

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Grants Management
	CORRESPONDENCE SYMBOL OGM
	DATE October 8, 2024

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 05-24

TO: STATE WORKFORCE AGENCIES
 STATE WORKFORCE ADMINISTRATORS
 STATE WORKFORCE LIAISONS
 STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
 ALL ETA FEDERAL ASSISTANCE RECIPIENTS AND SUBRECIPIENTS

FROM: JOSÉ JAVIER RODRÍGUEZ /s/
 Assistant Secretary

SUBJECT: Implementation of the 2024 Revisions to the Office of Management and Budget (OMB) *Guidance for Federal Financial Assistance*

1. **Purpose.** To provide guidance to Employment and Training Administration (ETA) grant recipients and subrecipients on the implementation of OMB’s *Guidance for Federal Financial Assistance*, which goes into effect on October 1, 2024. The final guidance revises several parts of 2 CFR subtitle A, “OMB Guidance for Federal Financial Assistance” (formerly “OMB Guidance for Grants and Agreements”). This includes revisions to 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards “Uniform Guidance.”
2. **Action Requested.** Please disseminate this guidance to all staff responsible for the management and administration of ETA federal assistance awards.
3. **Summary and Background.**
 - a. Summary – This guidance provides information regarding the implementation of the 2024 revisions to the Uniform Guidance.
 - b. Background – The Uniform Guidance was first promulgated by OMB on December 13, 2014 (78 FR 78590). OMB issued its Final Rule entitled *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”) which adopted the requirements from the 2014 OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and outlined Department of Labor’s (DOL) exceptions in Title 2 Part 2900. DOL adopted and gave regulatory effect to the OMB guidance supplementing it with additional DOL-specific policies and procedures for financial assistance

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administration on December 19, 2014 (79 FR 76081). These DOL-specific rules of grants administration are codified at 2 CFR part 2900, titled *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. See [Training and Employment Guidance Letter \(TEGL\) No. 15-14 \(Implementation of the New Uniform Guidance Regulations\)](#). OMB revised the 2014 Uniform Guidance on August 13, 2020 (2020 revisions).

On February 9, 2023, OMB issued a Notice of Request for Information in the *Federal Register*, which explained OMB was beginning the process of seeking public input for its proposed further revisions to OMB's Uniform Guidance in Title 2 of the CFR. See [88 FR 8480](#) (February 9, 2023). Subsequently, on October 5, 2023, OMB issued a Notification of Proposed Guidance in the *Federal Register*, which explained that OMB was proposing revisions to parts 1, 25, 170, 175, 180, 182, 183 and 200 to title 2 of the CFR. See [88 FR 69390](#) (October 5, 2023).

On April 22, 2024, OMB issued *OMB Guidance for Federal Financial Assistance* (the “2024 revisions to the Uniform Guidance”) which requires federal agencies to adopt and implement the changes by October 1, 2024. See [89 FR 30046](#) (April 22, 2024). In response to OMB’s recent revisions to the Uniform Guidance, DOL is updating its grant terms and conditions to conform to those changes.

4. Implementation.

- a. Effective Dates – The 2024 revisions to the Uniform Guidance apply to all federal grant awards issued on or after October 1, 2024, including any amendments to grant awards that result in the award of additional funds, or any incremental funding awarded by ETA on or after October 1, 2024. Additionally, ETA has included terms and conditions consistent with the 2024 revisions to the Uniform Guidance for grants awarded in September 2024 that have a period of performance beginning on or after October 1, 2024.

Grant recipients with awards made before October 1, 2024, and that have a period of performance beginning prior to October 1, 2024, must continue to follow the Uniform Guidance revisions published in 2020. See [Guidance for Grants and Agreements](#).

Under the Workforce Innovation and Opportunity Act (WIOA), ETA makes Program Year (PY) WIOA Youth funds available to State Workforce Agencies (SWA) from appropriated funds that become available on April 1. WIOA Adult and Dislocated Worker programs are funded from two separate appropriations. The first appropriation for the Adult and Dislocated Worker programs becomes available on July 1 (this portion is commonly referred to as “base” funds) and the second appropriation for the Adult and Dislocated Worker programs becomes available on October 1 (this portion is commonly referred to as “advance” funds because they are provided in the appropriations act passed during the fiscal year immediately before the fiscal year when the funds become available). For example, funds for PY 2024 that are available on October 1, 2024, were appropriated during Fiscal Year (FY) 2024, but not made available until October, which is in FY 2025, and are called the FY 2025 “advance” funds.

The PY 2024 formula funds that SWAs receive for WIOA Youth funds and the base funds that SWAs receive for WIOA Adult and Dislocated Worker prior to October 1, 2024, will continue to follow the earlier Uniform Guidance revisions published in 2020. However, the FY 2025 advance funding for WIOA Adult and Dislocated Worker programs awarded and issued on or after October 1, 2024, must comply with the 2024 Uniform Guidance revisions. States must take into consideration that they will be operating PY 2024 WIOA formula funds in accordance with both the 2020 and 2024 revisions of the Uniform Guidance.

