(1) (I) THE CHIEF ACCOUNTANT OF A UNIT OF THE STATE GOVERNMENT OR OF THE PRINCIPAL DEPARTMENT TO WHICH THE UNIT IS ASSIGNED MAY EXAMINE THE FINANCIAL RECORDS OF AN INDIVIDUAL OR A HEALTH OR SOCIAL WELFARE ORGANIZATION THAT RECEIVES A GRANT FROM THE UNIT.

(II) THE ACCOUNTANT SHALL GIVE 30 DAYS' PRIOR NOTICE OF AN EXAMINATION UNDER THIS PARAGRAPH.

(2) (I) SUBJECT TO SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH, THE CHIEF ACCOUNTANT OF A UNIT OR OF THE PRINCIPAL DEPARTMENT TO WHICH THE UNIT IS ASSIGNED SHALL EXAMINE ANY FINANCIAL RECORDS REQUIRED TO BE KEPT UNDER SUBSECTION (C) OF THIS SECTION.

(II) FOR THE FINANCIAL RECORDS REQUIRED TO BE KEPT UNDER SUBSECTION (C)(2) OF THIS SECTION, THE ACCOUNTANT SHALL GIVE 30 DAYS' PRIOR NOTICE OF THE EXAMINATION UNDER THIS PARAGRAPH.

(III) FOR ANY FINANCIAL RECORDS REQUIRED TO BE KEPT UNDER SUBSECTION (C)(3) OF THIS SECTION, THE ACCOUNTANT SHALL EXAMINE THE FINANCIAL RECORDS WHEN AN EXAMINATION IS AUTHORIZED BY:

1. THE SECRETARY OF THE PRINCIPAL DEPARTMENT TO WHICH THE UNIT IS ASSIGNED; OR

2. IF THE UNIT IS NOT ASSIGNED TO A PRINCIPAL DEPARTMENT, THE HEAD OF THE UNIT.

(G) FAILURE TO COMPLY.

A UNIT OF THE STATE GOVERNMENT MAY NOT:

(1) MAKE A GRANT TO AN ORGANIZATION THAT FAILS TO KEEP FINANCIAL RECORDS IN ACCORDANCE WITH UNIFORM ACCOUNTING STANDARDS; OR

(2) MAKE A CONTRACT WITH AN ORGANIZATION OR INDIVIDUAL WHO FAILS TO KEEP FINANCIAL RECORDS AS REQUIRED UNDER THIS SECTION.

REVISOR'S NOTE: Subsections (a) through (e), (f)(1) through (2)(iii)1., and (g) of this section are new language derived without substantive change from former Art. 19, § 28A(b) through (e) and (a)(1), (3), (4), and the first clause of the first sentence and the first clause of the second sentence of (2).

Subsection (f)(2)(iii)2. of this section is new language added to account for units that are not assigned to a principal department.