

<h1 style="margin: 0;">ACF</h1> <p style="margin: 0;">Administration for Children and Families</p>	<h2 style="margin: 0;">U.S. Department of Health and Human Services</h2>	
	1. Log No: CCDF-ACF-PI-2015-01	2. Issuance Date: January 2, 2015
	3. Originating Office: Office of Child Care	
	4. Key Words: Child Care and Development Fund (CCDF); Uniform Administrative Requirements, Cost Principles, and Audit Requirements	

PROGRAM INSTRUCTION

- TO:** State, Territorial, and Tribal Lead Agencies administering child care programs under the Child Care and Development Block Grant (CCDBG) Act of 1990, as amended, and other interested parties.
- SUBJECT:** Applicability of Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR Part 200) to Child Care and Development Fund (CCDF)
- REFERENCES:** The Child Care and Development Block Grant (CCDBG) Act of 1990, 42 U.S.C. § 9858 *et seq.*, as amended by the CCDBG Act of 2014, Pub. L. 113-186; section 418 of the Social Security Act, 42 U.S.C. § 618; 45 CFR Parts 98 and 99.
- PURPOSE:** This Program Instruction informs CCDF Lead Agencies about new Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200 and 45 CFR Part 75), and discusses the applicability of these requirements to CCDF.
- BACKGROUND:** In December 2013, the Office of Management and Budget (OMB) published final guidance in the Federal Register that contained new uniform administrative requirements, cost principles, and audit requirements for Federal awards. These new rules are codified in regulations at 2 CFR Part 200, which supersede and streamline a number of prior OMB Circulars and guidance documents. See: <https://federalregister.gov/a/2013-30465>.
- On December 19, 2014, the U.S. Department of Health and Human Services (HHS) issued an interim final rule to codify the requirements in HHS rules at 45 CFR Part 75. See: <https://federalregister.gov/a/2014-28697>. Under these HHS regulations, the new requirements are effective December 26, 2014.

In the past, many OMB Circulars and guidance documents, including administrative requirements and cost principles, did not apply to CCDF in order to maximize State, Territorial, and Tribal flexibility under the block grant structure. The new OMB guidance and HHS regulations maintain this approach, and therefore many of the new requirements do not apply to CCDF. Under CCDF regulations at 45 CFR 98.67, CCDF Lead Agencies shall continue to expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting their own funds.

Sections 2 CFR 200.101 and 45 CFR 75.101 on Applicability indicates that only the following requirements apply to CCDF:

- 2 CFR 200.111 and 45 CFR 75.111, English language
- 2 CFR 200.112 and 45 CFR 75.112, Conflict of interest
- 2 CFR 200.113 and 45 CFR 75.113, Mandatory disclosures
- 2 CFR 200.202 and 45 CFR 75.202, Requirement to provide public notice of Federal financial assistance programs (Note: this requirement applies to Federal agencies rather than grantees)
- 2 CFR 200.330 and 45 CFR 75.351, Subrecipient and contractor determinations
- 2 CFR 200.331 and 45 CFR 75.352, Requirements for pass-through entities
- 2 CFR 200.332 and 45 CFR 75.353, Fixed amount subawards
- 2 CFR Part 2 Subpart F and 45 CFR Part 75 Subpart F, Audit Requirements. This Subpart replaces OMB Circular A-133.

INQUIRIES: Inquiries should be made to the appropriate ACF Regional Office.

/s/

Rachel Schumacher
Director
Office of Child Care

cc: ACF Regional Child Care Program Managers
ACF Regional Grants Managers