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**NATIONAL ARCHIVES AND RECORDS ADMINISTRATION**

2 CFR Part 2600, 36 CFR Parts 1206, 1207, and 1210

[FDMS No. NARA-15-0003; NARA-2015-058]

RIN 3095-AB83

**Implementation of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**

**ACTION:** Final Rule.

**SUMMARY:** This final rule implements OMB's guidance on Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, published on December 26, 2013. NARA published an interim final rule proposing its implementation of OMB's new requirements on December 19, 2014 (79 FR 75871), along with other Federal awarding agencies. NARA received no comments on the interim final rule and by this action adopts the rule as final.

**DATES:** This rule is final on [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Contact Kimberly Keravuori, by telephone at 301-837-3151, by e-mail at [regulation\\_comments@nara.gov](mailto:regulation_comments@nara.gov), or by mail at Kimberly Keravuori, Regulations Program Manager; Strategy Division (SP), Suite 4100; National Archives and Records Administration; 8601 Adelphi Road; College Park, MD 20740-6001.

**SUPPLEMENTARY INFORMATION:**

## Background

On December 26, 2013, the Office of Management and Budget (OMB) streamlined the Federal Government's guidance on Federal awards and published final guidance in the Federal Register (78 FR 78590), entitled Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). OMB's final guidance at 2 CFR 200 followed on a Notice of Proposed Guidance issued February 1, 2013, and an Advanced Notice of Proposed Guidance issued February 28, 2012. The final guidance incorporated feedback received from the public in response to those earlier issuances. Additional supporting resources are available from the Council on Financial Assistance Reform at [www.cfo.gov/COFAR](http://www.cfo.gov/COFAR). The final guidance delivered on two presidential directives; Executive Order 13520 on Reducing Improper Payments (74 FR 62201; November 15, 2009), and February 28, 2011 Presidential Memorandum on Administrative Flexibility, Lower Costs, and Better Results for State, Local, and Tribal Governments, (Daily Comp. Pres. Docs.; <http://www.gpo.gov/fdsys/pkg/DCPD-201100123/pdf/DCPD-201100123.pdf>). It reflected more than two years of work by the Council on Financial Assistance Reform to improve the efficiency and effectiveness of Federal financial assistance. For a detailed discussion of the reform and its impacts, please see the Federal Register notice for the issuance of the final guidance (78 FR 78589).

As stated in 2 CFR 200.110 of the guidance, Federal agencies must implement the OMB guidance on Federal awards by regulatory action. Implementing the Uniform Guidance will reduce administrative burden and risk of waste, fraud, and abuse for the approximately \$600 billion per year awarded in Federal financial assistance. The result will be more Federal dollars reprogrammed to support the mission, new entities able to compete and win awards, and

ultimately a stronger framework to provide key services to American citizens and support the basic research that underpins the United States economy.

In accord with this requirement, on December 19, 2014, OMB and Federal awarding agencies, including NARA, published a joint interim final rule in the Federal Register (79 FR 75871), in which Federal awarding agencies revised their regulations to implement OMB's 2013 Uniform Guidance. The interim final rule became effective on December 26, 2014, and comments were accepted through February 2015.

NARA's portion of the joint interim rule adopted OMB's new guidance by replacing 2 CFR 2600, making minor revisions to 36 CFR 1206 (regulations for the National Historical Publications and Records Commission, NARA's grant-making organization) to reflect adoption of 2 CFR 200, and removing 36 CFR 1207 and 1210 (which were rendered obsolete by the new provisions). Additional NARA grant administration policies in 36 CFR parts 1202, 1206, 1208, 1211, and 1212 remained in effect.

NARA received no comments on these proposed changes.

## Regulatory Analysis

### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Ch. 3506; 5 CFR 1320 Appendix A.1) (PRA), we reviewed the final rule and determined that there are no new collections of information contained therein. However, the OMB uniform guidance in 2 CFR 200 may have a negligible effect on burden estimates for existing information collections, including recordkeeping requirements for non-Federal entities that receive Federal awards.

## Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires an agency that is issuing a final rule to provide a final regulatory flexibility analysis or to certify that the rule will not have a significant economic impact on a substantial number of small entities. The common interim final rule implemented OMB final guidance issued on December 26, 2013, and will not have a significant economic impact beyond the impact of the December 2013 guidance; the same remains true for this final rule.

## Executive Order 12866 Determination

Pursuant to Executive Order 12866, OMB's Office of Information and Regulatory Affairs (OIRA) has designated this joint interim final rule to be significant.

## Unfunded Mandates Reform Act of 1995 Determination

Section 202 of the Unfunded Mandates Reform Act of 1995 (Unfunded Mandates Act) (2 U.S.C. 1532) requires that covered agencies prepare a budgetary impact statement before promulgating a rule that includes any Federal mandate that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year. If a budgetary impact statement is required, section 205 of the Unfunded Mandates Act also requires covered agencies to identify and consider a reasonable number of regulatory alternatives before promulgating a rule. OMB determined that the joint interim final rule will not result in expenditures by State, local, and tribal governments, or by the private sector, of \$100 million or more in any one year. The same remains true for this final rule by NARA. Accordingly, NARA has not prepared a budgetary impact statement or specifically addressed the regulatory alternatives considered.

## Executive Order 13132 Determination

OMB determined that the joint interim final rule did not have any Federalism implications, as required by Executive Order 13132. The same remains true for NARA's final rule.

### **List of subjects in 2 CFR part 2600**

Accounting, Administrative practice and procedure, Appeal procedures, Auditing, Audit requirements, Colleges and universities, Cost principles, Grant administration, Grant programs, Hospitals, Intergovernmental relations, Nonprofit organizations, Reporting and recordkeeping requirements, Research misconduct, Small business, State and local governments, Tribal governments.

### **List of Subjects in 36 CFR Part 1206**

Archives and records, Grant programs -- education, Reporting and recordkeeping requirements.

### **List of Subjects in 36 CFR Part 1207**

Accounting, Archives and records, Audit requirements, Grant administration, Grant programs, Reporting and recordkeeping requirements, State and local governments.

### **List of Subjects in 36 CFR Part 1210**

Accounting, Archives and records, Audit requirements, Colleges and universities, Grant administration, Grant programs, Nonprofit organizations, Reporting and recordkeeping requirements.

Accordingly, under the authority in 44 U.S.C. 2104(a); 44 U.S.C. 2501-2506; and 2 CFR 200, NARA adopts as a final rule without change the interim rule amending 2 CFR 2600, 36 CFR 1206, 1207, and 1210, which was published at 79 FR 75871 on December 19, 2014.

Dated: August 18, 2015

David S. Ferriero,

Archivist of the United States.

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