Grants Training

Module 5, Lesson 3
Uniform Guidance
Single Audit Review
Lesson 3
At the completion of this lesson, you will demonstrate a basic understanding of single audit basics in Subpart F of the Uniform Guidance.
Lesson 3: Single Audit Overview

- Single Audit History
- Single Audit Concepts
- Analysis of the SA Data Collection Form
Single Audit History

Single Audit Timeline

- Ad Hoc Audits
- Single Audit Act 1984
- OMB Circular A-133 (1990)
- Single Audit Act Amendments of 1996
- Uniform Guidance Subpart F (2013)

Select each link for additional information.
What Is a Single Audit?

Single Audit

Audit of Financial Statements

All of Entity’s Applicable Programs

- Compliance Review of Federal Programs
- Test of Internal Controls
Who Conducts a Single Audit and When Is It Conducted?

- NFE obtains an auditor to conduct the audit
- Additional Federal audits allowed
  - Paid for by Federal agency
  - Must build upon work completed for single audit
- Audits are required annually (few exceptions)
Who Is Subject to a Single Audit?

- Non-Federal entities (NFEs)
  - States
  - Local governments
  - Indian tribes
  - Institutions of higher education
  - Non-profit organizations
- Federal expenditures of $750,000 or more
What Types of Programs Are Subject to a Single Audit?

- Federal financial assistance
  - Grants
  - Cooperative agreements
  - Non-cash assistance
  - Loans and loan guarantees

- Cost-reimbursement contracts under the Federal Acquisition Regulation (FAR)
A Few More Facts About Single Audits

**Threshold**
- Circular A-128 established threshold of $25,000
- Circular A-133 established threshold of $300,000 then $500,000
- Uniform Guidance increased threshold to $750,000

**Due Date**
- Single audit report due within 9 months of end of NFE fiscal year

![Calendar](image)
A Few More Facts About Single Audit, cont’d

Pass-Through Entity/ Subrecipient
- Pass-through entity must account for money spent by subrecipients
- Subrecipients can be audited if exceed threshold
- Same money can be audited twice

Federal Audit Clearinghouse
- Government-wide database for Subpart F records
- Form SF-SAC
- Information available to Federal agencies and the public
- Web site: [https://harvester.census.gov/facweb/](https://harvester.census.gov/facweb/)
Knowledge Check

Which NFEs are not subject to a single audit under the Uniform Guidance?

Select the correct response.
- Institution of higher education
- Local governments
- Non-profit organizations
- States
- Tribal governments
- All of these NFEs are subject to a single audit
Knowledge Check

Which NFEs are not subject to a single audit under the Uniform Guidance?

- Institution of higher education
- Local governments
- Non-profit organizations
- States
- Tribal governments

**Incorrect**
All of these non-Federal entities are subject to a single audit under the Uniform Guidance.

Select Next to Continue.
Knowledge Check

According to the Uniform Guidance, what is the expenditure threshold that triggers a single audit?

Select the correct response.

- $300,000
- $500,000
- $750,000
- All programs are subject to a single audit regardless of the level of Federal funds expended.
Knowledge Check

According to the Uniform Guidance, what is the expenditure threshold that triggers a single audit?

- $300,000
- $500,000
- $750,000

$750,000

All programs are subject to a single audit regardless of the level of Federal funds expended.

Incorrect

The threshold for conducting a single audit is $750,000 as established in the Uniform Guidance.

Select Next to Continue.
Knowledge Check

When part of a project is performed by a subrecipient on behalf of a pass-through entity, only the pass-through entity is subject to a single audit.

Select the correct response.

○ A. True
○ B. False
Knowledge Check

When part of a project is performed by a subrecipient on behalf of a pass-through entity, only the pass-through entity is subject to a single audit.

A. True  
B. False

Correct!

Both the pass-through entity and the subrecipient can be audited for the same award.

