

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) were originally exempted from the provisions of the A-102 Common Rule. On September 8, 2003 (68 FR 52843-52844), the Department of Health and Human Services (HHS) amended its implementation of the A-102 Common Rule at 45 CFR part 92 to eliminate the exemption for all of its programs other than the HHS block grants under the Omnibus Budget Reconciliation Act of 1981. The Department of Agriculture previously included its entitlement grants in its implementation of the A-102 Common Rule. The programs that remain exempt from the A-102 Common Rule are listed below. Consult Part 4 - Agency Program Requirements, II, “Program Procedures - Source of Governing Requirements” for the governing requirements for these programs.

The listed block grant programs and Impact Aid (CFDA 84.041) (excluding payments for children with disabilities and payments for construction) are also exempt from the provisions of the OMB cost principles circulars. State cost principles requirements apply to these programs (including their subrecipients). The entitlement programs and the other programs are subject to the provisions of the OMB cost principles circulars. The HHS September 8, 2003 rulemaking did not affect the applicability of the cost principles for the HHS entitlement programs.

Note that, in some cases, the administrative requirements for entitlement programs in Federal agency regulations are not 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. One difference is 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 and agency program requirements (see Part 4).

Differences pertaining to procurement

Subpart F of 45 CFR part 95, ADP equipment and services, applies to certain HHS programs as specified in Part 4 of this Supplement. 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 CFDA number and name as listed in the current CFDA. It also includes, as applicable, the associated CFDA number(s) for programs that received funding under the American Recovery and Reinvestment Act. 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))

93.568	Low-Income Home Energy Assistance
93.569	Community Services Block Grant and 93.710 ARRA – Community Services Block Grant
93.667	Social Services Block Grant
93.958	Block Grants for Community Mental Health Services
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.991	Preventive Health and Health Services Block Grant
93.994	Maternal and Child Health Services Block Grant to the States
14.228	Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii (NOTE: Awards to non-entitlement counties in Hawaii are not considered “block grants” for this purpose)

Other programs

§ ____.4(a)(9) *Grants to local education agencies under the following sections of the Impact Aid program (CFDA 84.041):*

Section 8002; 20 USC 7702 (Federal property payments)
Section 8003(b); 20 USC 7703(b) (Basic support payments).

§ ____.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

Grants authorized under the Child Care and Development Block Grant Act of 1990, as amended

93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.713	ARRA – Child Care And Development Block Grant