



Grants Policy Bulletin

Adopting 2 CFR Part 200 and the Revised HHS Grants Policy Statement

Bulletin Number: 2025-03E

Release Date: September 3, 2025

Related Bulletins: GPB 2025-01E

Issued by: Office of Federal Assistance and Acquisition Management (OFAAM)

Purpose

This document explains how HRSA will fully adopt [2 CFR Part 200](#) and the revised [HHS Grants Policy Statement \(GPS\)](#).

Background

HHS published an [interim final rule \(IFR\)](#) on October 2, 2024, outlining a phased plan for adopting [2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards](#). In the IFR, HHS announced that it would adopt eight key changes from 2 CFR Part 200 effective **October 1, 2024** (See [Appendix 1](#)). These eight changes added flexibility and reduced burden. HHS also updated the [GPS](#) to reflect this phased approach. HHS explained that it would adopt the rest of 2 CFR Part 200, rescind 45 CFR Part 75, and retain 12 HHS-specific provisions at 2 CFR Part 300, effective **October 1, 2025**, (See [Appendix 2](#)). On August 18, 2025, HHS issued a revised [GPS](#) to reflect **full adoption** of 2 CFR Part 200, effective **October 1, 2025**.

Implementation

HRSA applicants and recipients should be familiar with these changes in grants policy:

- On **October 1, 2024**, HHS adopted eight changes from 2 CFR part 200. These were changes that increased thresholds to provide flexibility for recipients (See [Appendix 1](#)).

- On **October 1, 2025**, HHS will **fully adopt** 2 CFR part 200 and 300. At that time, HHS will rescind 45 CFR part 75 and move 12 HHS-specific modifications to 2 CFR part 300. (See [Appendix 2](#)).
- HHS has updated the HHS [GPS](#) to reflect full adoption of 2 CFR part 200. These updates take effect on **October 1, 2025**.
- HRSA will apply the updated HHS GPS **to awards and award modifications made on or after October 1, 2025, that add funding**.

HRSA is updating our [general terms and conditions](#) to reflect full adoption of 2 CFR part 200 and the revised GPS. You will see these changes in awards issued after October 1. HRSA will also post FAQs on the HRSA website and update the HRSA Application Guide.

Resources

- [2 CFR Part 200](#) – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- [2 CFR Part 300 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements](#)
- [45 CFR Part 75](#) – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards
- [Federal Register Notices](#)
 - [89 FR 30046](#) (Apr. 22, 2024) – OMB Updates Uniform Guidance again
 - [89 FR 80055](#) (Oct. 2, 2024) – HHS adopts 2 CFR part 200 in phased approach
- [HHS Grants Policy Statement \(GPS\)](#) (Effective October 1, 2025)

Inquiries

Inquiries regarding this bulletin should be directed to:
 OFAAM's Division of Grants Policy
 Policy Implementation and Coordination Branch
 Email: DGP@HRSA.gov

Appendix 1: 2 CFR part 200 changes effective 10/1/2024 for all new and active HRSA awards

1. Increased exclusion threshold of subawards from \$25,000 to \$50,000 for modified total direct cost calculations (*2 CFR § 200.1 definition of Modified Total Direct Cost*).
2. Increased threshold for equipment from \$5,000 to \$10,000, and clarification that Indian tribes may use their own procedures for equipment disposition (*2 CFR § 200.313(e)*).
3. Increased threshold for supplies from \$5,000 to \$10,000 (*2 CFR § 200.314(a)*).
4. Increased amount of fixed amount subawards that a recipient may provide with agency prior written approval to \$500,000 (*2 CFR § 200.333*).
5. Increased indirect cost de minimis rate from 10 to 15 percent (*2 CFR § 200.414*).
6. Increased single audit threshold from \$750,000 to \$1 million (*2 CFR § 200.501*).
7. Increased micro-purchase threshold to \$50,000 (*2 CFR § 200.320*).
8. Allowing 120 days after the period of performance for submission of all final reports related to award closeout (*2 CFR § 200.344*); See [88 FR 63591 - PDF](#).

Appendix 2: HHS-Specific Modifications to be Codified at 2 CFR part 300 on 10/1/2025

#	HHS Modification	Current 45 CFR part 75 Citation	NEW Proposed 2 CFR part 300 Citation	Summary of Modification
1	Adoption of 2 CFR part 200	2 CFR § 300.1	2 CFR § 300.106	HHS adoption of 2 CFR part 200 with modifications in 2 CFR part 300.
2	Conflict of Interest	45 CFR § 75.112	2 CFR § 300.112	Supplementary conflict of interest requirements and directs Public Health Service recipients to align conflict of interest policies with requirements in 42 CFR part 50, subpart F.
3	Special provisions for awards to for-profit organizations as recipients	45 CFR § 75.216	2 CFR § 300.218	Specific requirements for awards to for-profit organizations.
4	Special provisions for awards to Federal agencies	45 CFR § 75.217	2 CFR § 300.219	Specific requirements for awards to Federal agencies.
5	Nondiscrimination language (HHS specific)	45 CFR § 75.300	2 CFR § 300.300	HHS-specific non-discrimination requirements.
6	Federal payment	45 CFR § 75.305(a)	2 CFR § 300.305(a)	Addresses payments to States.
7	Revision of budget and program plans (specific to research care cost prior approval)	45 CFR § 75.308(c)(1)(ix)	2 CFR § 300.308(f)(11)	Requires prior approval for research patient care costs.
8	Intangible Property (patents and inventions)	45 CFR § 75.307(c)(2)	2 CFR § 300.315(c)	Limits HHS rights in inventions under awards made primarily for educational purposes.
9	Indirect Costs (Training and Foreign cap and allowing rates for American U, Beirut, and WHO)	45 CFR § 75.414(c)(1)(i)-(iii)	2 CFR § 300.414(c)(i)-(iii)	Limits indirect costs on training awards, awards to Foreign organizations, and awards to Foreign public entities performed fully outside the US to a fixed rate of 8 percent of MTDC and allows negotiated indirect cost rates for American University, Beirut, and the World Health Organization.
10	Independent research and development costs	45 CFR § 75.476	2 CFR § 300.477	Describes requirements for independent research and development costs.
11	Shared responsibility payments	45 CFR § 75.477	2 CFR § 300.478	Describes requirements for payments for failure to maintain minimum essential health coverage and failure to offer health coverage to employees.
12	Cost Principles for Research & Development grant activities with Hospitals	45 CFR part 75, Appendix IX	2 CFR part 300, Appendix IX	Hospital Cost Principles