Select Next to Continue.
Form SF-SAC

- A NFE audit summary is accessible at the FAC Web site (https://harvester.census.gov/facweb/)
- There are 4 main parts on the form SF-SAC:
  - General Info
  - Audit Information
  - Federal Awards
  - Audit Findings
### General Information

<table>
<thead>
<tr>
<th>Part I: GENERAL INFORMATION</th>
<th>ReportID: 7126412</th>
<th>Version: 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Fiscal Period End Date</td>
<td>12/31/2015</td>
<td></td>
</tr>
<tr>
<td>2. Type of Uniform Guidance Audit</td>
<td>Single Audit</td>
<td></td>
</tr>
<tr>
<td>3. Audit Period Covered</td>
<td>Annual</td>
<td></td>
</tr>
<tr>
<td>4. Auditee Identification Numbers</td>
<td>11-1123-1234</td>
<td></td>
</tr>
<tr>
<td>5. Auditee Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Auditee name</td>
<td>AUDITEE ABC</td>
<td></td>
</tr>
<tr>
<td>b. Auditee address (Number and street)</td>
<td>123 AUDITEE STREET</td>
<td>222-2222</td>
</tr>
<tr>
<td>6. Primary Auditor Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Audit Firm/Organization Name</td>
<td>ABC AUDITS</td>
<td></td>
</tr>
<tr>
<td>b. Audit Firm/Organization address (Number and street)</td>
<td>87 CPA WAY</td>
<td>2222222</td>
</tr>
</tbody>
</table>

**Auditee City**
- RALEIGH

**Auditee State**
- NC

**Auditee ZIP Code**
- 22222

**Auditee Contact Name**
- JOHN DOE

**Auditee Contact Title**
- CFO

**Auditee Contact Telephone**
- (111)111-1111

**Auditee Contact E-mail**
- john.doe@example.com

**Was a secondary auditor used?**
- Yes

---

Part I contains general information regarding the auditee, such as demographic and contact information. The auditor information and contact information are also contained in this part. If a program-specific audit has been done instead of a single audit, this would be reflected in Item 2 of the form.
Part I contains general information regarding the auditee, such as demographic and contact information. The auditor information and contact information are also contained in this part. If a program-specific audit has been done instead of a single audit, this would be reflected in Item 2 of the form.
Part III provides summary information about the auditee’s financial statements, the Type A and Type B dollar threshold for major program determination, and whether the auditee is a low-risk auditee. It also lists agencies with prior audit findings.
Auditor Summary

In this example, the auditee receives an unmodified (or “clean”) audit opinion on its financial statements (shown in Item 2.a.i) but also receives a significant deficiency in internal control (shown in Item 2.c).
### Auditor Summary

#### Form SF-SAC

**REPORTID: 712412**  **VERSION:1**

#### Part III: INFORMATION FROM THE SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

#### 2. FINANCIAL STATEMENTS

**a. Financial Statement Information**

- **i.** What were the results of the auditor's determination of whether the financial statements of the auditee were prepared in accordance with generally accepted accounting principles (GAAP)?
  - Select any combination:
    - **Unmodified Opinion**
    - **N/A**
    - **Unmodified Opinion**

- **b.** Was the special purpose framework used a basis of accounting required by state law or tribal law?
  - **N/A**

- **iv.** What was the auditor's opinion on the special purpose framework? (Select any combination)
  - **N/A**

#### 8. FEDERAL PROGRAMS

**a.** Does the auditor's report include a statement that the auditee’s financial statements include departments, agencies, or other organizational units expending $750,000 or more in Federal awards that have separate Uniform Guidance audits which are not included in this audit? (AICPA Audit Guide)
  - **No**

**b.** What is the dollar threshold used to distinguish Type A and Type B programs? (Uniform Guidance § 200.510(b)(11))
  - **$750,000**

**c.** Did the auditee qualify as a low-risk auditee? (Uniform Guidance § 200.520)
  - **Yes**

**d.** Indicate which Federal Agency(ies) have prior audit findings shown in the Summary Schedule of Prior Audit Findings related to direct funding. Mark (X) all that apply or None.

If an agency has been selected (see the full list of agencies in Appendix I of the instructions), it will appear in a list in this section. For example, if 39. General Services Administration, 99. Miscellaneous, 68. National Gallery of Art, and 07. Office of National Drug Control Policy are selected, the list will appear in this section as “39, 99, 68, 07”.

