

work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. *Rights to Inventions Made Under a Contract or Agreement*—Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401. “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

6. *Clean Air Act (42 U.S.C. §7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.)*, as amended—Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. §1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7. *Byrd Anti-Lobbying Amendment (31 U.S.C. §1352)*—Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. §1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient. See 29 CFR part 98.

8. *Debarment and Suspension (E.O.’s 12549 and 12689)*—No contract shall be made to parties listed on the General Services Administration’s List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.’s 12549 and 12689, “Debarment and Suspension.” This list contains the names of parties debarred, sus-

pending, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

## PART 96—AUDIT REQUIREMENTS FOR GRANTS, CONTRACTS, AND OTHER AGREEMENTS

Sec.

96.0 Purpose and scope of part.

96.1 Terminology.

### Subpart A—Audits of States, Local Governments, and Non-profit Organizations

96.11 Purpose and scope of subpart.

96.12 Audit requirements.

### Subpart B [Reserved]

### Subpart C—Audits of Entities Not Covered by Subpart A

96.31 Purpose and scope of subpart.

96.32 Audit requirement.

### Subpart D—Access to Records, Audit Standards, and Relation of Organization-wide Audits to Other Audit Requirements

96.41 Access to records.

96.42 Audit standards.

96.43 Relation of organization-wide audits to other audit requirements.

### Subpart E—Audit Resolution

96.51 Purpose and scope of subpart.

96.52 Pre-resolution phase activities.

96.53 Audit resolution generally.

96.54 Responsibility for subrecipient audits.

### Subpart F—Appeals

96.61 Purpose and scope of subpart.

96.62 Contracts.

96.63 Federal financial assistance.

AUTHORITY: 31 U.S.C. 7500 *et seq.*; and OMB Circular No. A–133.

SOURCE: 64 FR 14539, Mar. 25, 1999, unless otherwise noted.

## § 96.0 Purpose and scope of part.

This part identifies the audit requirements for recipients and subrecipients of Department of Labor (DOL) awards and contains DOL’s procedures for the resolution of audits. It applies to all grants and contracts and other Federal

awards provided by or on behalf of the DOL.

**§ 96.1 Terminology.**

As used in this part, the terms “Federal award,” “Federal financial assistance,” “recipient,” and “subrecipient” have the same meanings as the definitions in 29 CFR 99.105 of this title.

**Subpart A—Audits of States, Local Governments, and Non-profit Organizations**

**§ 96.11 Purpose and scope of subpart.**

The regulations in this subpart and in 29 CFR part 99 implement Office of Management and Budget (OMB) Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations,” which was issued pursuant to The Single Audit Act Amendments of 1996 (Act). The Act builds upon earlier efforts to improve audits of Federal financial assistance programs. This subpart establishes uniform audit requirements and policy for recipients and subrecipients that receive Federal financial assistance from DOL.

**§ 96.12 Audit requirements.**

(a) Organizations covered by this subpart are responsible for arranging for independent audits that meet the requirements of this section.

(b) The audit requirements contained in 29 CFR part 99 shall be followed for audits of all fiscal years beginning after June 30, 1996.

(c) Except as provided in paragraph (d) of this section, the audit requirements applicable to earlier fiscal years under regulations and award conditions in force when the awards were made shall continue in force.

(d) The Secretary or his/her designee may provide written notice to recipients/subrecipients subject to paragraph (c) of this section directing them to follow the requirements of 29 CFR 99.320, which provides for submission of audit data collection forms and reporting packages to a Federal clearinghouse designated by OMB.

**Subpart B [Reserved]**

**Subpart C—Audits of Entities Not Covered by Subpart A**

**§ 96.31 Purpose and scope of subpart.**

This subpart prescribes the requirement for audits of recipients, subrecipients, contractors, and subcontractors that receive funds from the DOL and are not covered by subpart A.

**§ 96.32 Audit requirement.**

The Secretary of Labor is responsible for the survey, audit or examination of recipients, subrecipients, contractors, and subcontractors covered by this subpart. Such surveys, audits, or examinations shall be conducted at the Secretary’s discretion.

**Subpart D—Access to Records, Audit Standards and Relation of Organization-wide Audits to Other Audit Requirements**

**§ 96.41 Access to records.**

The Secretary of Labor, the DOL Inspector General, the Comptroller General of the United States, or any of their duly authorized representatives (including certified public accountants under contract), shall have access to any books, documents, papers, and records (manual and automated) of the entity receiving funds from DOL and its subrecipients/subcontractors for the purpose of making surveys, audits, examinations, excerpts, and transcripts.

**§ 96.42 Audit standards.**

Surveys, audits, and examinations will conform to the Government auditing standards, issued by the Comptroller General of the United States, and guides issued by the Secretary. For purposes of meeting audit requirements under subparts A and C, only the standards for financial and compliance audits need apply.

**§ 96.43 Relation of organization-wide audits to other audit requirements.**

To the extent that audits conducted in accordance with subpart A provide DOL officials with the information needed to carry out their responsibilities under Federal law or DOL regulations, the Secretary shall rely upon and use the information. Additional