

## [2 CFR 200.302](#)

This document is current through the April 27, 2020 issue of the Federal Register. Title 3 is current through April 3, 2020.

***Code of Federal Regulations > TITLE 2 -- GRANTS AND AGREEMENTS > SUBTITLE A -- OFFICE OF MANAGEMENT AND BUDGET GUIDANCE FOR GRANTS AND AGREEMENTS > CHAPTER II--OFFICE OF MANAGEMENT AND BUDGET GUIDANCE > PART 200--UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS > SUBPART D--POST FEDERAL AWARD REQUIREMENTS > STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT***

### **§ 200.302 Financial management.**

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**(a)** Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450 Lobbying.

**(b)** The financial management system of each non-Federal entity must provide for the following (see also §§ 200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

**(1)** Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

**(2)** Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

**(3)** Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

**(4)** Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303 Internal controls.

**(5)** Comparison of expenditures with budget amounts for each Federal award.

(6)Written procedures to implement the requirements of § 200.305 Payment.

(7)Written procedures for determining the allowability of costs in accordance with Subpart E--Cost Principles of this Part and the terms and conditions of the Federal award.

## Statutory Authority

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### AUTHORITY NOTE APPLICABLE TO ENTIRE PART:

[31 U.S.C. 503](#)

## History

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[\[78 FR 78590, 78608\]](#), Dec. 26, 2013]

Annotations

## Notes

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### [EFFECTIVE DATE NOTE:

[78 FR 78590, 78608\]](#), Dec. 26, 2013, added Part 200, effective Dec. 26, 2013.]

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