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The 2024 Uniform Guidance Revisions

What changed in federal grant rules, and what it means for your budget

*Covers revisions effective for awards issued on or after October 1, 2024. Last verified **August 1, 2026***

Why it is called the 2024 revisions in 2026
Federal regulations are named for the year they were issued. OMB published these revisions to 2 CFR 200 in April 2024, effective for awards issued on or after October 1, 2024. Grant professionals will call them the 2024 revisions until the next package replaces them. Verify current text at ecfr.gov before relying on any figure here.

What changed

Item	Was	Now	Why it matters to you
De minimis indirect cost rate	10 percent of MTDC	Up to 15 percent of MTDC	A 50 percent increase in overhead recovery for organizations without a negotiated rate. This is the single largest change for small and mid sized nonprofits.
Single Audit threshold	$750,000	$1,000,000	Fewer organizations trigger a Single Audit. Applies to fiscal years beginning on or after October 1, 2024.
Equipment capitalization	$5,000 per unit	$10,000 per unit	More technology purchases are treated as supplies rather than depreciated equipment, which simplifies your accounting.
Computing devices as supplies	$5,000	$10,000	Laptops and most software are supplies, not equipment.
Subaward amount in the MTDC base	First $25,000	First $50,000	A larger base to calculate indirect costs against, so more recovery.
Fixed amount subawards	$250,000	$500,000	Higher ceiling with prior written approval.
Unused supplies reporting	Over $5,000	Over $10,000	Less administrative reporting.

The change most people miss: data and evaluation costs are explicitly allowable

2 CFR 200.455 now states directly that costs related to data and evaluation are allowable, and it names what that includes: expenditures needed to gather, store, track, manage, analyze, disaggregate, secure, share, publish, or otherwise use data to administer or improve the program, including data systems, personnel, data dashboards, and cybersecurity.

Alongside it, 2 CFR 200.413 was revised to name cybersecurity, integrated data systems, performance management costs, and program evaluation costs as examples of costs that may be treated as direct when they are directly related to a specific award.

> **What this means in practice**
> A data or outcome measurement system tied to a specific program is not general overhead you must absorb. It can be a direct program cost written into the award budget, cited to 200.455 and 200.413. This is the difference between paying for measurement out of scarce unrestricted funds and having the grant pay for it.

Understanding the de minimis rate

- It is up to 15 percent, not a flat entitlement. You may elect less, and you cannot charge more than the indirect costs you actually incur.
- It is available to any recipient or subrecipient that does not have a current negotiated indirect cost rate.
- No documentation is required to justify it, and it may be used indefinitely.
- Once elected, apply it consistently across all federal awards until you choose to negotiate a rate.
- It applies to Modified Total Direct Costs, which excludes equipment, capital expenditures, rental costs, tuition remission, scholarships, participant support costs, and the portion of each subaward over $50,000.

Which awards these apply to

The revisions are effective for federal awards issued on or after October 1, 2024. They do not apply automatically and retroactively to awards you already hold. A federal agency may amend an existing award to incorporate them, and if it does, pass through entities must amend affected subrecipient agreements. The Single Audit threshold change follows fiscal years rather than award dates, applying to fiscal years beginning on or after October 1, 2024.

Practical consequence: you may be operating under two sets of rules at once, depending on when each award was issued. Check each award's terms rather than assuming.

What to do about it

- If you use the de minimis rate and have a new award, confirm you are claiming 15 percent rather than the old 10 percent.
- If you are near the $1,000,000 threshold, recalculate whether a Single Audit is required for your current fiscal year.
- On your next proposal, move data and evaluation costs into the direct budget with a justification citing 200.455.
- Review your equipment and supplies classifications against the $10,000 threshold.

Primary sources

- The full text of 2 CFR Part 200 at ecfr.gov, which is always current
- 2 CFR 200.414 for indirect costs and the de minimis rate
- 2 CFR 200.455 for organization costs including data and evaluation
- 2 CFR 200.413 for direct costs and the consistency rule
- 2 CFR 200.501 for the Single Audit threshold

This explainer is general guidance, not accounting or legal advice. Regulations change. Verify the current text at ecfr.gov and follow your funder's terms and your auditor's direction.