material in the execution of the work
provided for in the contract.

(4) Where bonds are required in the
situations described herein, the bonds
shall be obtained from companies hold-
ing certificates of authority as accept-
able sureties pursuant to 31 CFR part
223, "Surety Companies Doing Business
with the United States."

(d) All negotiated contracts (except
those for less than the small purchase
limitation) awarded by recipients shall
include a provision to the effect that the
recipient, the Department, the
Comptroller General of the United
States, or any of their duly authorized
representatives, shall have access to
any books, documents, papers and
records of the contractor which are di-
rectly pertinent to a specific program
for the purpose of making audits, ex-
aminations, excerpts and tran-
scriptions.

(e) All contracts, including small
purchases, awarded by recipients and
their contractors shall contain the con-
tract clauses in appendix A to this reg-
ulation, as applicable.

REPORTS AND RECORDS

§ 145.50 Purpose of reports and
records.

Sections 145.51 through 145.53 set
forth the procedures for monitoring
and reporting on the recipient’s finan-
cial and program performance and the
necessary standard reporting forms.

They also set forth record retention re-
quirements.

§ 145.51 Monitoring and reporting pro-
gram performance.

(a) Recipients are responsible for
managing and monitoring each project,
program, subaward, function or activity
supported by the award. Recipients
shall monitor subawards to ensure sub-
recipients have met the audit require-
ments as delineated in §145.26.

(b) The Department shall prescribe
the frequency with which the perform-
ance reports shall be submitted. Except
as provided in §145.51(f), performance
reports shall not be required more fre-
quently than quarterly or, less fre-
quently than annually. Annual reports
shall be due 90 calendar days after the
grant year; quarterly or semi-annual
reports shall be due 30 days after the
reporting period. The Department may
require annual reports before the anni-
versary dates of multiple year awards
in lieu of these requirements. The final
performance reports are due 90 cal-
endar days after the expiration or termi-
nation of the award.

(c) If inappropriate, a final technical
or performance report shall not be re-
quired after completion of the project.

(d) When required, performance re-
ports shall generally contain, for each
award, brief information on each of the
following.

(1) A comparison of actual accom-
plishments with the goals and objec-
tives established for the period, the
findings of the investigator, or both.
Whenever appropriate and the output
of programs or projects can be readily
quantified, such quantitative data
should be related to cost data for com-
putation of unit costs.

(2) Reasons why established goals
were not met, if appropriate.

(3) Other pertinent information in-
cluding, when appropriate, analysis
and explanation of cost overruns or
high unit costs.

(e) Recipients shall not be required to
submit more than the original and two
copies of performance reports.

(f) Recipients shall immediately no-
ify the Department of developments
that have a significant impact on the
award-supported activities. Also, noti-
fication shall be given in the case of
problems, delays, or adverse conditions
which materially impair the ability to
meet the objectives of the award. This
notification shall include a statement
of the action taken or contemplated,
and any assistance needed to resolve
the situation.

(g) The Department may make site
visits, as needed.

(h) The Department shall comply
with clearance requirements of 5 CFR
part 1320 when requesting performance
data from recipients.

§ 145.52 Financial reporting.

(a) The following forms or such other
forms as may be approved by OMB are
authorized for obtaining financial in-
formation from recipients.