

Department of Health and Human Services

§ 96.31

§ 96.18 Participation by faith-based organizations.

The funds provided under this part shall be administered in compliance with the standards set forth in part 87 (Equal Treatment for Faith-based Organizations) of this chapter.

[69 FR 42592, July 16, 2004]

Subpart C—Financial Management

§ 96.30 Fiscal and administrative requirements.

(a) *Fiscal control and accounting procedures.* Except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds. Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

(b) *Financial summary of obligation and expenditure of block grant funds—(1) Block grants containing time limits on both the obligation and the expenditure of funds.* After the close of each statutory period for the obligation of block grant funds and after the close of each statutory period for the expenditure of block grant funds, each grantee shall report to the Department:

(i) Total funds obligated and total funds expended by the grantee during the applicable statutory periods; and

(ii) The date of the last obligation and the date of the last expenditure.

(2) *Block grants containing time limits only on obligation of funds.* After the close of each statutory period for the obligation of block grant funds, each grantee shall report to the Department:

(i) Total funds obligated by the grantee during the applicable statutory period; and

(ii) The date of the last obligation.

(3) *Block grants containing time limits only on expenditure of funds.* After the

close of each statutory period for the expenditure of block grant funds, each grantee shall report to the Department:

(i) Total funds expended by the grantee during the statutory period; and

(ii) The date of the last expenditure.

(4) *Submission of information.* Grantees shall submit the information required by paragraph (b)(1), (2), and (3) of this section on OMB Standard Form 269A, Financial Status Report (short form). Grantees are to provide the requested information within 90 days of the close of the applicable statutory grant periods.

[47 FR 29486, July 6, 1982, as amended at 52 FR 37966, Oct. 13, 1987; 53 FR 11656, Apr. 8, 1988; 64 FR 55857, Oct. 15, 1999]

§ 96.31 Audits.

(a) *Basic rule.* Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501–7507) and revised OMB Circular A–133, “Audits of State, Local Governments, and Non-Profit Organizations.” The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

(b) *Subgrantees.* State or local governments, as those terms are defined for purposes of the Single Audit Act Amendments of 1996, that provide Federal awards to a subgrantee, expending \$300,000 or more (or other amount as specified by OMB) in Federal awards in a fiscal year, shall:

(1) Determine whether subgrantees have met the audit requirements of the Act. Commercial contractors (private for-profit and private and governmental organizations) providing goods and services to State and local governments are not required to have a single audit performed. State and local governments should use their own procedures to ensure that the contractor has complied with laws and regulations affecting the expenditure of Federal funds;

(2) Determine whether the subgrantee spent Federal assistance funds provided in accordance with applicable