

**STATE OF GEORGIA
ACCOUNTING PROCEDURES MANUAL**

**SECTION: ONE - INTRODUCTION
TOPIC: LAWS AND REGULATIONS**

In Section Three of this manual reference is made to applicable sections of the State of Georgia Constitution, the *Official Code of Georgia Annotated* and Attorney General opinions. These references, in general, apply to a topic under discussion (e.g., capital assets, receivables, etc.). It was not practical to list laws applying only to individual State organizations. Accordingly, the references listed generally have an overall effect on a significant segment of the State reporting entity or on the State reporting entity as a whole.

Management of each individual State organization is responsible for ensuring compliance with applicable laws and regulations. Management must be cognizant not only of State laws which pertain to their organizations but also of Federal laws and regulations which could affect operations. Examples of such Federal laws and regulations include those pertaining to:

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| Activities Allowed or Unallowed | Period of Availability of Federal Funds |
| Allowable Costs/Cost Principles | Procurement and Suspension and Debarment |
| Cash Management | Program Income |
| Davis-Bacon Act | Real Property Acquisition and Relocation Assistance |
| Eligibility | Reporting |
| Equipment and Real Property Management | Subrecipient Monitoring |
| Matching, Level of Effort, Earmarking | Special Tests and Provisions |

Publications with which Federal grants management personnel should be familiar include OMB's Circular No. A-87 *Cost Principles for State, Local and Indian Tribal Governments* and, if applicable, the Common Rule "*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.*" It should be noted that the Common Rule is applicable to all Federal grants and subgrants, except where Federal laws are inconsistent or where the OMB has granted an exception. The Common Rule does not apply to the following types of Federal assistance:

grants to state or local institutions of higher education,

grants to state and local hospitals,

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block grants authorized under the Omnibus Budget and Reconciliation Act of 1981 and

various entitlement programs, such as those related to the Social Security Act, National School Lunch Act, Child Nutrition Act, and Food Stamp Act.

Cost principles for Federal grants to which the Common Rule does not apply can be obtained by reviewing appropriate sections of the *Code of Federal Regulations*, which is a codification of the general and permanent rules published in the *Federal Register* by the various departments and agencies of the Federal government.