

# BUDGET LETTER

	NUMBER: 15-26
SUBJECT: U.S. OFFICE OF MANAGEMENT AND BUDGET'S (OMB) GUIDANCE FOR FEDERAL AWARDS	DATE ISSUED: November 6, 2015
REFERENCES: TITLE 2 OF THE CODE OF FEDERAL REGULATIONS (CFR) PART 200	SUPERSEDES:

TO: Agency Secretaries  
Department Directors  
Departmental Budget and Accounting Officers  
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

**Note: Departments are requested to forward a copy of this Budget Letter (BL) to other personnel dealing with federal awards.**

This BL is to ensure state departments are aware of the new federal uniform guidance, titled, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" issued by the U.S. Office of Management and Budget (OMB). This guidance supersedes and streamlines requirements from the following eight OMB Circulars: A-21, A-50, A-87, A-89, A-102, A-110, A-122, and A-133. The guidance is located in Title 2 of the CFR Part 200 and the full text is available at: <http://www.ecfr.gov>

For state departments, the administrative requirements and cost principles apply to new federal awards and to additional federal funding of existing awards made after December 26, 2014. Existing federal awards made prior to December 26, 2014, will continue to be governed by the terms and conditions of the federal award. For questions regarding the application of the new uniform guidance to your department's grants, contact the federal awarding agency to ensure compliance and to clarify any issues.

Additional resources that may be helpful:

OMB Circular Guidance FAQs

<https://cfo.gov/wp-content/uploads/2015/09/9.9.15-Frequently-Asked-Questions.pdf>

Department of Finance's (Finance) webpage for Pro Rata and SWCAP resources and Power Point presentations (Developing an Indirect Cost Rate Proposal)

[http://www.dof.ca.gov/accounting/fscu/pro\\_rata-swcap/](http://www.dof.ca.gov/accounting/fscu/pro_rata-swcap/)

For questions regarding this BL, please contact Finance, Fiscal Systems and Consulting Unit at (916) 324-0385 or by e-mail at [FSCUHotline@dof.ca.gov](mailto:FSCUHotline@dof.ca.gov).

/s/Veronica Chung-Ng

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