§ 54a.9

that provider. However, if such a pro-
der depicts an organization is not available, the religious or-
government shall contract with an alter-
organization to provide such serv-
ces and may finance such services
with funds from the SAMHSA discre-
tionary grant.

§ 54a.9 Oversight of the Charitable
Choice requirements.

In order to ensure that program
funds are used in compliance with the
SAMHSA Charitable Choice provisions,
applicants for funds under applicable
programs are required, as part of their
applications for funding, to certify that
they will comply with all of the re-
quirements of the SAMHSA Charitable
Choice provisions and the imple-
menting regulations under this part.

§ 54a.10 Fiscal accountability.

(a) Religious organizations that re-
cieve applicable program funds for sub-
stance abuse services are subject to the
same regulations as other nongovern-
mental organizations to account, in ac-
cordance with generally accepted au-
diting and accounting principles, for
the use of such funds.

(b) Religious organizations shall seg-
regate Federal funds they receive
under applicable programs into a sepa-
rate account from non-Federal funds.
Only the Federal funds shall be subject
to audit by the government under the
SAMHSA program.

§ 54a.11 Effect on State and local
funds.

If a State or local government con-
tributes its own funds to supplement
activities carried out under the appli-
cable programs, the State or local gov-
germent has the option to separate out
the Federal funds or commingle them.
If the funds are commingled, the provi-
sions of this part shall apply to all of
the commingled funds, in the same
manner, and to the same extent, as the
provisions apply to the Federal funds.

§ 54a.12 Treatment of intermediate or-
ganizations.

If a nongovernmental organization
(referred to here as an “intermediate
organization”), acting under a contract
or other agreement with the Federal
Government or a State or local govern-
ment, is given the authority under the
contract or agreement to select non-
governmental organizations to provide
services under any applicable program,
the intermediate organization shall
have the same duties under this part as
the government. The intermediate or-
ganization retains all other rights of a
nongovernmental organization under
this part and the SAMHSA Charitable
Choice provisions.

§ 54a.13 Educational requirements for
personnel in drug treatment pro-
grams.

In determining whether personnel of
a program participant that has a
record of successful drug treatment for
the preceding three years have satis-
fied State or local requirements for
education and training, a State or local
government shall not discriminate
against education and training pro-
vided to such personnel by a religious
organization, so long as such education
and training is comparable to that pro-
vided by nonreligious organizations, or
is comparable to education and train-
ing that the State or local government
would otherwise credit for purposes of
determining whether the relevant re-
quirements have been satisfied.

§ 54a.14 Determination of nonprofit
status.

The nonprofit status of any SAMHSA
applicant can be determined by any of
the following:

(a) Reference to the organization’s
listing in the Internal Revenue Serv-
ice’s (IRS) most recent list of tax-ex-
empt organizations described in sec-
section 501(c)(3) of the IRS code.

(b) A copy of a currently valid IRS
Tax exemption certificate.

(c) A statement from a State taxing
body, State Attorney General, or other
appropriate State official certifying
that the applicant organization has a
nonprofit status and that none of its
net earnings accrue to any private
shareholder or individuals.

(d) A certified copy of the organiza-
tion’s certificate of incorporation or
similar document if it clearly estab-
lishes the nonprofit status of the orga-
nization.

(e) Any of the above proof for a State
or national parent organization and a