



Book	Policy Manual
Section	Board Review Spring 2021
Title	EDGAR Revisions - February 2021
Code	1 - OVERVIEW
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Neola, Inc.

EDGAR Revisions - February 2021

OVERVIEW AND COMMENTS

In December 2014, the U.S. Department of Education (ED) released the newly updated Education Department General Administrative Regulations (EDGAR). This major rewrite of the regulations was issued after nearly 40 years of very little change in the compliance measures that federally funded programs must meet. The regulations covered the application process, financial management, procurement, inventory management, time and effort accountability, cost allowability, record retention, and program oversight.

The Office of Management and Budget (OMB) has now revised sections of OMB Guidance for Grants and Agreements, also known as Uniform Grant Guidance (UGG). Proposed changes to 2 C.F.R Part 200 were published in the Federal Register in January 2020, comments closed on March 23, 2020, and Final Revisions were published in August 2020. Despite the intervening pandemic, OMB released its final revisions to the Uniform Grants Guidance (2 CFR Part 200) right on schedule! The revisions continue the OMB's push for results-oriented accountability for grants, significantly rewrite the sections on procurement, and attempt to clarify prior requirements, including provisions related to the period of performance and indirect costs. The revised rules are effective November 12, 2020.

These revisions reflect changes outlined in the President's Management Agenda (PMA). This guidance is intended to focus on improved stewardship and ensuring that the American people are receiving value for funds spent on grant programs. The revisions are limited in scope to support implementation of statutory requirements, alignment of these provisions with other Federal requirements, and clarification of existing requirements to minimize risk in financial transactions.

These new regulations will require some revision to current policies. The greatest focus, however, will continue to be on compliant written procedures relative to many of the financial and program management functions. These procedures will necessarily be district-specific, providing a clear picture of how these functions are carried out in the District.

Neola has conducted a thorough review of policy and administrative guidelines templates and will be providing appropriate revisions and additions in this special update and in future updates to assist districts in meeting compliance standards put forth by EDGAR. Policy documents in this special update – EDGAR 2.0 (MI) - have been reviewed by Brustein & Manasevit, PLLC Attorneys at Law and by Varnum LLP for consistency with Federal and State law, respectively.

Significant work, however, will be necessary for each district to draft the required procedures for a variety of functions. Neola will, upon request, process and post districts' procedures/manuals as electronic links to provide for convenient flow from policy to administrative guidelines to district procedure.

The update includes the following documents:

- **Policy 6114 - Cost Principles - Spending Federal Funds (Revised - October 2020)**
- **Policy 6325 - Procurement - Federal Grants/Funds (Revised - October 2020)**
- **Policy 7450 - Property Inventory (Revised)**
- **Policy 7455 - Accounting System for Capital Assets (Revised)**

These documents have been posted to each client's BoardDocs console and may be downloaded from the Policy Update menu.

If you have questions about any of these Special Update materials, contact your Neola Associate. All production-related materials and questions should be directed to the Production Office at 632 Main Street, Coshocton, Ohio 43812 (phone 800-407-5815, fax 740-622-2557). Billing and other questions should be directed to the Business Office at 3914 Clock Pointe Trail, Suite 103, Stow, Ohio 44224 (phone 330-926-0514, fax 330-926-0525).