



RESEARCH  
AND ENGINEERING

## ASSISTANT SECRETARY OF DEFENSE

3030 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3030

SEP 29 2014

MEMORANDUM FOR: SECRETARY OF THE ARMY  
ATTN: DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
SECRETARY OF THE NAVY  
ATTN: CHIEF OF NAVAL RESEARCH  
SECRETARY OF THE AIR FORCE  
ATTN: DEPUTY ASSISTANT SECRETARY OF THE AIR  
FORCE (CONTRACTING)  
DIRECTOR OF ADMINISTRATION, ODCMO  
DEPUTY INSPECTOR GENERAL (POLICY & OVERSIGHT)  
DEPUTY GENERAL COUNSEL (ACQUISITION & LOGISTICS)  
DEPUTY CHIEF FINANCIAL OFFICER, OUSD(C)  
DIRECTOR, DEFENSE PROCUREMENT AND ACQUISITION  
POLICY, OUSD(AT&L)

SUBJECT: Coordination on Interim Final Rule for Grants and Cooperative Agreements

This memorandum requests your Component's coordination on the attached package, the principal element of which is a regulation that will be a new part of the DoD Grant and Agreement Regulations (DoDGARs). The DoDGARs are regulations that, in accordance with DoD Directive 3210.06, govern DoD Components' award and administration of grants and cooperative agreements. The new DoDGARs part will be the interim DoD grants and cooperative agreements implementation of Office of Management and Budget (OMB) guidance at 2 CFR part 200 on administrative requirements, cost principles, and audit requirements, pending a comprehensive revision of the DoDGARs to properly implement the guidance.

Also in the attached package for coordination is a one-page background paper to explain to OMB that DoD is doing an interim implementation of the guidance because: (1) OMB wants agencies' implementations in place by December 2014, which is too soon to complete the major revisions to the DoDGARs needed for a full implementation; and (2) it is in DoD's interest to maintain requirements for recipients that are consistent with those that recipients of DoD awards see in awards they receive from other Federal agencies. The interim implementation therefore requires DoD Components to conform requirements for recipients in terms and conditions of awards made on or after December 26, 2014, with the requirements the OMB guidance specifies. A DoDGARs working group comprised of DoD Components has been working on the longer-term implementation of the OMB guidance, drafts of which should be helpful as each DoD Component awarding office makes the necessary updates to its award terms and conditions.

OMB recently asked each agency to expedite submission of its implementing regulations to them by October 10th, so that they may get the regulations cleared in time to appear in a December 2014 *Federal Register* notice with all other agencies' regulations. Your coordination

is important because OMB wants interim final regulations that are effective immediately upon publication. To enable us to submit the regulations as close to OMB's suspense date as is feasible, we are requesting your Component's coordination by close of business, seven working days from the date of this memorandum.

Please refer any questions about this matter to Dr. Mark Herbst of my office [mark.j.herbst.civ@mail.mil](mailto:mark.j.herbst.civ@mail.mil), 571-372-6547.



Alan R. Shaffer  
Principal Deputy

Attachment: As stated

cc:

Deputy Chief Management Officer, DoD

ATTN: Director, Washington Headquarters Services

Under Secretary of Defense (Intelligence)

ATTN: Director, Defense Intelligence Agency

ATTN: Director, National Geospatial-Intelligence Agency

ATTN: Director, National Security Agency

Under Secretary of Defense (Personnel and Readiness)

ATTN: Director, Department of Defense Education Activity

ATTN: Director, DoD Human Resources Activity

ATTN: President, Uniformed Services University of the Health Sciences

Director, Defense Advanced Research Projects Agency

Director, Defense Logistics Agency

Director, Defense Threat Reduction Agency

Director, Office of Economic Adjustment, OUSD(AT&L)