/2025	\$ 1,800,000	Y	N	\$ 1,200,000	TBD based on communication with the pass-through entity.	TBD

This is a new federal subaward issued by a pass-through entity on or after October 1, 2024. At first glance, it may appear that the 2024 revised Uniform Guidance applies, since the date of the subaward was after October 1, 2024. However, the direct federal award to the prime entity may have been issued before October 1, 2024, so we don't have enough information to determine which version applies.

The pass-through entity must tell the subrecipient which Uniform Guidance version applies based on its direct federal award date, which is why the answer is "TBD" (to be determined).

Notice that the awards in Examples A, B, C, D, and F are all for Assistance Listing Number (ALN) 14.267 and support the same organizational program. However, even though the awards are for the same program, they are subject to two different Uniform Guidance standards. This illustrates the importance of identifying programs that may be operating under different compliance requirements.

Example G

ALN #	Start Date	End Date	Amount	Cost share? (Y/N)	Indirect cost rate used? (Y/N) If Yes, add percentage	Current SEFA amount for the year ended 6/30/2025	UG expenditures subject to the historical UG (2 CFR Part 200) in the current audit period	UG expenditures subject to the 2024 revised UG in the current audit period
14.218	12/1/2022	11/30/2025	\$ 5,100,000	N	Y, 10% de minimus through 9/30/2024; 15% after 10/1/2024 based on agreement amendment and approved budget change	\$ 1,700,000	TBD based on communication with the pass through entity.	TBD

Example G is an existing federal subaward issued by a pass-through entity prior to October 1, 2024. Keep in mind that the direct federal award to the prime entity may have been amended to apply the 2024 revised Uniform Guidance. As COFFA noted in [this memo](#), the pass-through entity must amend the subaward when a federal agency amends an existing award to apply the 2024 revisions. As a result, before the correct answer can be determined, **the subrecipient must ask the pass-through entity whether the award has been amended to apply the 2024 revisions.**

COFFA has also published a helpful [Frequently Asked Questions](#) document addressing common questions about the OMB's guidance on federal financial assistance in Title 2 of the Code of Federal Regulations (2 CFR), including Uniform Guidance.

Conclusions From the Examples

As these examples show, the date an award was issued is not the only factor to consider when determining which Uniform Guidance version applies. Other factors include the following:

- The status of the federal agency's adoption of the 2024 revisions. Some [federal agencies](#) have adopted the 2024 revisions while others have not. If the federal agency that issued your award has adopted the 2024 revisions, its website will state that "all awards" are to apply the new Uniform Guidance.
- Whether the agreement *or* amendment of the federal direct award explicitly states that the 2024 revised Uniform Guidance does or does not apply.
- For a pass-through award, additional facts from the prime entity about the award, such as:
 - The date of the prime entity's direct federal award. (The direct federal award to the prime entity may have been issued prior to October 1, 2024, even if the subaward was issued after that date.)
 - Whether the direct federal award received by the prime entity has been amended to apply the 2024 revised Uniform Guidance.
- If your state regulations follow Uniform Guidance for state financial assistance, it's important to consider how the changes in the 2024 revised Uniform Guidance will impact any state funding your organization may have. Some states automatically adopt the Uniform Guidance changes while others do not.

The examples also highlight that a federal program at an organization may be funded by several federal awards that are under different versions of the Uniform Guidance. It's crucial to review each agreement for your direct awards and subawards and determine which version of the Uniform Guidance applies to each so you can track the requirements applicable to that award.

If your organization has granted federal awards to subrecipients, it is important to let them know which Uniform Guidance version applies so they can track the requirements and follow the correct version.

Indirect Costs (De Minimis Cost Rate)

Another change relates to the indirect costs that recipients and subrecipients may recoup through the de minimis cost rate ([2 CFR § 200.414](#)). In the 2024 revised Uniform Guidance, [2 CFR § 200.414\(f\)](#) notes that recipients and subrecipients that do not have a current federal negotiated indirect cost rate may increase the de minimis indirect rate from 10% to up to 15% of modified total direct costs.

While this allows the recipient and subrecipient to receive more funds toward their indirect costs incurred, they must amend the award budget to decrease the direct costs and increase the indirect costs. They also must receive the federal agency's approval before applying the higher rate. This assumes there are enough funds in the award to accommodate the change.

Also, this change cannot be applied retroactively. The 10% de minimis cost rate must be applied through September 30, 2024, and, if approved by the federal agency (including a revised budget), the indirect cost rate can change to 15% only on or after October 1, 2024.

As such, a separate accounting must be set up to track and apply the revised cost rates, which could be different on multiple federal awards. It's important to think through all the logistics of properly accounting for this.

The 2024 revised Uniform Guidance clarified in [2 CFR § 200.414\(c\)\(1\)](#) that recipients and subrecipients have the right to negotiate a rate rather than use the de minimis rate. In addition, [2 CFR § 200.414\(d\)](#) notes that pass-through entities must accept all federally negotiated indirect cost rates for subrecipients.

Additional Key Takeaways for Federal Award Recipients and Subrecipients

Here are some additional steps your organization should complete before the end of your fiscal year if you are the recipient or subrecipient of federal awards that may be subject to the 2024 revised Uniform Guidance:

- Assign one or more individuals within the organization to be responsible for understanding the 2024 revised Uniform Guidance and training staff on the changes.
- Review and update your grant policies, procedures, and internal controls to reflect the 2024 revisions.
- Educate your board and external stakeholders about the changes.
- Prepare the information your external auditor will need to support that the appropriate Uniform Guidance requirements were followed.
- Continue to follow developments on the transition from the historical Uniform Guidance (2 CFR Part 200) to the 2024 revised Uniform Guidance.
- Assess whether it may be more efficient to defer adopting the increased thresholds until all awards are under the 2024 revised Uniform Guidance.
- Consider how the changes in the 2024 revised Uniform Guidance will impact any state funding your organization may have or will receive.
- Watch for changes in the procurement thresholds, which are set to [increase in 2025](#).
- If you have subawards, make sure you include all the required language and complete all the required procedures in the 2024 revised Uniform Guidance.
- [Subscribe to our e-news](#) for timely updates and insights.

The 2024 revised Uniform Guidance brings significant changes, along with careful considerations about which Uniform Guidance version applies to your federal awards and subawards. Careful consideration and planning will help your organization implement the 2024 revised Uniform Guidance efficiently and effectively.

Please [contact us](#) with any questions.

Additional Resource:

The 2 CFR Crosswalk from COFAA is a helpful Excel spreadsheet comparing the 2024 revised Uniform Guidance to the historical version, including a summary of the changes. You can download it [here](#).

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