What is a Single Audit?

Presented by: Center for Audit Excellence

Agenda

What is a single audit?
When is a single audit needed?
What are my responsibilities as an auditee?
What are auditors looking for?
How will this be reported?
Helpful resources

When a Single Audit is needed

2 CFR 200.501(b)- Single audit. A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with 200.514 Scope of audit.
Type of Federal Assistance

- Grants
- Cooperative Agreements
- Non-cash contributions/donations of property
- Direct appropriations
- Loans/loan guarantees
- Insurance

History of a Single Audit


Uniform Guidance Breakdown

- Uniform Guidance – 2 CFR §200
- Website: www.ecfr.gov
- Subpart A (.00 – .99) – Acronyms and Definitions
- Subpart B (.100 – .113) – General Provisions
- Subpart C (.200 – .213) – Pre-Federal Award Requirements and Contents of Federal Awards
- Subpart D (.300 – .345) – Post-Federal Award Requirements
- Subpart E (.400 – .475) – Cost Principals
- Subpart F (.500 – .521) – Audit Requirements
- Appendices
List individual Federal programs by Federal agency.
Name pass-through entity and identifying number assigned by them.
Provide total Federal awards expended for each individual program and the CFDA number.
Include total amount provided to subrecipients.

What are the auditors looking at?

Auditors will look at the Schedule of Expenditure of Federal Awards (SEFA) to determine the Federal programs that will need to be tested.

• Office of Budget and Management (OBM) annually puts out a Compliance Supplement that provides guidance and suggested audit procedures for different areas of compliance.
• In addition, requirements may be outlined by pass-through entities, grant awards and agreements, and other forms of communication.

Compliance Requirements

Activities Allowed and Unallowed
Allowable Cost/Cost Principles
Cash Management
Eligibility
Equipment & Real Property Management
Matching, Level of Effort, and Earmarking
Period of Performance
Procurement & Suspension and Debarment
Program Income
Reporting
Subrecipient Monitoring
Special Tests and Provisions
An opinion on whether the SEFA is fairly stated in all material respects to the financial statements.

A report on compliance for each major program and a report on internal controls over compliance.
- Will include an opinion for each major program

Schedule of Findings
Management Letter

There are 4 types of opinions that can be issued—unmodified, qualified, adverse, or disclaimer.

Audit Findings (2 CFR 200.516)
- Significant deficiencies and material weaknesses in internal control over major programs
- Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program
- Questioned costs that are greater than $25,000 for a type of compliance requirement for a major program

Audit Reporting

- Will be located in the Schedule of Findings and include (as applicable) 2 CFR 200.516
- Federal program name and CFDA number
- Name of the Federal agency or pass-through
- The criteria or specific requirement upon which the finding is based
- If the finding had been issued in the prior year
- Recommendation to prevent occurrences from occurring again
- Views of responsible officials of the auditees

Audit Findings
Corrective Action Plan
2 CFR 200.511

The auditee must prepare (in a document separate from the auditors' findings) a corrective action plan to address each audit finding.

• Must provide the names of the contact responsible for the action, the corrective action planned, and the anticipated completion date.
• The Correction Action Plan must be prepared on the auditees' letterhead.

Schedule of Prior Year Audit Findings 2 CFR 200.511

Auditee is responsible for preparing the Schedule

• Must report the status of ALL findings included in the prior year's Schedule of Findings
  • Fully Corrected
  • Partially Corrected
  • Not Corrected
  • Must include the year in which the finding originally occurred

Data Collection Form (DCF)

Both auditors and auditees are required to complete an online form that is submitted to the Federal Audit Clearinghouse

• Includes information related to the financial and single audit
• As part of the submission the complete audit report will be uploaded
• Auditees and auditors will be required to complete a certification regarding information in the submission that someone in the entity will be responsible for completing
Resources

• Uniform Guidance
  https://www.ecfr.gov/current/title-2

• UG FAQs
  https://www.cfs.gov/policies/uniform-guidance

• OMB

Resources

• Federal Audit Clearinghouse
  https://harvester.census.gov/facweb/Default.aspx

• AICPA Government Audit Quality Center
  https://www.aicpa.org/interestareas/governmentaalauditquality.html

• AOS Website
  http://www.ohioauditor.gov/references/practiceaids.html

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