
Maine Department of Public Safety

Policy Objectives:

To establish audit compliance by sub-recipients of grants issued to sub-recipients by the Maine Department of Public Safety (MDPS).

Background Information:

Awards are subject to conditions of fiscal, program and general administration to which the recipient expressly agrees in accepting an award from MDPS. MDPS will review recipient's administration of funds and required non-federal contributions for the purpose of determining whether the recipient has provided full accountability for revenues, expenditures, assets and liabilities.

Authority:

The Single Audit Act Amendments of 1996 and the Federal Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*.

1. Non-Federal entities that expend \$750,000 or more in Federal funds (from all sources including pass-through sub awards) in the organization fiscal year (12-month turnaround reporting period) shall have a single organization wide audit conducted in accordance with the provisions of OMB Circular A-133.
2. Non-Federal entities that expend less than \$750,000 a year in Federal awards are exempt from Federal audit requirements for that year. However, records must be available for review or audit by appropriate officials including the Federal agency, pass-through entity, General Accounting Office and MDPS.

Business Risks: Noncompliance and/or inconsistent application of this policy and procedure by the sub-recipient will result in the withholding or new discretionary awards and/or withholding of funds or change in the method of payment on active awards.

Policies and Procedures:

1. MDPS staffs are responsible for determining compliance with the provisions of the Act for all non-Federal entities submitting *Applications for Funding* to MDPS.
 - A. Staff reviews all *Applications for Funding* by non-Federal entities to determine voluntary disclosure of federal funding levels of \$750,000 or more in a fiscal year.
 - B. MDPS staff will routinely utilize the website <https://harvester.census.gov/facweb/> to determine the status of single organization wide A-133 audits and to identify audit findings that may affect eligibility for grant funding.
 - C. MDPS will review audit findings for the purpose of determining the severity of the findings and, if necessary, that corrective action has been initiated within six months after receipt of the audit report.
 - D. MDPS has authority to determine eligibility for funding where audit findings have been identified and may consult with the federal awarding agency in making a final determination of eligibility.

See:

Office of Justice Programs: Financial Guide – Part III – Chapter 19: Audit Requirements