

§ 41.530

(3) The phase of a Federal program in its life cycle at the auditee may indicate risk. For example, during the first and last years that an auditee participates in a Federal program, the risk may be higher due to start-up or close-out of program activities and staff.

(4) Type B programs with larger Federal awards expended would be of higher risk than programs with substantially smaller Federal awards expended.

(Authority: Pub. L. 104-156; 110 Stat. 1396)

§ 41.530 Criteria for a low-risk auditee.

An auditee, which meets all of the following conditions for each of the preceding two years (or, in the case of biennial audits, preceding two audit periods), shall qualify as a low-risk auditee and be eligible for reduced audit coverage in accordance with § 41.520:

(a) Single audits were performed on an annual basis in accordance with the provisions of this part. A non-Federal entity that has biennial audits does not qualify as a low-risk auditee, unless agreed to in advance by the cognizant or oversight agency for audit.

(b) The auditor's opinions on the financial statements and the schedule of expenditures of Federal awards were unqualified. However, the cognizant or oversight agency for audit may judge that an opinion qualification does not affect the management of Federal awards and provide a waiver.

(c) There were no deficiencies in internal control, which were identified as material weaknesses under the requirements of GAGAS. However, the cognizant or oversight agency for audit may judge that any identified material weaknesses do not affect the management of Federal awards and provide a waiver.

(d) None of the Federal programs had audit findings from any of the following in either of the preceding two years (or, in the case of biennial audits, preceding two audit periods) in which they were classified as Type A programs:

(1) Internal control deficiencies which were identified as material weaknesses;

(2) Noncompliance with the provisions of laws, regulations, contracts, or

38 CFR Ch. I (7-1-08 Edition)

grant agreements which have a material effect on the Type A program; or

(3) Known or likely questioned costs that exceed five percent of the total Federal awards expended for a Type A program during the year.

(Authority: Pub. L. 104-156; 110 Stat. 1396)

APPENDIX A TO PART 41—DATA COLLECTION FORM (FORM SF-SAC)

NOTE: Data Collection Form SF-SAC and instructions for its completion may be obtained from the following Web page: http://harvester.census.gov/fac/collect/sfsac_01.pdf. It is also available from the address provided in § 41.320(i).

APPENDIX B TO PART 41—OMB CIRCULAR A-133 COMPLIANCE SUPPLEMENT

NOTE: OMB Circular A-133 Compliance is available on the OMB home page at http://www.whitehouse.gov/omb/grants/grants_circulars.html.

PART 42—STANDARDS IMPLEMENTING THE PROGRAM FRAUD CIVIL REMEDIES ACT

Sec.

42.1 Basis and purpose.

42.2 Definitions.

42.3 Basis for civil penalties and assessments.

42.4 Investigation.

42.5 Review by the reviewing official.

42.6 Prerequisites for issuing a complaint.

42.7 Complaint.

42.8 Service of complaint.

42.9 Answer.

42.10 Default upon failure to file an answer.

42.11 Referral of complaint and answer to the Administrative Law Judge (ALJ).

42.12 Notice of hearing.

42.13 Parties to the hearing.

42.14 Separation of functions.

42.15 Ex parte contacts.

42.16 Disqualification of reviewing official or ALJ.

42.17 Rights of parties.

42.18 Authority of the ALJ.

42.19 Prehearing conferences.

42.20 Disclosure of documents.

42.21 Discovery.

42.22 Exchange of witness lists, statements, and exhibits.

42.23 Subpoenas for attendance at hearing.

42.24 Protective order.

42.25 Fees.

42.26 Form, filing and service of papers.

42.27 Computation of time.

42.28 Motions.