

90.404

HAVA CARES ACT GRANT

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Federal  
Project/Program:

HAVA CARES ACT GRANT

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U.S. Election Assistance Commission

Federal Authorization: [Section 101 of the Help America Vote Act of 2002 (P.L. 107-252) (HAVA) and provided for in the CARES Act of 2020 (P.L. 116-136)

North Carolina State Board of Elections  
Business Operations

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Agency Contact Person – Program

Address Confirmation Letters To:

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The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current.

The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

Auditors may request documentation of monitoring visits by the State Agencies.

This compliance supplement must be used in conjunction with the OMB 2022 Compliance Supplement which will be issued in the summer. This includes “Part 3 - Compliance Requirements,” for the types that apply, “Part 6 - Internal Control,” and “Part 4 - Agency Program” requirements if the Agency issued guidance for a specific program. The OMB Compliance Supplement is Section A of the State Compliance Supplement.

**I. PROGRAM OBJECTIVES**

The program objective is to most efficiently and effectively use the election security funding to complement existing efforts to safeguard elections.

**II. PROGRAM PROCEDURES**

Funding is used to prevent, prepare for, and respond to coronavirus, domestically or internationally.

### III. COMPLIANCE REQUIREMENTS

Noted below in the following matrix are the types of compliance requirements that are applicable to the federal program. These Types are determined by the federal agency, noted as “Y,” on the “Matrix of Compliance Requirements” located in Part 2 of the OMB 2021 Compliance Supplement; however, the State Agency may have added the Type and this should be noted by “Y.” If the State determines that the federal requirement does not apply at the local level or if the State modifies the federal requirements, this is noted in the supplement under the type of compliance requirement. If the federal and/or State agencies have determined that the type is not applicable, it is noted by “N.”

If the Matrix indicates “Y,” the auditor must determine if a particular type of compliance requirement has a direct and material effect on the federal program for the auditee. For each such compliance requirement subject to the audit, the auditor must use the OMB 2021 Compliance Supplement, Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and Part 4 (which includes any program-specific requirements) to perform the audit.

If there is no program listed on the “Matrix” in Part 2 or Part 4, the State has determined the Type that is applicable. If a Type is determined direct and material, the auditor should refer to the requirements found in Part 3 and listed in this supplement.

State Agency: Please note the Type of Compliance Requirements that apply to be program below consistent with Part 2 of the OMB Compliance Supplement. If the Type does not apply, change “Y” to a “N”. If a program is subject to the requirements found in a Crosscutting Supplement, please use the template “FederalTemplate-CC programs.docx.”

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/ Cost Principles	Cash Management	Eligibility	Equipment/ Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

**A. Activities Allowed or Unallowed**

Activities allowed must comply with the requirements of the Help America Vote Act, Section 101.

**B. Allowable Costs/Cost Principles**

2 C.F.R. §200 applies

- C. Cash Management
  - 2 C.F.R. §200 applies
- D. Reserve
  - Not Applicable
- E. Eligibility
  - Elections administration agencies for state and U.S. territories, eligible to provide subgrants to local government election administration agencies
- F. Equipment and Real Property Management
  - Purchase of equipment is allowed
- G. Matching, Level of Effort, Earmarking
  - State matching funds required
- H. Period of Performance
  - Each grant has a defined period of performance
- I. Procurement and Suspension and Debarment
  - Procurement and Suspension and Debarment restrictions apply
- J. Program Income
  - Grants allow recipients to earn program income, though North Carolina does not generate program income from grant-funded goods or services.
- K. Reserve
  - Not Applicable
- L. Reporting
  - Reports required semi-annually
- M. Subrecipient Monitoring
  - Subrecipient monitoring is required. NC SBE requires subrecipients to submit receipts and other proof of compliance.
- N. Special Tests and Provisions
  - Subgrants were authorized by the NC General Assembly, which included some restricted purposes. See S.L.2020-17, sections 11.1 thru 11.3.