

Grant programs—social programs, Hospitals, Nonprofit organizations, Reporting and recordkeeping requirements.

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Commissioner of Social Security.

■ For the reasons set out in the preamble, we are adding a new part 435 to chapter III of title 20 of the Code of Federal Regulations to read as follows:

**PART 435—UNIFORM
ADMINISTRATIVE REQUIREMENTS
FOR GRANTS AND AGREEMENTS
WITH INSTITUTIONS OF HIGHER
EDUCATION, HOSPITALS, OTHER
NON-PROFIT ORGANIZATIONS, AND
COMMERCIAL ORGANIZATIONS**

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Authority: 5 U.S.C. 301.

Subpart A—General

§ 435.1 Purpose.

This part establishes the Social Security Administration (SSA) administrative requirements for grants and agreements awarded to institutions of higher education, hospitals, other non-profit organizations, and commercial organizations. Subpart E of this part, which sets forth the SSA appeal process for disputes arising under SSA awards, applies to all SSA grants and cooperative agreements, including awards to the State, local and Indian tribal governments covered by 20 CFR part 437. SSA will not impose additional or inconsistent requirements, except as provided in §§ 435.4 and 435.14. Non-profit organizations that implement Federal programs for the States are also subject to State requirements. For availability of OMB circulars, see 5 CFR 1310.3.

§ 435.2 Definitions.

Accrued expenditures means the charges incurred by the recipient during a given period requiring the provision of funds for:

- (1) Goods and other tangible property received;
- (2) Services performed by employees, contractors, subrecipients, and other payees; and,
- (3) Other amounts becoming owed under programs for which no current services or performance is required.

Accrued income means the sum of:

(1) Earnings during a given period from:

- (i) Services performed by the recipient, and
 - (ii) Goods and other tangible property delivered to purchasers, and
- (2) Amounts becoming owed to the recipient for which no current services or performance is required by the recipient.

Acquisition cost of equipment means the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, must be included or excluded from the unit acquisition cost in accordance with the recipient's regular accounting practices.

Advance means a payment made by Treasury check or other appropriate payment mechanism to a recipient upon its request either before outlays are made by the recipient or through the use of predetermined payment schedules.

Award means financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants and other agreements in the form of money or property in lieu of money, by the Federal Government to an eligible recipient. The term does not include: technical assistance, which provides services instead of money; other assistance in the form of loans, loan guarantees, interest subsidies, or insurance; direct payments of any kind to individuals; and, contracts which are required to be entered into and administered under procurement laws and regulations.

Cash contributions means the recipient's cash outlay, including the outlay of money contributed to the recipient by third parties.

Closeout means the process by which SSA determines that all applicable administrative actions and all required work of the award have been completed by the recipient and SSA.

Contract means a procurement contract under an award or subaward, and a procurement subcontract under a recipient's or subrecipient's contract.

Cost sharing or matching means that portion of project or program costs not borne by the Federal government.

Date of completion means the date on which all work under an award is completed or the date on the award document, or any supplement or amendment thereto, on which SSA sponsorship ends.

Disallowed costs means those charges to an award that the Federal awarding