

Reference Guide on Key Uniform Guidance Responsibilities and Supporting Resources

As of February 2024

The Maryland Department of Budget and Management's (DBM), Maryland Technical Assistance Program (MTAP) is providing guidance and technical assistance related to the Infrastructure Investment and Jobs Act (IIJA) as well as the American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund (CLFRF, sometimes referred to as SLFRF) program as a part of a continued effort to support local municipalities manage and administer federal funding. This document is intended to inform municipalities of publicly available resources that can assist with their Uniform Guidance responsibilities through key elements of the compliance process.

Introduction

The Uniform Guidance encompasses a set of standardized regulations and guidelines established by the Office of Management and Budget (OMB). It covers reporting requirements and compliance parameters governing federal grants management, including funds disbursed to states, territories, tribal governments, and eligible local governments under ARPA and IIJA. The following resources are intended to assist with your compliance efforts, minimize discrepancies within an audit process, and provide a framework for your fund management processes and procedures. The content and resources included throughout this document provide information regarding eligible expenditures, budgetary flexibility, transparency measures, and accountability standards essential for using federal grant funds, ensuring responsible and effective use of these critical financial resources. Included in the resources for each topic area are a link to the relevant section of the Uniform Guidance alongside links to other resources which expound upon that section of guidance.

- » **Uniform Guidance:** [eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)
- » **U.S. Department of Labor:** [U.S. Department of Labor – Uniform Guidance for Federal Awards](#)
- » **U.S. Treasury:** [SLFRF Compliance and Reporting Guidance \(treasury.gov\)](#)

Reporting Resources

Under the Uniform Guidance, recipients of federal funding are required to collect program performance and financial data to ensure recipient compliance with federal requirements and the terms and conditions of the federal award. As a result, federal agencies often include various programmatic and financial reporting requirements within the award's terms and conditions (such as [these](#) for ARPA CLFRF). While specific reporting requirements vary for each grant, the links below highlight the reporting requirements associated with ARPA funds, as an example of the breadth of federal reporting requirements. Reporting

requirements ensure transparency, accountability, and effective oversight in the administration of federal funds, promoting responsible stewardship of public resources.

Please refer to the resources below to learn more about reporting responsibilities (mostly specific to ARPA CLFRF):

Written Materials

- » **FEMA:** [Grants Management Technical Assistance | FEMA.gov](#)
- » **U.S. Treasury:** [SLFRF Compliance and Reporting Guidance \(treasury.gov\)](#)

Presentations:

- » [ARPA Fiscal Recovery Fund: Overview of Reporting Requirements and Uniform Guidance - YouTube](#)
- » [WEBINAR: State & Local Fiscal Recovery Funds: Project & Expenditure Simplified Reporting - YouTube](#)
- » [WEBINAR: State & Local Fiscal Recovery Fund: Compliance & Reporting Guidance \(for NEUs\) - YouTube](#)

Internal Controls Resources

Internal controls are policies, procedures, processes, and systems designed to support recipients in meeting compliance requirements and safeguard the financial integrity of their organizations. Specific requirements include developing and implementing control activities that address financial management, procurement, property management, and program performance. Recipients must design internal controls that provide reasonable assurance regarding the reliability of financial reporting, the effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Please refer to the resources below to learn more about these critical processes to help mitigate future compliance issues.

Written Materials

- » **Uniform Guidance:** [eCFR: 2 CFR 200.303 -- Internal controls.](#)
- » **U.S. Treasury:** [SLFRF Compliance and Reporting Guidance \(treasury.gov\)](#)
- » **White House Guidance:** [Part 6 - Internal Control \(whitehouse.gov\)](#)

Subrecipient Monitoring Resources

Recipients may establish relationships with subrecipients to carry out eligible projects, programs, and activities. Per the Uniform Guidance, recipients are required to monitor subrecipients to ensure federal funds are used for authorized purposes and in compliance with federal statutes, regulations, and the terms and conditions of the subaward. This process involves systematic assessments, audits, and performance evaluations of subrecipients to ensure funds are spent compliantly. With a strong monitoring framework,

grantors can verify the use of funds, mitigate risks associated with subrecipient activities, and address instances of non-compliance or discrepancies promptly.

Please refer to the resources below to help establish a compliant and robust monitoring process:

Written Materials

- » **Uniform Guidance: eCFR :: 2 CFR Part 200 Subpart D - Subrecipient Monitoring and Management**

Presentation

- » [Subrecipient Monitoring to Pass-through Entities Oversight Responsibilities For Subrecipients - YouTube](#)

Cost Principles Resources

Cost principles are established guidelines that must be used when determining the allowable costs of work performed under a federal award. They provide comprehensive directives regarding the reasonableness, allocability, and consistency of costs incurred, emphasizing prudent use and proper documentation of expenses. By adhering to these principles, recipients ensure that expenditures align with the program's objectives, are essential for project implementation, and comply with the federal regulations, fostering transparency, accountability, and responsible stewardship.

