

.....  
(Original Signature of Member)

118TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend section 7504 of title 31, United States Code, to improve the single audit requirements.

---

IN THE HOUSE OF REPRESENTATIVES

Mrs. GREENE of Georgia introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To amend section 7504 of title 31, United States Code, to improve the single audit requirements.

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 “Financial Management  
5 Risk Reduction Act”.

6 **SEC. 2. SINGLE AUDIT IMPROVEMENTS.**

7 Section 7504 of title 31, United States Code, is  
8 amended—

9 (1) in subsection (a)—

1 (A) in paragraph (1), by striking “, and”  
2 and inserting a semicolon;

3 (B) in paragraph (2), by striking the pe-  
4 riod at the end and inserting a semicolon; and

5 (C) by adding at the end the following:

6 “(3) participate in and furnish information for  
7 the review under subsection (e); and

8 “(4) identify recipients that expend \$300,000  
9 or more in Federal awards or such other amount  
10 specified by the Director under section 7502(a)(3)  
11 during the recipient’s fiscal year but did not undergo  
12 an audit in accordance with this chapter.”;

13 (2) in subsection (c)—

14 (A) in paragraph (1), by adding “and” at  
15 the end;

16 (B) by striking paragraph (2); and

17 (C) by redesignating paragraph (3) as  
18 paragraph (2); and

19 (3) by adding at the end the following:

20 “(d) Not later than 2 years after the date of enact-  
21 ment of this subsection, and every 2 years thereafter, the  
22 Director shall submit to the Committee on Homeland Se-  
23 curity and Governmental Affairs of the Senate and the  
24 Committee on Oversight and Accountability of the House

1 of Representatives a report listing the recipients identified  
2 under subsection (a)(4).

3 “(e)(1) The Director shall designate 1 or more Fed-  
4 eral agencies to conduct a Government-wide analysis of  
5 single audit quality, which may include a consideration of  
6 the results of reviews of single audit quality by—

7 “(A) Federal agencies;

8 “(B) inspectors general of Federal agencies;

9 “(C) State auditors; and

10 “(D) external peer reviews conducted in accord-  
11 ance with generally accepted government auditing  
12 standards.

13 “(2) Not later than 3 years after the date of enact-  
14 ment of this subsection, and every 6 years thereafter, the  
15 Federal agencies designated under paragraph (1) shall  
16 complete a Government-wide analysis of single audit qual-  
17 ity.

18 “(3) The Director shall submit to the Committee on  
19 Homeland Security and Governmental Affairs of the Sen-  
20 ate and the Committee on Oversight and Accountability  
21 of the House of Representatives and make publicly avail-  
22 able a summary of the results of each review under para-  
23 graph (2).

24 “(f) Not later than 2 years after the date of enact-  
25 ment of this subsection—

1           “(1) the Administrator of General Services, in  
2           coordination with the Director, the Council on Fed-  
3           eral Financial Assistance (or any successor thereto),  
4           and key management single audit liaisons of Federal  
5           agencies designated as described in section 200.513  
6           of title 2, Code of Federal Regulations (or any suc-  
7           cessor thereto), shall develop analytic tools to use  
8           audit data in the Federal clearinghouse to identify  
9           cross-Governmental risks to Federal award funds;  
10          and

11          “(2) the Director, in coordination with the Ad-  
12          ministrator of General Services, the Council on Fed-  
13          eral Financial Assistance (or any successor thereto),  
14          and key management single audit liaisons of Federal  
15          agencies designated as described in section 200.513  
16          of title 2, Code of Federal Regulations (or any suc-  
17          cessor thereto), shall develop a strategy to use audit  
18          data in the Federal clearinghouse to identify cross-  
19          Governmental risks to Federal award funds.

20          “(g) Not later than 4 years after the date of enact-  
21          ment of this subsection, the Comptroller General of the  
22          United States shall complete an evaluation of—

23                 “(1) the effectiveness of the strategy and ana-  
24                 lytic tools developed under subsection (f);

1           “(2) reporting burdens for auditors and audited  
2           entities and the capacity of auditors and audited en-  
3           tities to fulfill the requirements under this chapter;  
4           and

5           “(3) the responsiveness of Federal agencies to  
6           repeat single audit findings and corrective action  
7           plans.”.

8   **SEC. 3. NO ADDITIONAL FUNDS.**

9           No additional funds are authorized to be appro-  
10          priated to carry out this Act or the amendments made  
11          by this Act.