UNIVERSITY OF ALASKA
UNIFORM GUIDANCE WORKING GROUP

Section Number & Name: 200.440 – Exchange Rates
New Guidance

BACKGROUND INFORMATION:

A. Does the revised guidance contain new language? ☒ Y ☐ N

Specifically describe the new language and how it differs: See attached.

Allows for cost increases from fluctuations in exchange rates with certain conditions being met, such as prior federal approval and the availability of funds.

B. Is the new guidance more or less restrictive than university processes? X More ☐ Less

Specifically describe how it is more or less restrictive: This provision did not previously exist in A-21.

C. Cite any relevant system-wide policies/regulations/procedures:
None

D. Cite any MAU-level relevant processes or manuals:
None

E. Is there an impact to electronic systems (Banner HR/Finance, Web Timesheets, Effort Reporting, etc.)? ☐ Y X N

List specific system(s) impacted and method of impact:

ACTION PLAN: Is specific action needed? XX Y – see below ☐ N – no action needed

Recommended Action(s):

This is a training issue and also an item that should be included in the grant closeout procedures. Grant coordinators/technicians need to be aware that, when applicable, cost increases due to exchange rate fluctuations require prior federal approval.

UA Responsible area requiring documentation of compliance: Myron Dosch

200.440 Exchange rates.

(a) Cost increases for fluctuations in exchange rates are allowable costs subject to the availability of funding, and prior approval by the Federal awarding agency. The Federal awarding agency must however ensure that adequate funds are available to cover currency fluctuations in order to avoid a violation of the Anti-Deficiency Act.

(b) The non-Federal entity is required to make reviews of local currency gains to determine the need for additional federal funding before the expiration date of the Federal award. Subsequent adjustments for currency increases may be allowable only when the non-Federal entity provides the Federal awarding agency with adequate source documentation from a commonly used source in effect at the time the expense was made, and to the extent that sufficient Federal funds are available.