California Community Colleges

From Guidance to Regulation: Navigating the New Uniform Grants Regulations and Its Implications for Perkins

Fall 2026 CCCAOE Pre-Conference Session



Presented By:
Dr. Paige Mustain, Dean WEDD
Jean Claude Mbomeda, Perkins Program Lead
Lupe Maldonado, Perkins Program Manager
Michael Brustein, The Bruman Group, PLLC

October 13, 2026

Our Time Today...



- Welcome and Chancellor's Office Updates
- Perkins V Updates & Reminders
- Federal Highlights & Updates
- Questions & Answers

California Community Colleges

Chancellor’s Office Welcome



Dr. Paige Mustain,
Dean Workforce and Economic Development Division



Jean Claude Mbomeda,
Perkins Program Lead



Lupe Maldonado,
Perkins Program Manager



Michael Brustein,
The Bruman Group, PLLC

Chancellor's Office Updates

Perkins V Reminders

- The Perkins V Program has released the **Perkins V Project Director's Handbook**.
- Quarter 1, FY 2026-27 fiscal and narrative reporting is due **October 15, 2026** .
- Quarterly reporting deadlines and funding risk assessment.
- Site visits
- Perkins V: Baccalaureate Degree Incentive Grant
- CA Workforce Pathways Joint Advisory Committee (CWPJAC)

Chancellor's Office Updates

Current Initiatives

- Internships as Default Demonstration Project
- California Early College Demonstration Project
- HR1 JobReady California
- Credential Registry
- Career Passport
- Workforce Pell