#### 11. DEPARTMENT OF COMMERCE

**14. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

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**Note:** Any "yes" answer for Items 2.b, 2.c, 2.d, and 2.e deserves a closer review of the auditee during the proposal evaluation process.
Item 3.c indicates that the auditee is a "low risk" auditee, and Item 3.d indicates that it has prior audit findings associated with the Department of Commerce and the Department of Housing and Urban Development programs.
# Federal Awards

**FORM SF-SAC**

**Part II: FEDERAL AWARDS**

<table>
<thead>
<tr>
<th>Row Number (Auto-Generated)</th>
<th>Federal Award/Agency Prefix</th>
<th>CFDA, State Extension</th>
<th>Name of Federal Award</th>
<th>Amount Expended (S)</th>
<th>Cluster Name</th>
<th>Federal Program Total</th>
<th>Cluster Total</th>
<th>Loan/Loan Guarantee</th>
<th>Loan Balance</th>
<th>Direct Award</th>
<th>Federal Award Pased Through to Subrecipients</th>
<th>MAJOR PROGRAM</th>
<th>Number of Audit Findings</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>11</td>
<td>001</td>
<td>CENSUS BUREAU DAT</td>
<td>$200,000</td>
<td>N/A</td>
<td>$200,000</td>
<td></td>
<td></td>
<td></td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>11</td>
<td>002</td>
<td>CENSUS CUSTOMER S</td>
<td>$200,000</td>
<td></td>
<td>$200,000</td>
<td></td>
<td></td>
<td></td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>3</td>
<td>14</td>
<td>001</td>
<td>HOUSING</td>
<td>$750,000</td>
<td>N/A</td>
<td>$750,000</td>
<td></td>
<td></td>
<td></td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>0</td>
</tr>
</tbody>
</table>

**Total Federal Awards Expended:** $8,150,000
## Audit Findings

**Form SF-SAC**

**Report ID:** 712412  **Version:** 1

### Part III: Information from the Schedule of Findings and Questioned Costs - Continued

#### 1. Federal Award Audit Findings

<table>
<thead>
<tr>
<th>Row Number from Part III, Item 1</th>
<th>Federal Awarding Agency Prefix</th>
<th>CFDA Three Digit Extension</th>
<th>Additional Award Identification (Optional)</th>
<th>Name of Federal Program</th>
<th>Type(s) of Compliance Requirement(s)</th>
<th>Compliance Audit Findings*</th>
<th>Internal Control Audit Findings*</th>
<th>Modified Opinion</th>
<th>Other Matters</th>
<th>Material Weakness</th>
<th>Significant Deficiency</th>
<th>Other Audit Findings*</th>
<th>Questioned Costs</th>
<th>Repeat Audit Finding from Prior Year</th>
<th>Audit Finding/Reference Numbers</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>11</td>
<td>001</td>
<td>001</td>
<td>CENSUS BUREAU DATA</td>
<td>2015-001 A</td>
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<td>Y/N</td>
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<td>N</td>
<td>Y/N</td>
<td>N/Y</td>
<td>Y/N</td>
<td>N</td>
<td>N</td>
<td>2014 006</td>
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<tr>
<td>3</td>
<td>14</td>
<td>001</td>
<td>MAHOU0010</td>
<td>HOUSING</td>
<td>2015-003 A</td>
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<td>Y/N</td>
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<td>N/Y</td>
<td>Y/N</td>
<td>N</td>
<td>N</td>
<td>2014 006</td>
</tr>
</tbody>
</table>

* There are 8 valid combinations of "Compliance Audit Findings," "Internal Control Audit Findings," and "Other Audit Findings" for each Federal program with audit findings. (See chart in instructions - Item 46)

* If column (m) is "Y," provide Prior Year Audit Finding/Reference Numbers.

