

111TH CONGRESS
2D SESSION

H. R. 5018

To amend title 31, United States Code, to direct the Director of the Office of Management and Budget to improve oversight of the single audit process, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2010

Ms. BEAN (for herself and Mr. CONAWAY) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend title 31, United States Code, to direct the Director of the Office of Management and Budget to improve oversight of the single audit process, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Government Audit Re-
5 form Act of 2010”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that the Director of the
8 Office of Management and Budget should follow the rec-

1 ommendations of the Government Accountability Office
 2 report entitled “Single Audit: Opportunities Exist to Im-
 3 prove the Single Audit Process and Oversight” (GAO–09–
 4 307R), issued March 13, 2009.

5 **SEC. 3. OVERSIGHT OF THE SINGLE AUDIT PROCESS.**

6 (a) AMENDMENT TO SINGLE AUDIT ACT.—

7 (1) IN GENERAL.—Chapter 75 of title 31,
 8 United States Code, is amended by adding at the
 9 end the following new section:

10 **“§ 7508. Oversight and evaluation**

11 “(a) OVERSIGHT AND EVALUATION.—The Director,
 12 or the head of the office or entity designated by the Direc-
 13 tor under subsection (c), shall monitor the risk, cost-ben-
 14 efit, efficiency, and effectiveness of the implementation by
 15 Federal agencies of this chapter by—

16 “(1) evaluating such implementation govern-
 17 mentwide; and

18 “(2) identifying additional guidance and re-
 19 sources necessary to improve such implementation,
 20 including revisions to regulations, best practices, and
 21 processes.

22 “(b) REPORT.—The Director, or the head of the of-
 23 fice or entity designated by the Director under subsection
 24 (c), shall submit to the Committee on Homeland Security
 25 and Governmental Affairs of the Senate, the Committee

1 on Oversight and Government Reform of the House of
2 Representatives, and the Comptroller General of the
3 United States a report that includes the findings under
4 subsection (a). The report shall be submitted not later
5 than September 30 of each year and shall cover the pre-
6 vious year.

7 “(c) DESIGNATION OF OVERSIGHT ENTITY.—The
8 Director of the Office of Management and Budget shall
9 designate an office in the Office of Management and
10 Budget or another Federal entity to act on behalf of the
11 Director under subsection (a) and submit to the Com-
12 mittee on Homeland Security and Governmental Affairs
13 of the Senate, the Committee on Oversight and Govern-
14 ment Reform of the House of Representatives, and the
15 Comptroller General of the United States a report that
16 describes such office or entity and the resources made
17 available to such office or entity to adequately implement
18 the provisions of this section.”.

19 (2) CLERICAL AMENDMENT.—The table of sec-
20 tions at the beginning of chapter 75 of title 31,
21 United States Code, is amended by inserting after
22 the item relating to section 7507 the following new
23 item:

“7508. Oversight and evaluation.”.

24 (b) SIMPLIFIED AUDIT PROCESS.—

1 (1) EVALUATION.—The Director, or the head of
2 the office or entity designated by the Director under
3 section 7508(c) of title 31, United States Code, shall
4 evaluate the process for the single audit and the pro-
5 gram-specific audit under chapter 75 of title 31,
6 United States Code, to identify simplified alter-
7 natives for achieving the purposes of the Single
8 Audit Act of 1984 (Public Law 98–502; 98 Stat.
9 2327; 31 U.S.C. 7501 note) and the Single Audit
10 Act Amendments of 1996 (Public Law 104–156;
11 110 Stat. 1396; 31 U.S.C. 7501 note) for the audits
12 of small recipients that also achieve the proper bal-
13 ance between risk and cost-effective accountability
14 for small and large recipients.

15 (2) REPORT.—Not later than 6 months after
16 the date of the enactment of this Act, the Director,
17 or the head of the office or entity designated by the
18 Director under section 7508(c) of title 31, United
19 States Code, shall submit to the Committee on
20 Homeland Security and Governmental Affairs of the
21 Senate, the Committee on Oversight and Govern-
22 ment Reform of the House of Representatives, and
23 the Comptroller General of the United States, a re-
24 port on the results of the evaluation under para-
25 graph (1).

1 (3) DEFINITIONS.—In this subsection:

2 (A) DIRECTOR.—The term “Director”
3 means the Director of the Office of Manage-
4 ment and Budget.

5 (B) LARGE RECIPIENT.—The term “large
6 recipient” means a non-Federal entity that ex-
7 pends a total amount of Federal awards equal
8 to or in excess of \$300,000 or such other
9 amount specified by the Director under section
10 7502(a)(3) of title 31, United States Code, in
11 any fiscal year.

12 (C) NON-FEDERAL ENTITY.—The term
13 “non-Federal entity” has the meaning given
14 that term under section 7501 of title 31,
15 United States Code.

16 (D) SMALL RECIPIENT.—The term “small
17 recipient” means a non-Federal entity that ex-
18 pends a total amount of Federal awards of less
19 than \$300,000 or such other amount specified
20 by the Director under section 7502(a)(3) of
21 title 31, United States Code, in any fiscal year.

22 (c) IMPLEMENTATION OF RECOMMENDATIONS TO
23 IMPROVE AUDIT QUALITY.—

24 (1) EVALUATION.—The Director of the Office
25 of Management and Budget shall evaluate the imple-

1 mentation of the recommendations made to the Of-
2 fice of Management and Budget by the President’s
3 Council on Integrity and Efficiency in the report en-
4 titled “Report on National Single Audit Sampling
5 Project,” dated June 2007.

6 (2) REPORT.—Not later than 6 months after
7 the date of the enactment of this Act, the Director
8 of the Office of Management and Budget shall sub-
9 mit to the Committee on Homeland Security and
10 Governmental Affairs of the Senate, the Committee
11 on Oversight and Government Reform of the House
12 of Representatives, and the Comptroller General of
13 the United States a report on the results of the eval-
14 uation under paragraph (1).

15 (d) DEADLINE FOR DESIGNATION OF OVERSIGHT
16 ENTITY.—Not later than 60 days after the date of the
17 enactment of this Act, the Director of the Office of Man-
18 agement and Budget shall designate an office in the Office
19 of Management and Budget or another Federal entity
20 under section 7508(c) of title 31, United States Code.

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