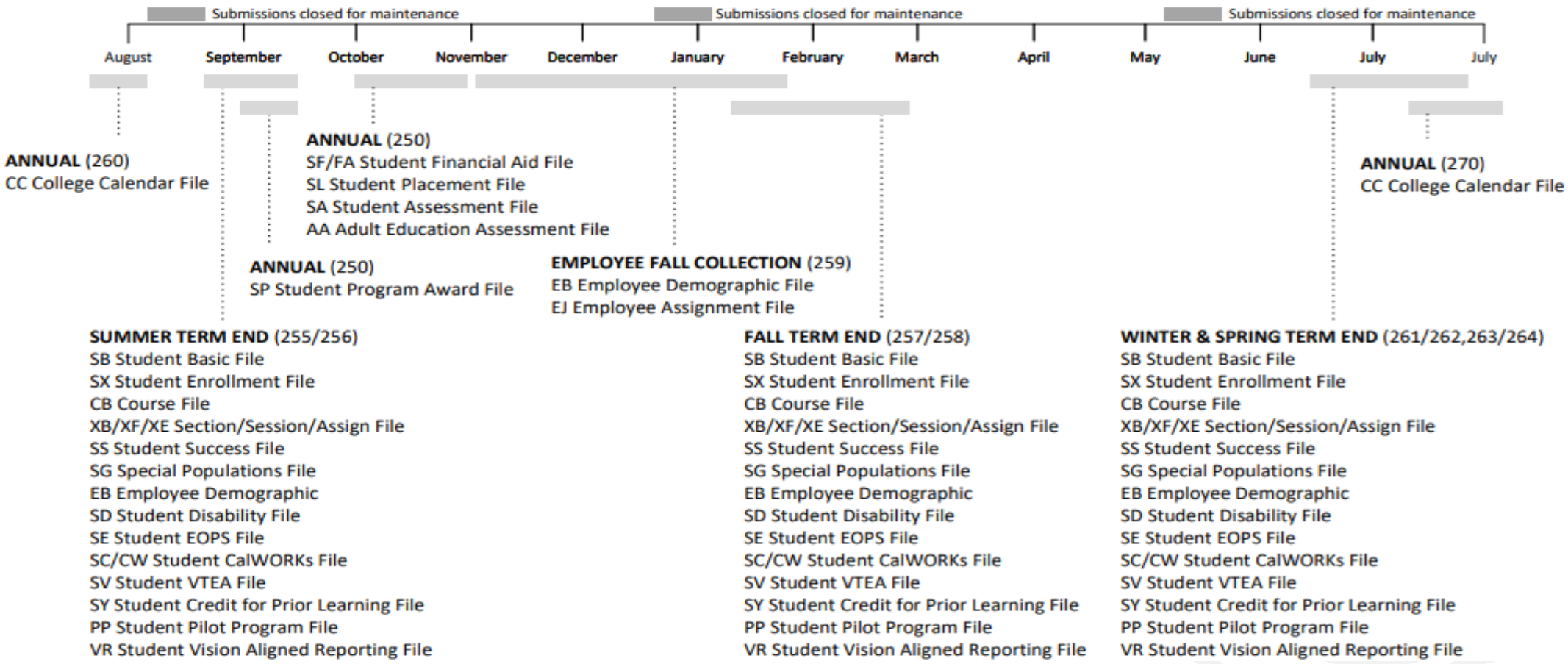
Perkins V Postsecondary Updates

FY 2025-26

Perkins V Title I-C Key Dates

Dates	Description
September 30, 2026	Final report for FY 2025-26 past due
October 2026	**MIS data files due :** - Student financial aid - Student placement - Student assessment - Adult education assessment
October 15, 2026	Quarter 1, FY 2026-27 fiscal and narrative reporting is due
March 15, 2027	Last day to modify budget to purchase equipment that align directly with needs identified in CLNA
April 10, 2027	Perkins V 2027-28 Title I-C applications open in NOVA
April 15, 2027	Quarter 3 Fiscal and Programmatic Report Due
May 31, 2027	Perkins V application due in NOVA
June 30, 2027	Last day to expend or encumber Perkins V funds

MIS Data Submission Calendar



Perkins V State Allocations 2025-2027

Category	Perkins Fund 2026-27	Perkins Fund 2025-26	Change
State Administration (5%*)	$ 2,563,797	$2,562,630	$1,167
State Leadership (10%*)	$ 7,121,612	$7,117,883	$3,729
Local Allocation (85%*)	$ 62,920,582	$64,642,931	($1,722,349)
Headcount	631,055	601,907	29,148
Allocation/Headcount	99.71	107.40	($8)
TOTAL	**$72,605,991**	**$74,323,444**	**($1,717,452)**

***percentage of total allocation**

Perkins V Accountability

Postsecondary State Performance Levels FY 2025-26

State Core Indicators of Performance Level 2025-26 by Gender

	1P1:Placement- Target : 95.51%			2P1 : Credentials - Target 84.02%			3P1: Non-traditional Enrollment- Target 27.18 %	
	Actual Performance	Above or Below 90%		Actual Performance	Above or Below 90%		Actual Performance	Above or Below 90%
Grand Total	95.74%	Y		74.10%	N		27.73%	Y
Male	96.13%	Y		68.31%	N		17.14%	N
Female	95.33%	Y		79.22%	Y		39.03%	Y

State Core Indicators of performance Level 2025-26 by Race

	1P1:Placement- Target : 95.51%		2P1 : Credentials - Target 84.02%		3P1: Non -traditional Enrollment- Target 27.18 %	
	Actual Performance	Above or Below 90%	Actual Performance	Above or Below 90%	Actual Performance	Above or Below 90%
RACE/ETHNICITY* (1997 Revised Standards)						
American Indian or Alaskan Native	94.73%	Y	76.19%	Y	31.07%	Y
Asian	95.44%	Y	78.11%	Y	31.25%	Y
Black or African American	94.94%	Y	72.50%	N	30.63%	Y
Hispanic/Latino	96.59%	Y	73.56%	N	26.47%	Y
Native Hawaiian or Other Pacific Islander	94.62%	Y	69.81%	N	26.04%	Y
White	94.46%	Y	73.29%	N	27.56%	Y
Two or More Races	95.44%	Y	74.90%	N	31.15%	Y
Unknown	94.12%	Y	73.95%	N	26.47%	Y

*Calculation of core indicator is based on the number of Concentrators: a Student who has earned at least 12 credits within a career and technical education program or program of study or completed such a program if the program encompasses fewer than 12 credits or the equivalent in total.

Local District Performance Level

Number of districts under 90% threshold:

Program Improvement Plan (PIP) Required	1P1 Placement	2P1 Credential	3P1 Non-Trad
Program Year 2025-26	1	16	20
Program Year 2024-25	0	16	14

Program Improvement Plans

Any core indicator below 90% of the State negotiated performance levels MUST write an improvement Plan.

Components of an Improvement Plan

1. Identification of the student groups where gaps in performance exist
2. Contextual factors contributing to existing performance gaps
3. Resources needed
4. Timeline
5. Person(s) responsible
6. Description of how progress will be documented

California Community Colleges



From Guidance to Regulation: Navigating the New UGR and Its Implications for Perkins V

What is Happening with Federal Funding?

