

## **09 NCAC 03M .0102 DEFINITIONS**

In addition to the definitions set forth in G.S. 143C-6-23 and G.S. 143C-1-1, the following definitions shall apply to this Subchapter:

- (1) "Agency" means every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority, or other unit of government of the State or of any county, unit, special district, or other political subdivision of state or local government.
- (2) "Audit" means an examination of records or financial accounts to verify their accuracy.
- (3) "Beneficiary" means an individual receiving the funds or assistance as the end user.
- (4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Division of the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.
- (5) "Contract" means a legal instrument including any amendments used to document a relationship between the agency and a recipient or between a recipient and subrecipient.
- (6) "Contractor" means an entity subject to the contractor requirements, as well as any entity that would be subject to the contractor requirements but for a specific statute or rule exempting that entity from the contractor requirements.
- (7) "Contractor requirements" means Article 3, 3C, 3D, 3E, 3G, or 8 of Chapter 143 of the General Statutes and related rules.
- (8) "Fiscal Year" means the annual operating year of the non-State entity.
- (9) "Financial Statement" means a report providing financial data relative to a given part of an organization's operations or status.
- (10) "Grants" or "Grant funds" means State funds disbursed as a grant, cooperative agreement, non-cash contribution, food commodities, or direct appropriation, to a recipient or subrecipient as defined in this Rule.
- (11) "Monitoring plan" means a documented system of educating, reviewing, tracking, and reporting on the use of grant funds. Designed to assure that public funds are spent in compliance with applicable rules and statutes, and that performance expectations are being achieved.
- (12) "Non-State Entity" has the meaning in G.S. 143C-1-1(d)(18).
- (13) "Program-specific audit" means an audit that includes an examination of financial statements, internal controls, and compliance with the requirements and contract clauses for an individual State award.
- (14) "Recipient" means a non-State entity that receives grants directly from a State agency to carry out part of a State program, but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For purposes of this Subchapter, "recipient" also includes a non-State entity that would be considered a "subrecipient" pursuant to 2 CFR 200.93 for Federal funds subawarded by a recipient State agency, but does not include a subrecipient as defined in Item (17) of this Rule. 2 CFR 200.93 is herein incorporated by reference, including subsequent amendments and editions, and is available in electronic form free of charge at <https://www.ecfr.gov>.
- (15) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.
- (16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are disbursed as financial assistance to other organizations.
- (17) "Subrecipient" means a non-State entity that receives grants from a recipient to carry out part of a State program; but does not include a beneficiary of such program. This definition of "subrecipient" applies throughout these Rules, except as used in Item (14) of this Rule.
- (18) "Suspension of Funding list" means a database maintained and distributed by Office of State Budget and Management in consultation with State agencies designating grantees or subgrantees in a state of non-compliance with grant agreement requirements in accordance with 09 NCAC 03M .0801.

*History Note:* Authority G.S. 143C-6-22; 143C-6-23;

*Eff. July 1, 2005;*

*Amended Eff. October 1, 2007;*

*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. April 25, 2015;*

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