

Federal Regulations Related to Non-Federal Entity Policies and Procedures for Grants Management

The following are examples of regulations from Title 2, Part 200 of the Code of Federal Regulations (2 C.F.R. pt. 200) related to internal non-Federal entity policies and procedures for grants management. Note that this list is not inclusive of all requirements of 2 C.F.R. pt. 200 or other Federal regulations:

For complete details and requirements, refer to the full text of each C.F.R. citation or Information Bulletin, linked beneath the headings below.

General Provisions

Conflict of Interest

- Requirement for non-Federal entity to disclose potential conflicts of interest to the Federal awarding agency or pass-through entity; FEMA has also issued an Information Bulletin requiring non-Federal entities to follow their own policies and procedures regarding the elimination or reduction of conflicts of interest when making subawards.
 - [§ 200.112](#)
 - [FEMA Grant Programs Directorate Information Bulletin No. 400](#)

Standards for Financial and Program Management

Financial Management:

- Requirement for non-Federal entity to maintain written procedures to implement the requirements for payment in § 200.305:
 - [§ 200.302\(b\)\(6\)](#)
- Requirement for non-Federal entity to maintain written procedures to determine the allowability of grant-related costs as outlined in Subpart E of 2 C.F.R. pt. 200 (§ 200.400 through § 200.475):
 - [§ 200.302\(b\)\(7\)](#)



FEMA

Internal Controls:

- Requirements for non-Federal entity to maintain ongoing internal controls in managing the Federal award to ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award:
 - [§ 202.303\(a\)](#)

Payment:

- In order for advance payment to apply as the default method of payment to the non-Federal entity, requirement for non-Federal entities other than states to maintain written procedures that minimize the time elapsing between the transfer and disbursement of funds:
 - [§ 200.305\(b\)\(1\)](#)

Property Standards

Equipment:

- Requirement for non-Federal entities (other than States) to maintain procedures for managing equipment acquired under a Federal award, including: recordkeeping; physical inventory; safeguards to prevent loss, damage, or theft; adequate maintenance to keep property in good condition; and proper sales procedures.
 - [§ 200.313\(d\)](#)

Procurement Standards

General Procurement Standards:

- Requirement for states to follow the same policies and procedures for procurement under a Federal award as they use for procurements from non-Federal funds:
 - [§ 200.317](#)
- Requirement for non-Federal entities (other than States) to use their own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards in 2 C.F.R. pt. 200:
 - [§ 200.318\(a\)](#)
- Requirement for non-Federal entity to maintain written standards of conduct covering conflicts of interest and governing the actions of employees engaged in the selection, award and administration of contracts; also applies to the non-Federal entity's parent, affiliate, or subsidiary organizations (excluding states, local governments, or Indian tribes):
 - [§ 200.318\(c\)](#)

Competition (for Procurement transactions):

- Requirement for non-Federal entities other than states to have written procedures for procurement transactions:
 - [§ 200.319\(d\)](#)
- Requirement for non-Federal entities other than states to have a written method for conducting technical evaluations of the proposals received and for selecting recipients of contracts:
 - [§ 200.320\(b\)\(2\)\(ii\)](#)

General Provisions for Selected Items of Cost

Compensation (personal services):

- Requirement for the non-Federal entity to ensure that total compensation for individual employees conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities; and that it follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies
 - [§ 200.430\(a\)\(1\), \(2\)](#)
- Unless an arrangement is specifically authorized by the Federal awarding agency, requirement for the non-Federal entity to follow its own written policies and practices concerning the permissible extent of external professional services (e.g., consulting) for non-organizational compensation; in the absence of such policies and practices or in the event that they are inadequate, the Federal government may establish requirements for the allocation of effort of professional staff working on Federal awards:
 - [§ 200.430\(c\)](#)
- Requirement for institutions of higher education (IHEs) to maintain written policies and definitions regarding compensation for personal services with grand funds.
 - [§ 200.430\(h\)\(4\)](#)
 - [§ 200.430\(h\)\(5\)](#)
 - [§ 200.430\(h\)\(7\)](#)
 - [§ 200.430\(h\)\(8\)](#)

Compensation (fringe benefits):

- Requirement for non-Federal entities to establish policies regarding employee fringe benefits (e.g., vacation, pensions, unemployment benefits plans) in order to ensure that the costs of such fringe benefits are allowable; unless such fringe benefits are required by law, non-Federal entity-employee agreement, or an established policy of the non-Federal entity.
 - [§ 200.431](#)

Relocation costs of employees:

- Provision that employee relocation costs may be charged to a Federal award as long as such costs are in accordance with an established written policy consistently followed by the employer (i.e., non-Federal entity).
 - [§ 200.464\(a\)\(2\)](#)

Travel costs

- Provision that travel costs may be charged as long as they are consistent with the non-Federal entity's written and established travel reimbursement policies; in the absence of such established travel reimbursement policies, provision that the rates and amounts established by the Federal government must apply to travel under Federal awards
 - [§ 200.475](#)