Perkins Funding

Current

$1,439,848,000

What Happens Next?

- Senate passed a CR in August that would extend through 12/11
  - Approved an amendment that would prohibit OMB from implementing new or similar rules while CR is in effect
- When House returned week of August 31st, it passed the Senate CR
  - House had passed its own version of a CR without UGR amendment this summer, but moved forward with bipartisan Senate version instead

What Happens Next?

- Recess!

Congress is home in their own districts campaigning until election day, so no action expected.

UGR Amendment

- Despite delay on implementing UGR, White House offered support for the senate CR
  - Indicates that OMB will be unable to finalize rule by goal of October 1st or that OMB not opposed to additional time to review comments
    - More than 500,000 comments submitted (OMB must review and respond to substantive comments in final rule)
- What does this mean for implementing timing?
  - UGR likely would not have applied to education grants until July 1, 2027 anyway
    - Depending on when OMB issues final rule (or whether Congress further delays it), implementation could be July 1, 2027 or later

How Does Midterm Election Impact Funding?

- Lawmakers have kicked the can down the road to December
- If majorities in House or Senate switch, may be push by Democrats to further delay funding decisions until after new Congress sworn in to have more influence
  - Alternatively, Republicans may want to wrap up 2026 before Democrats would have more influence over decision-making

How Do I Budget For FY 2027?

- The more delayed funding decisions are, the greater chance of level-funding
  - Easier to keep things static, when already months into the fiscal year
  - With competing Democratic/Republican priorities, level-funding is easiest bipartisan agreement
- Looking at past few years, education funding has remained mostly level
  - Most likely scenario!

Transfer of Programs



Interagency Agreements (IAAs)

14 IAAs Released to Date

- ED's New IAA website: https://www.ed.gov/about/initiatives/returning-education-states

May 21, 2025

- OCTAE → DOL

September 30, 2025

- OESE/Postsecondary → DOL
- Indian Education → Interior

NEW! June 16, 2026

- OSERS/OSEP → HHS
- OCR → DOJ

Interagency Agreements (IAAs) Status

- Total of 14 IAAs as of July 2026:
  https://www.ed.gov/about/initiatives/returning-education-states

- DOL
  - Perkins, Adult Ed (OCTAE)
  - ESEA formula programs (and some competitive) (OSSE)
  - Postsecondary institutional programs
- HHS
  - New - IDEA
  - Some competitive K-12 grants
  - CCAMPIS
- Interior
  - Native American education programs
- State Department
  - IHE foreign gift reporting
- Treasury
  - Defaulted student loans
- DOJ
  - New – OCR
  - New - FERPA

The Newest Interagency Agreements

- Announced June 16
  - HHS:
    - IDEA Parts B, C, D
    - Rehabilitation Act of 1973
    - Randolph-Sheppard Vending Facility Program
    - Vocational Rehabilitation Disability Innovation Fund
    - Special Olympics Sport and Empowerment Act of 2004
    - Education of the Deaf Act of 1986
    - National Technical Institute for the Deaf
    - Hellen Keller National Center Act
    - American Printing House for the Blind
    - Gallaudet University
  - DOJ: FERPA
  - DOJ: OCR
  - DOJ: TRAINING and Advisory Services

What Does This Mean for Federal Funding?

- Does ***NOT*** mean that federal funds are going away or being reduced
  - That is a choice for Congress
- Does ***NOT*** change the requirements in statute/regulations, or applicability of EDGAR/UGG
- Does mean that guidance, funding will come from new agencies
- Disbursements will follow new processes using manual approval so will likely be slower
- Less support from federal-level agency for States and districts

Defend the Spend

- Administration initiative intended to ensure additional oversight over federal funds
- Requires written justification for each expenditure submitted for drawdown, including at a minimum:
  - Program payment being requested for
  - List of budget item(s) or expense category(ies), along with an amount for each that sums up to the total payment request; and
  - A date range associated with the costs included in the payment request
    - Has raised issues for some States with the equipment purchases
- ED says it will issue “templates” for spending justifications of 255 characters or less that will not need individualized approval
  - Target implementation date: ~~August 23~~… Now in November?