Please refer to the resources below to learn more about cost principles:

Written Materials

- » **Uniform Guidance: eCFR :: 45 CFR Part 75 Subpart E – Cost Principles**

Presentation

- » [Cost Principles From Uniform Guidance Subpart E – YouTube](#)

Financial Management Resources

Recipients of federal funds are required to implement processes to support reporting preparation. Systems should be developed to easily trace funds in detail to demonstrate that those funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award. The system created for management purposes must include information, as applicable, such as federal award identification number and year, name of the federal agency, and the name of the pass-through entity, if any. It is important to be able to demonstrate the specific procedures and systems used to track and monitor federal resources and to provide a comprehensive view of all allocated funds and their statuses.

Please refer to the resources below on requirements related to financial management procedures:

Written Materials

- » **Uniform Guidance:** [eCFR :: 2 CFR 200.302 -- Financial management.](#)
- » **HUD:** [Financial Management 101 - Department of Housing and Urban Development](#)

Procurement Resources

Procurement guidelines set forth in the Uniform Guidance ensure fair, open, and competitive practices when acquiring goods and services. Grant recipients must conduct procurements that maximize cost efficiency, promote fair competition, and guarantee the quality and suitability of acquired goods or services. Complying with generally accepted procurement standards enables recipients to mitigate risks associated with fraud, favoritism, or conflict of interest, while ensuring transparency and accountability.

Please refer to the resources below on procurement:

Written Materials

- » **Uniform Guidance:** [eCFR :: 2 CFR Part 200 Subpart D - Procurement Standards](#)
- » **State of Maryland:** [Be Informed: Procurement Policy under the Uniform Guidance \(maryland.gov\)](#)

Closeout Resources

Closeout, Audit Requirements, and Recordkeeping within the Uniform Guidance framework collectively are the procedures established to ensure the proper conclusion of grants, auditing practices, and record maintenance. Closeout procedures involve the finalization of grant activities, reconciliation of financial transactions, and submission of required reports within the specified timeframe. Audit requirements emphasize the need for grantees to undergo thorough audits to verify compliance with grant terms, regulations, and the accuracy of financial statements. Additionally, strong recordkeeping ensures the maintenance of detailed, transparent, and readily accessible documentation to substantiate grant-related activities while facilitating audit readiness and efficient program closure.

Please refer to the resources below to learn more about closeout responsibilities:

Written Materials

- » **Uniform Guidance:** [eCFR :: 2 CFR 200.344 -- Closeout.](#)
- » **U.S. Treasury:** [Prime Recipient Quarterly Grant Solutions Submissions Closeout Procedures Guide \(OIG-CA-22-010\) \(treasury.gov\)](#)

Audit Requirements Resources

Audit Requirements outline the standards and procedures for audits conducted on entities receiving federal funds. Recipients are typically required to undergo single audits, where independent auditors assess financial statements, internal controls, and compliance with federal program requirements. The audits aim to provide assurance on the proper utilization

of federal funds and the accuracy of financial reporting. Recipients must ensure that audit reports are submitted promptly and address any findings or questioned costs identified during the audit process. Certain ARPA CLFRF recipients may also be eligible to undergo an Alternative Compliance Examination Engagement (ACEE) rather than a single audit.

Please refer to the resources below to learn more about audit requirements:

Written Materials

- » **Uniform Guidance:** [eCFR :: 2 CFR Part 200 Subpart F -- Audit Requirements](#)
- » **Grants.gov:** [Post-Award Phase \(see Sections on Auditing and Single Audit\)](#)
- » **U.S. Treasury:** [Introduction to Single Audits and the Compliance Supplement \(See Slides 1-8; the remainder are specific to a program\).](#)

Recordkeeping Resources

Recipients must maintain records that accurately document the financial and programmatic aspects of federal awards. This includes records identifying the source and application of funds, ensuring a clear audit trail. The regulation specifies that records must be retained for a specified period, generally no less than three years from the date of submission of the final expenditure report, or in the case of ARPA CLFRF, five years after all funds have been expended or returned to Treasury. Recipients must also ensure that records are accessible for audit purposes. The documentation should support the basis for costs incurred, facilitate the tracing of funds to federal awards, and demonstrate compliance with applicable regulations.

Please refer to the resources below to learn more about recordkeeping:

Written Materials

- » **Uniform Guidance:** [eCFR :: 2 CFR Part 200 Subpart D - Record Retention and Access](#)

Presentation

- » [Federal Grants Records Retention Requirements: 2 CFR 200.333 \[TIPS\] \(youtube.com\)](#)

This document is designed to provide policy-related guidance, not individual application assistance. By referencing this document, the Municipality explicitly disclaims any responsibility of the State of Maryland or Hagerty Consulting with respect to the actions or decisions taken by the Municipality based on the information, recommendations, or analyses provided. Recipients of federal funds are responsible for administration and compliance of funding awarded. For assistance navigating federal and programmatic requirements related to your CLFRF or IJA award or general questions on the grant lifecycle, you can submit a question through [MTAP's Question Portal](#).