



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION VIII
Colorado, Montana,
North Dakota,
South Dakota,
Utah and Wyoming

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REGION 8 BULLETIN NO: 2015-05

Subject: Uniform Administrative Requirements, Cost Principles and Audit Requirements
Policy Changes

Date: February 24, 2015

Dear Grantees:

On December 19, 2014, a joint interim final rule was published, implementing for all Federal award-making agencies the final guidance “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (commonly referred to as the “Super Circular”), which was published by the Office of Management and Budget (OMB) on December 26, 2013. The Super Circular consolidates eight existing grant-related circulars into one set of uniform regulations located in Title 2 of the Code of Federal Regulations (CFR). The Super Circular applies to the administration of all federal grants and cooperative agreements as of December 26, 2014. The audit requirements contained in the Super Circular apply to all federal grant and cooperative agreement awards for fiscal years beginning on or after December 26, 2014.

Additionally, part 1201 was added to Title 2 of the CFR to identify OMB-approved exceptions to the Super Circular that the Department of Transportation (DOT) received. Title 2 CFR part 1201 supersedes and repeals the requirements of the DOT Common Rules (49 CFR part 18—Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments and 49 CFR part 19—Uniform Administrative Requirements—Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations), except that grants and cooperative agreements executed prior to December 26, 2014, shall continue to be subject to 49 CFR parts 18 and 19 as in effect on the date of such grants or agreements.

The Super Circular contains certain notable changes to the Federal Transit Administration (FTA) grants management, including:

- Standardizing the simplified acquisition threshold to \$150,000 (including for purposes of FTA Buy America regulations at 49 CFR part 661) and tying all future increases to the FAR (2 CFR § 200.318);
- Providing non-federal entities (except those governmental departments or agency units that receive more than \$35 million in direct Federal funding) that have never received a negotiated indirect rate the opportunity to indefinitely elect a de minimis indirect cost rate of 10% of Modified Total Direct Costs (2 CFR § 200.414); and
- Raising the single audit threshold from \$500,000 to \$750,000 (2 CFR § 200.501).

This bulletin is not intended to address all of the changes made by implementation of the Super Circular, but, rather, draws attention to certain of these changes that FTA Region VIII expects will be of special significance for grantees. FTA is currently revising Circular 5010.1D to ensure consistency with the requirements of the Super Circular. For grants and cooperative agreements executed on or after December 26, 2014, if you find there is a conflict between the terms of the Super Circular and Circular 5010.1D, you are to follow the requirements of the Super Circular.

Sincerely,

**DAVID L
BECKHOUSE**

Digitally signed by DAVID L BECKHOUSE
DN: c=US, o=U.S. Government, ou=DOT
FHWA/Lake wood CO, ou=FTA
FHWA/Lake wood CO, cn=DAVID L
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Date: 2015.02.24 13:57:27 -0700

Linda M. Gehrke
Regional Administrator