Updates to the UGG



Timelines

- May 29, 2026 – Updates published in the Federal Register
- July 13, 2026 - 45 day comment period closed
  - Late comments will only be considered to the extent practicable.
- October 1, 2026 – Goal for effective date (per OMB)
  - For ED grants = July 1, 2027 (unless otherwise required)
- Delays?
  - Possible (over 490,000 comments)
  - Litigation seems likely
  - Congressional CR Pause

Goals

1. Improve transparency, accountability, and oversight for the use of Federal taxpayer dollar
    - Cites to numerous Heritage Foundation documents
        - A conservative public policy think tank based in Washington, D.C.
    - Politically criticizes prior versions and “woke”/ DEI programs
2. Clarify the status of OMB’s policies and requirements set forth in the 2 CFR regulatory text as an OMB regulation; and
    - OMB has statutory authority to provide overall direction and leadership to Federal agencies on financial management
3. Reduce recipient burden.

General Provisions



- 200.111 English Language – Removes the permission to issue or translate a Federal award or other documents into another language
- 200.112 Conflict of Interest – Requires recipients and subrecipients to disclose whether employees who worked on a proposal or will work on a grant were employed by federal agency in the last two years
  - Notes it is for ”informational purposes”
- 200.113 Mandatory Disclosures - Requires OIGs to send mandatory disclosures to US Attorney for the District of Columbia within 10 days

Agency's Risk Assessment for Applicants 200.206



- Agency "may consider an applicant's "affiliation with organizations engaged in activities that violate federal law, undermine public safety and national security, or advocate for the overthrow of the United States Government"
- Similar vague language used in Public Service Loan Forgiveness regulations
  - PSLF eligibility based on whether their employers engage in actions that have a "substantial illegal purpose"

New Prohibition on using Federal awards to promote or support theories of disparate-impact liability 200.218



- Disparate impact – even though actions are neutral, they impact certain groups disproportionately; no intent to discriminate
  - Proposes a government-wide policy regarding use of Federal financial assistance to promote or support theories that impose disparate-impact liability based on federally protected characteristics such as race, sex, or age
  - EO “Restoring Equality of Opportunity and Meritocracy”
    - “Disparate-impact liability all but requires individuals and businesses to consider race and engage in racial balancing to avoid potentially crippling legal liability”

New Prohibition on discriminatory event services 200.219



- “Must not discriminate on the basis of the viewpoint, content, or subject matter of speech—including on the basis of political, ideological, or religious affiliation or perspective—in providing services for events, meetings, or other expressive activities”
- “Applies regardless of whether an event is directly funded by the Federal award if it occurs on property or facilities under the control of the public entity”
- Concern with funds being used indirectly to violate the First Amendment

Statutory and National Policy Requirements 200.300



- “Federal agency or pass-through entity must ensure that the Federal award is not used to fund, promote, encourage, subsidize, or facilitate:”
  - Diversity, equity, inclusion and accessibility (DEIA) policies – “including activities where race or intentional proxies for race will be used as a selection criterion”
  - Gender ideology – “includes theories or ideologies that deny the biological reality of sex or the sex binary in humans, or endorse or advocate for the notion that sex is a chosen or mutable characteristic”
  - “The so-called ‘transition’ of a child under 19 years of age from one sex to another”

Statutory and National Policy Requirements 200.300 (cont.)



- Also removes reference to *Bostock v. Clayton County*
  - "The prior Administration's position regarding Bostock v. Clayton County is legally untenable and has harmed women"
- May not discriminate against or in favor of faith-based organizations
- Acknowledges ongoing litigation in many of these areas, especially DEI and gender ideology, but numerous references to EOs

Internal Controls 200.303



- Removes references to GAO's Greenbook and COSO integrated framework
  - This was simply a recommendation before.
- Includes confidential business information in documentation that must be safeguarded with PII.
- Must participate in the Department of Homeland Security's E-verify program to confirm the employment eligibility of employees and contractors hired in or performing work in the United States under a Federal award
- Proposed legislation would require this for all US employers
  - Mandatory E-Verify Act of 2026
  - Many States already require this

Procurement Methods 200.320



- The proposed language strongly discourages recipients from using cost reimbursement contracts. Under the proposed text, when using cost-reimbursement contracts, the recipient must notify the awarding Federal agency of its use of this mechanism and maintain a written justification in its records.
- OMB also proposes flexibility for Federal agencies, at their discretion, to require prior approval of such contracts in the terms and conditions of the award.
  - ***Note: Fixed Amount Awards/Subawards were eliminated; however, strong encouragement to use fixed amount contracts***

Contracting with small businesses 200.321



- Currently requires that, when possible, grantees consider “small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms”
- Proposes simplifying to “small businesses”
- “intended to streamline the policy, reduce administrative burden, and ensure that contracting preferences remain consistent with law and other principles discussed in this document, including merit-based opportunity”

Domestic preferences for procurements 200.322



- Terms and conditions of the award must include conditions that maximize the use of goods, products and materials produced in the United Staes.
  - Must be included in all subawards, contracts and purchase orders under Federal awards.

