Office of the Secretary of Transportation

§ 18.20 Standards for financial management systems.

(a) A State must expand and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its grantees and cost-type contractors, must be sufficient to—

(1) Be in accordance with the management standards set forth in this part,

(2) Be in accordance with all applicable Federal statutes and regulations,

(3) Be in accordance with the standards set forth in Executive Order 12372, “Intergovernmental Review of Federal Programs,”

(4) Be in accordance with the standards set forth in state law, organization, policy, or management assistance,

(5) Be in accordance with the standards set forth in any prior agreement with the awarding agency,

(6) Be in accordance with the standards set forth in any other applicable statute or regulation.

(b) A State must report to the awarding agency any changes or additions to its financial management system that affect the ability of the State to meet the standards set forth in this part.

(c) A State must make available to the awarding agency all information necessary to verify the accuracy of the reports and other financial data submitted to the agency.

(d) A State must submit to the awarding agency any reports or other financial data required by the awarding agency.

Subpart C—Post-Award Requirements

FINANCIAL ADMINISTRATION

§ 18.20 Standards for financial management systems.

(a) A State must expand and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its grantees and cost-type contractors, must be sufficient to—