

Appendix I

Federal Programs Excluded from the A-102 Common Rule

Note: §__ references are to the "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" (A-102 Common Rule).

Background

Certain grant programs (block grant programs enacted under the Omnibus Budget Reconciliation Act of 1981, one special program, open-ended entitlement programs, and other specified programs) are exempt from the provisions of the A-102 Common Rule. These programs are listed below. State administrative requirements for financial management and control apply to the block grant programs (including their subrecipients) and Federal agency regulations apply to the programs which are not block grants.

Block grant programs and the one special program are also exempt from the provisions of OMB cost principles circulars. State cost principles requirements apply to these programs (including their subrecipients). The open-ended entitlement programs and other specified programs are subject to the provisions of the OMB cost principles circulars.

The administrative requirements for the open-ended entitlement programs contained in Federal agency regulations may not be identical to those in the A-102 Common Rule. Rather than identify for testing each instance where the requirements differ, this Compliance Supplement only addresses differences that warrant special attention. These differences are in the area of procurement. With respect to all other administrative requirements, the auditor should be guided by the provisions of the A-102 Common Rule (see Part 3) or Circular A-110 and agency program requirements (see Part 4).

Differences pertaining to procurement

Subpart F of 45 CFR 95, ADP equipment and services, applies to all of these Department of Health and Human Services (HHS) programs. Subpart F requires prior Federal written approval for the acquisition of ADP equipment and services of \$5 million or more when the Federal Government funds at regular matching rates and prior written approval for all ADP acquisitions when the Federal Government funds at enhanced matching rates. In addition, the rules require prior Federal written approval for sole source contracts between \$1 million and \$5 million when the Federal Government funds at regular matching rates and for certain requests for proposals (RFPs), contracts, and amendments.

Programs Excluded from the Requirements of the A-102 Common Rule

Since many of the programs excluded from the A-102 Common Rule were reauthorized or amended, the following list provides the current CFDA number and name as listed in the 1996 CFDA. United States Department of Agriculture (USDA) entitlement grants are not listed since they have been included under USDA's adoption of the A-102 Common Rule. A notation is included with the program name to indicate when only part of the awards under a CFDA number are excluded from the A-102 Common Rule or to provide other clarifications.

§ __.4(a)(2) Block grant programs authorized by:

The Omnibus Budget Reconciliation Act of 1981 (§ __.4(a)(2))

93.569 Community Services Block Grant

93.991 Preventive Health and Health Services Block Grant

93.958 and Block Grants for Community Mental Health Services

93.959 Block Grants for Prevention and Treatment of Substance Abuse (both of these were formerly part of the ADAMHA block grant)

93.994 Maternal and Child Health Services Block Grant to the States

93.667 Social Services Block Grant

93.568 Low-Income Home Energy Assistance

14.228 Community Development Block Grants/State's Program (State-administered small cities program)

84.298 Innovative Education Program Strategies (Title VI) (formerly Chapter 2 of ECIA)

17.250 and Job Training Partnership Act (Title I and II)

17.246 Employment and Training Assistance--Dislocated Workers (Title III)

(For both of these programs (17.250 and 17.246), Section 164(a)(3) of the Job Training Reform Amendments of 1992, and the implementing regulations at 20 CFR section 627.420, prescribe minimum requirements for procurements made with Job Training Partnership Act (JTPA) Titles I, II, and III funds. These requirements largely parallel, and in some cases exceed, the procurement provisions of the A-102 Common Rule. Also, 20 CFR section 627.435(b) provides that the determination of whether a JTPA Title I, II, or III cost is direct or indirect shall be made in accordance with the OMB cost principles Circulars identified in 29 CFR part 97, the Department of Labor's adoption of the A-102 Common Rule at 29 CFR section 97.22(b).)

Special program

84.010 Title I Grants to Local Educational Agencies (formerly Chapter 1 of ECIA)

Open-ended entitlement programs

§ __.4(a)(3) Entitlement grants to carry out the following programs of the Social Security Act:

93.563 Child Support Enforcement (Title IV-D)

93.658 and Foster Care--Title IV-E

93.659 Adoption Assistance (Title IV-E)

93.778 Medical Assistance Program (Medicaid; Title XIX) (not including the State Medicaid Fraud Control program)

See Note 1 below for applicable Federal agency regulations.

§ __.4(a)(7) A grant for an experimental, pilot, or demonstration project that is also supported by a grant listed in paragraph (a)(3) of this section.

See Note 1 below for applicable Federal agency regulations.

Other specified programs

§ __.4(a)(8) Grant funds awarded under subsection 412(e) of the Immigration and Nationality Act (8 USC 1522(e)) and subsection 501(a) of the Refugee Education Assistance Act of 1980 (42 USC 1535) (Pub. L. No. 96-422, 94 Stat. 1809), for cash assistance, medical assistance, and supplemental security income benefits to refugees and entrants and the administrative costs of providing the assistance and benefits.

93.566 Refugee and Entrant Assistance--State Administered Programs

See Note 1 below for applicable Federal agency regulations.

§ __.4(a)(9) Grants to local education agencies under 20 USC 236 through 241-1(a), and 242 through 244 (portions of the Impact Aid program), except for 20 USC 238(d)(2)(c) and 240(f) (Entitlement Increase for Handicapped Children).

84.041 Impact Aid (excluding payments for children with disabilities and payments for construction)

§ __.4(a)(10) Payments under the Veterans Administration's State Home Per Diem Program.

64.014 Veterans State Domiciliary Care

64.015 Veterans State Nursing Home Care

64.016 Veterans State Hospital Care

Note 1: Even though the programs listed under paragraphs § __.4(a)(3), § __.4(a)(7), and § __.4(a)(8) are exempt from the A-102 Common Rule, they are currently covered by HHS's interim final implementation of OMB Circular A-110 which HHS has titled as "Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Non-Profit Organizations, and Commercial Organizations; and Certain Grants and Agreements with States, Local Governments and Indian Tribal Governments" (45 CFR part 74) which has requirements **less** restrictive (for institutions of higher education) but similar to the A-102 Common Rule and "General Administration-Grant Programs (Public Assistance and Medical Assistance)" (45 CFR part 95).