

118TH CONGRESS
2D SESSION

S. 4716

AN ACT

To amend section 7504 of title 31, United States Code,
to improve the single audit requirements.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Financial Management
3 Risk Reduction Act”.

4 **SEC. 2. SINGLE AUDIT IMPROVEMENTS.**

5 Section 7504 of title 31, United States Code, is
6 amended—

7 (1) in subsection (a)—

8 (A) in paragraph (1), by striking “, and”
9 and inserting a semicolon;

10 (B) in paragraph (2), by striking the pe-
11 riod at the end and inserting a semicolon; and

12 (C) by adding at the end the following:

13 “(3) participate in and furnish information for
14 the review under subsection (e); and

15 “(4) identify recipients that expend \$300,000
16 or more in Federal awards or such other amount
17 specified by the Director under section 7502(a)(3)
18 during the recipient’s fiscal year but did not undergo
19 an audit in accordance with this chapter.”;

20 (2) in subsection (c)—

21 (A) in paragraph (1), by adding “and” at
22 the end;

23 (B) by striking paragraph (2); and

24 (C) by redesignating paragraph (3) as
25 paragraph (2); and

26 (3) by adding at the end the following:

1 “(d) Not later than 2 years after the date of enact-
2 ment of this subsection, and every 2 years thereafter, the
3 Director shall submit to the Committee on Homeland Se-
4 curity and Governmental Affairs of the Senate and the
5 Committee on Oversight and Accountability of the House
6 of Representatives a report listing the recipients identified
7 under subsection (a)(4).

8 “(e)(1) The Director shall designate 1 or more Fed-
9 eral agencies to conduct a Government-wide analysis of
10 single audit quality, which may include a consideration of
11 the results of reviews of single audit quality by—

12 “(A) Federal agencies;

13 “(B) inspectors general of Federal agencies;

14 “(C) State auditors; and

15 “(D) external peer reviews conducted in accord-
16 ance with generally accepted government auditing
17 standards.

18 “(2) Not later than 3 years after the date of enact-
19 ment of this subsection, and every 6 years thereafter, the
20 Federal agencies designated under paragraph (1) shall
21 complete a Government-wide analysis of single audit qual-
22 ity.

23 “(3) The Director shall submit to the Committee on
24 Homeland Security and Governmental Affairs of the Sen-
25 ate and the Committee on Oversight and Accountability

1 of the House of Representatives and make publicly avail-
2 able a summary of the results of each review under para-
3 graph (2).

4 “(f) Not later than 2 years after the date of enact-
5 ment of this subsection—

6 “(1) the Administrator of General Services, in
7 coordination with the Director, the Council on Fed-
8 eral Financial Assistance (or any successor thereto),
9 and key management single audit liaisons of Federal
10 agencies designated as described in section 200.513
11 of title 2, Code of Federal Regulations (or any suc-
12 cessor thereto), shall develop analytic tools to use
13 audit data in the Federal clearinghouse to identify
14 cross-Governmental risks to Federal award funds;
15 and

16 “(2) the Director, in coordination with the Ad-
17 ministrator of General Services, the Council on Fed-
18 eral Financial Assistance (or any successor thereto),
19 and key management single audit liaisons of Federal
20 agencies designated as described in section 200.513
21 of title 2, Code of Federal Regulations (or any suc-
22 cessor thereto), shall develop a strategy to use audit
23 data in the Federal clearinghouse to identify cross-
24 Governmental risks to Federal award funds.

1 “(g) Not later than 4 years after the date of enact-
 2 ment of this subsection, the Comptroller General of the
 3 United States shall complete an evaluation of—

4 “(1) the effectiveness of the strategy and ana-
 5 lytic tools developed under subsection (f);

6 “(2) reporting burdens for auditors and audited
 7 entities and the capacity of auditors and audited en-
 8 tities to fulfill the requirements under this chapter;
 9 and

10 “(3) the responsiveness of Federal agencies to
 11 repeat single audit findings and corrective action
 12 plans.”.

13 **SEC. 3. NO ADDITIONAL FUNDS.**

14 No additional funds are authorized to be appro-
 15 priated to carry out this Act or the amendments made
 16 by this Act.

Passed the Senate November 14, 2024.

Attest:

Secretary.

118TH CONGRESS
2^D SESSION

S. 4716

AN ACT

To amend section 7504 of title 31, United States Code, to improve the single audit requirements.