Procurement of Recovered Materials 200.323(b)



- Currently says that grantees “should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable”
  - Removes 200.323(b)
  - EO this is based on is from previous administration and has been rescinded

Subrecipient and contractor determinations 200.331



- PTEs may not circumvent the requirements of this section by treating payments of Federal funds to affiliates, subsidiaries, or other related entities that are separate legal persons as internal transfers not requiring a determination under this section.
- Such transfers of Federal funds must be evaluated under this section and treated as either subawards or contracts, as appropriate.
- For example, if a related entity receives payment to perform activities under the Federal award, such as carrying out a portion of the Federal award or providing goods and services, a determination is required.

Requirements for pass-through entities 200.332



- Requires that PTEs make subrecipient vs. contractor determinations for all downstream entities
- PTEs must also “ensure that subrecipients do not take actions that could significantly damage the reputation of the pass-through entity, awarding Federal agency, or the Federal Government.”
  - If PTE finds these actions have occurred, they must consult with the Federal agency to determine whether termination of the award is warranted.
  - If the Federal agency determines reputational harm has occurred, it can either cancel the award or direct the PTE to cancel the subaward.

Remedies for Noncompliance 200.339



- Includes private causes of action.
- A Federal agency, may, at its discretion, cooperate with individuals or organizations in their pursuit of private causes of action and civil remedies based on the failure of a recipient or subrecipient to comply with the U.S. Constitution, Federal statutes, regulations, or the terms and conditions of a Federal award.
- A Federal agency should only cooperate with a private cause of action if it determines that such cooperation is in the interest of the U.S.

Grant Terminations 200.340



- May terminate grant when the award no longer advances Federal agency priorities or the national interest
  - Consistent with EO “Improving Oversight of Federal Grantmaking”
  - Must be in all awards
  - Termination notices must include brief summary of reason
    - Includes list of reasons for termination, such as “additional terms and conditions included in the Federal award”
  - Does not apply to formula grants
- Proposes new paragraph on temporary suspension of grants
  - Would provide Federal agencies and pass-through entities with authority to provide a written order to stop work
  - Must also be included in all awards
  - Does not apply to formula grants

Notification of termination requirement 200.341



- Notification must instruct the recipient or subrecipient to stop work, make no additional financial obligations, and, to the extent authorized by law, terminate all subawards and contracts related to the terminated portion of the Federal award.
- Must provide the recipient with an opportunity to object and provide information challenging the action.
- If discretionary award: must permit the opportunity to submit a written statement of termination costs (defined as those costs reasonably related to winding down activities as a result of the federal award.) See also 200.343

Opportunities to object, hearings, and appeals 200.342



- The Federal agency is not required to allow for objections, hearings, and appeals related to any reasons for termination except termination for noncompliance.

Selected Items of Cost (cont.)



- **Advertising and public relations 200.421**
  - Unallowable directly *or indirectly* unless specified.
  - Removes recruitment of personnel required for the performance of a Federal award **(but "recruiting costs" in 200.463 may be allowable)**
  - Changes language to "Program adverting and outreach (for example, recruiting project participants) and other specific purposes necessary to meet the Federal award requirements."

- **Conferences 200.432**
  - Adds a requirement that costs for attending conferences are allowable only if participation in the conference is expressly approved by the Federal agency and included in the terms and conditions of the award

Selected Items of Cost (cont.)



- **Lobbying 200.450**
  - Unallowable
    - Engaging in issue advocacy or public messaging that promotes or opposes a particular social, political, or public policy position unrelated to the statutory objectives or performance requirements of the Federal award, including messaging designed to influence public attitudes on matters not necessary to accomplish the purpose of the Federal award;
    - Attempting to influence the executive branch of any State government on matters unrelated to the objectives or performance requirements of the Federal award, including attempts to affect State agency policymaking, rulemaking, or administrative actions for purposes other than carrying out objectives of the Federal award;

Selected Items of Cost (cont.)



