

October 14, 2014

Subject: Federal Procurement Standards

To Whom It May Concern:

On December 26, 2013, the White House's Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under Title 2, Part 200 of the Code of Federal Regulation (2 CFR, Part 200). The new requirements are commonly referred to as "Uniform Guidance." This guidance merged, streamlined, and superseded eight different OMB Circulars, three of which (A-21, A-110, and A-133) pertained to institutions of higher education.

Under the Uniform Guidance, Subparts A through E will apply to new Federal awards and funding increments made after December 26, 2014. Audit Requirements under Subpart F will become effective July 1, 2015.

Recently, however, the Federal Government's Council on Financial Assistance Reform (COFAR) indicated that nonfederal entities (NFEs) will be given the option of following the procurement standards of A-110 (instead of 2 CFR 200) through June 30, 2016, providing the NFEs: (i) can document they currently comply with those standards; and (ii) will continue following (and be audited according to) those standards through June 30, 2016.¹

Based on annual financial audits and A-133 Single Audits performed by the State of Arizona Auditors General, as well as periodic Contractor Purchasing System Reviews (CPSRs) conducted by Office of Naval Research (most recently, November-December 2011), the University can document its compliance with OMB Circular A-110 procurement standards. As permitted by COFAR, the University hereby exercises the option to continue following (and be audited according to) those standards through June 30, 2016. Thereafter, the University will follow the Subpart D procurement standards of the Uniform Guidance.

If you have questions or need clarification regarding these matters, please contact Mark McGurk, Associate Vice President & Comptroller for the Financial Services Office (520) 626-1677.

Respectfully,



James A. Hyatt
Interim Senior Vice President for Business Affairs

- c: Office of Naval Research, Department of Defense, Department of the Navy
- Cost Allocation Services, Department of Health & Human Services
- Regional Inspector General for Audit Services, Department of Health & Human Services
- Office of the Auditor General, State of Arizona

¹ See COFAR FAQ ".110-6 Effective Dates and Grace Period for Procurement," August 29, 2014.