If Part III 1 column (c) reports any audit finding, then this Part would provide more details on those findings. In this example, Part III 1 (c) lists 3 audit findings. The 3 audit finding details are, therefore, listed here in this Part.
## Audit Findings

**FORM SF-SAC**

**Report ID:** 7124412  **Version:** 1

### Part III: Information from the Schedule of Findings and Questioned Costs - Continued

#### 4. Federal Award Audit Findings

<table>
<thead>
<tr>
<th>Row Number from Part I, Item 1</th>
<th>Federal Awarding Agency Field</th>
<th>CFA Award Extension (optional)</th>
<th>Name of Federal Program</th>
<th>Audit Finding Reference Number (YYYY-RRRR)</th>
<th>Type of Compliance Requirement(s)</th>
<th>Other Matters</th>
<th>Material Weaknesses</th>
<th>Significant Deficiency</th>
<th>Other Audit Findings</th>
<th>Questioned Costs</th>
<th>Repeat Audit Finding from Prior Year</th>
<th>Column (m) is “Y,” provide Prior Year Audit Finding Reference Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11</td>
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<td>CENSUS BUREAU DAT</td>
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<td>Y</td>
</tr>
<tr>
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<tr>
<td>3</td>
<td>14</td>
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<td>HOUSING</td>
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<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
</tbody>
</table>

Note that column (e) provides the Audit Reference number so that a reviewer can easily go to the audit report to get more details about the particular audit finding (for example, item 2015-002). Column (f) indicates the compliance area for that finding.
Audit Findings

<table>
<thead>
<tr>
<th>Row Number from Part I, Item 1</th>
<th>Federally Awarding Agency Field</th>
<th>CFA Three Digit Extension</th>
<th>Additional Award Identification</th>
<th>Name of Federal Program</th>
<th>Audit Finding Reference Number (Year-Month)</th>
<th>Type(s) of Compliance Requirement(s)</th>
<th>Compliance Audit Findings</th>
<th>Internal Control Audit Findings</th>
<th>Modified Opinion</th>
<th>Other Matters</th>
<th>Material Weakness</th>
<th>Significant Deficiency</th>
<th>Other Audit Findings</th>
<th>Questioned Costs</th>
<th>Rejected Audit Finding from Prior Year</th>
<th>Audit Finding Reference Numbers</th>
<th>Audit Finding from Year</th>
<th>Row Number from Form SF-SAC</th>
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</thead>
<tbody>
<tr>
<td>1</td>
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<td>001</td>
<td>001</td>
<td>CENSUS BUREAU DATA 2015-001</td>
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<td>N 2014 006</td>
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<td>001</td>
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<td>CENSUS BUREAU DATA 2015-002</td>
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<td>Y</td>
<td>N</td>
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<td>N 2014 006</td>
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<td>14</td>
<td>U01</td>
<td>HOUSING</td>
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<td>N</td>
<td>N</td>
<td>N 2014 006</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

Note that column (e) provides the Audit Reference number so that a reviewer can easily go the audit report to get more details about the particular audit finding (for example, item 2015-002). Column (f) indicates the compliance area for that finding.
Audit Findings

For example, audit finding 2015-002 relates to “F” which is a compliance requirement regarding equipment and real property management.
Knowledge Check

Only Federal agencies can access and view the single audit reports on the Federal Audit Clearinghouse Web site.

Select the correct response.

- A. True
- B. False
Knowledge Check

Only Federal agencies can access and view the single audit reports on the Federal Audit Clearinghouse Web site.

A. True
B. False

Correct!

Starting with fiscal year 2015, all single audit reports are available publicly to all interested parties on the Federal Audit Clearinghouse Web site.

Select Next to Continue.
Knowledge Check

Auditors review and provide an audit opinion for all Federal programs listed in Part II of Form SF-SAC.

Select the correct response.

○ A. True
○ B. False
Knowledge Check

Auditors review and provide an audit opinion for all Federal programs listed in Part II of Form SF-SAC.

A. True

B. False

Correct!

Auditors only review and provide an audit opinion for “major programs”, based on a risk based approach. These major programs are marked “Y” in Part III, column (a), and the audit opinions are displayed in Part III, column (b).

Select Next to Continue.