- **Memberships, subscriptions, and professional activity costs 200.454**
  - Unallowable (incudes professional, civic, business, and technical organizations)
  - The only allowable costs are those necessary to fulfill the award requirements
  - Prior approval of Federal agency required

- **Travel costs**
  - Updates federal default rules

Time and Effort Documentation 200.430(g)

No changes

[Audit] Responsibilities 200.513



- Removes the requirement that the Compliance Supplement be updated annually
- “OMB is in the process of reevaluating the appropriate frequency for issuing the compliance supplement…OMB and the Office of Inspector General for HHS are currently analyzing the single audit process.”
- Also revises 200.503 to clarify that additional audits cannot be imposed unless required by law

Proposed EDGAR Changes

- Published proposed changes on August 24
  - Comment period open through September 23
- Summary of proposed changes:
  - Technical updates to align EDGAR with proposed changes of 2 CFR Part 200
  - Promote efficiency and cost savings with regard to publishing of notices and priorities
  - Clarify and streamline: (1) the selection criteria to make discretionary awards; (2) the process to continue discretionary awards; and (3) the flexibility to terminate discretionary awards
  - Ensure merit practices and high standards for all ED grants (both Part 75 and Part 76)
  - Update definitions related to evidence framework to align with Secretary's priorities and definitions from Sept. 2025

Notice of Awards, Application Provisions, Annual Competitive Preferences/Priorities 75.100; 75.104; 75.105



- **Removed** requirements to publish notice of awards, maximum award amounts for grant competitions, and annual competitive preferences and priorities **in the Federal Register**
  - Aligns with other federal agency practices
  - Application notice information and maximum award amounts are available on Grants.gov
  - Priorities would be included in application notices
  - Cost savings for time and publication costs

General Selection Criteria 75.210



- Revised to focus on employment and career outcomes
- Adds emphasis on the role of families and communities
- Adds merit-based language for both selection of participants and project personnel
- Requires evidence-level to be specified

Suspension and Termination 75.901



- Revised "to provide clear notice to all recipients of the Department's ability **to terminate discretionary awards for convenience**"
  - Pass-through entities may terminate subawards "for convenience"
- Clarifies other reasons for termination, to include: noncompliance, by mutual agreement, upon notification by recipient or subrecipient, and pursuant to additional terms and conditions in the Federal award
- Notes that Secretary may, but does not have to, designate the OALJ to resolve disputes consistent with 34 CFR 81.3(b) (requires Federal Register notice)
- Reasons:
  - Consistent with 2 CFR 200.340(a)(4) on terminating awards inconsistent with program goals or agency priorities;
  - Aligns to long-standing authority to terminate Federal contracts for convenience and "the developing caselaw, as affirmed by recent opinions from the Supreme Court, that grantee agreements are ultimately contractual in nature."
  - Ensures ongoing, federal programmatic discretion after award is made

Constitutional rights, freedom of inquiry, Federal statutes and regs on nondiscrimination 75.500; **76.500**



New paragraph (f): A grantee must:

- (1) Ensure that hiring, admissions, promotions, and compensation practices under the grant are based on merit and high standards, without regard to race, color, religion, sex, national origin, or proxies thereof unless an appropriate exception applies (such as a religious organization or an organization engaged in remedial action).
- (2) Ensure that the grantee's employment practices do not compel statements of belief in support or opposition to any political views as a condition of employment, admission, or project participation, unless an appropriate exception applies.
- (3) Ensure that, where applicable, the grantee has policies protecting freedom of speech, inquiry, and press as specified and required by 34 CFR 75.500(a)-(e).

Compliance with US Constitution, statutes, regulations, stated institutional policies and applications, **76.700**



- A State and a subgrantee shall comply with § 76.500, the State plan, applicable statutes, regulations, Executive orders, and approved applications, and shall use Federal funds in accordance with those statutes, regulations, Executive orders, plans, and applications.
- Reasons:
  - "We propose this revision to align to § 75.700, which includes the requirement for grantees of direct grant programs to comply with Executive orders. It was an oversight that this proposed change was not included in the updates to EDGAR published in the **Federal Register** on August 29, 2024 (89 FR 70300)."

Questions?

California Community Colleges

Closing Announcements & Reminders

- The California Community Colleges, **Perkins V Project Director's Handbook** is now available! View it using the QR code provided!
- This and other resources may be found on our Perkins website.
- Presentation will be shared after remediation and posted onto the website.



California Community Colleges

California Community Colleges

Thank you!

The Perkins Team
Perkinssupport@cccco.edu

www.cccco.edu