- b. Implementation by ETA Grant Recipients and Subrecipients – The 2024 revisions require grant recipients and their subrecipients to review and update their financial and administrative policies, procedures, and systems. In certain circumstances, recipients may be simultaneously managing multiple federal awards, some of which were issued before October 1, 2024, and are thus subject to the 2020 revisions to the Uniform Guidance, and other federal awards that were issued under the new 2024 revisions to the Uniform Guidance. While it may be necessary for recipients to implement certain systematic changes across their organization to implement new grant awards incorporating the 2024 revisions to the Uniform Guidance, recipients must also keep in mind that the flexibilities provided by the 2024 revisions to the Uniform Guidance are not available for federal awards issued before October 1, 2024. Those awards remain subject to the Uniform Guidance revisions published in 2020.

Pass-through entities (PTE) must adhere to the revisions applicable to their original grant awards when releasing funds as a subaward. Funds awarded by ETA with a period of performance starting prior to October 1, 2024, must follow the 2020 revisions to the Uniform Guidance. Therefore, all subawards under those awards must also follow the 2020 revisions, regardless of whether those subawards are issued before or after October 1, 2024. Subawards must follow the revisions applicable to the original grant award.

Also, for PTEs receiving awards after October 1, the 2024 revisions to the Uniform Guidance do not prevent PTEs from applying more stringent requirements to their subrecipients, as was permitted by the prior version of the Uniform Guidance. The PTE is required to provide technical assistance and monitor its subawards in accordance with the 2024 revisions to the Uniform Guidance. During this transition period, grant recipients are required to engage in discussions with federal staff on the specific changes they must make to their federal awards.

- c. Applicability for Audits – The updated audit and major program determination threshold of \$1,000,000 applies to non-federal entities with fiscal years that begin on or after October 1, 2024.

For fiscal years beginning before October 1, 2024, auditors must adhere to the 2020 revisions to the Uniform Guidance. Additionally, direct grant recipients must submit their single audit reporting packages to the [Federal Audit Clearinghouse](#) (FAC), which is now maintained by the U.S. General Services Administration. Please refer to the website for instructions on how to submit and review single audit reporting packages. The

cognizant agency for audit or oversight agency for audit (in the absence of a cognizant agency for audit) may authorize an extension when the nine-month timeframe would place an undue burden on the auditee.

- d. USAspending.gov and Federal Funding Accountability and Transparency Act (FFATA) – Recipients must continue implementing efficiencies in the post-award administration and management of their federal grant awards to reduce burden while promoting accountability and transparency and delivering program outcomes for the American people. Maintaining high-quality and accurate federal financial assistance award and subaward data is essential for providing transparency with respect to how federal funding is spent.

The prime recipient continues to be responsible for reporting subaward data to the FFATA of 2006 Subaward Reporting System ([FSRS](#)) that is subsequently displayed on [USAspending.gov](#). Federal award and subaward descriptions are critical to informing the public of federal spending by providing the public with an understanding of the purpose of the federal grant award provided to the recipient. Recipients should include descriptions of award-specific activities and avoid using acronyms, or federal or agency-specific terminology.

- e. Update to 2 CFR Part 2900 – DOL is updating the DOL-specific rules of grants administration at 2 CFR part 2900 to align with the 2024 revisions to the Uniform Guidance. Information regarding an updated 2 CFR part 2900 will be announced shortly.

5. **Inquiries.**

Questions regarding this guidance should be directed to the appropriate ETA Regional Office.

6. **References.**

- Office of Management and Budget (OMB) 2 CFR Parts 1, 25, 170, 175, 180, 182, 183, 184, and 200. Guidance for Federal Financial Assistance; Final Rule. April 22, 2024. <https://www.federalregister.gov/documents/2024/04/22/2024-07496/guidance-for-federal-financial-assistance>.
- Office of Management and Budget (OMB) 2 CFR Parts 25, 170, 183, and 200. Guidance for Grants and Agreements; Final Rule. August 13, 2020. <https://www.federalregister.gov/documents/2020/08/13/2020-17468/guidance-for-grants-and-agreements>.
- Office of Management and Budget (OMB) CFR Chapter II, Part 200, et al. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule. December 26, 2013. <https://www.federalregister.gov/documents/2013/12/26/2013-30465/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>.

- Department of Labor (DOL) 2 CFR Part 2900 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. April 27, 2021. <https://www.federalregister.gov/documents/2021/04/27/2021-08731/uniform-administrative-requirements-cost-principles-and-audit-requirements-for-federal-awards>.
- Department of Labor (DOL) 2 CFR Part 2900 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule. December 19, 2014. <https://www.govinfo.gov/content/pkg/FR-2014-12-19/pdf/2014-28697.pdf>.
- Training and Employment Guidance Letter (TEGL) 15-14, *Implementation of the New Uniform Guidance Regulations*. December 19, 2014. <https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-15-14>.

7. **Attachment(s)**. N/A.