

**Audit Overview: Grants Management Compliance Workshop
Definitions, How To's, & Best Practice Guidance – Oct 18, 2017**

FEDERAL

SA: Single Audit Requirements: For Fiscal Years starting:

- **Prior to December 26, 2014** – OMB Circular A-133
 - OMB Circular A-133 Compliance Supplement 2014 - Full policy for Audits of States, Local Governments, and Non-Profit Organizations.
- **December 26, 2014 and after** - OMB Super Circular new guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which has been dubbed the “**Super Circular**” or **Uniform Guidance**.
 - https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

CFDA Catalog of Federal Domestic Assistance: CFDA number is the identification number; and **CFDA Title** means the title of the federal program.

DUNS: Data Universal Numbering System (created by Dun & Bradstreet) - A **DUNS number** is a unique nine-character number used to identify your organization. The federal government uses this number to track how federal money is allocated. Call 1-866-705-5711 or access the Dun & Bradstreet.

FAC: Federal Audit Clearinghouse - The FAC operates on behalf of the OMB: Office of Management and Budget and is the primary place for Single Audit reporting packages and collects information on federal award audit results

OMB: Office of Management and Budget - issued Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule, called “**Uniform Guidance**” 2 CFR 200: <https://cfo.gov/wp-content/uploads/2017/08/July2017-UniformGuidanceFrequentlyAskedQuestions.pdf> as well as federal grant guidance in the form of circulars prior to the Uniform Guidance.

SAM: System Award Management - is a web-based, government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract awards, grants, and the electronic payment processes. You'll also need the authorizing official of your organization and an Employer Identification Number (EIN).

SEFA: Schedule for Expenditure of Federal Awards – on a Single Audit, this schedule summarizes grants expenditures throughout the fiscal year. To increase your audit efficiencies, it is required to use the correct CFDA (Catalog of Federal Domestic Assistance) numbers, which indicates the Federal agency and funding program for the grant. A crucial part of your SEFA is the amount of expenditures associated with each grant. This is critical as it helps the auditor determine which grants are major and therefore need to be tested. Be sure to prepare your staff for the additional work of a Single Audit as the auditor will request documentation for the expenditures associated with each grant that is tested. Your State of Vermont grant award document lists this CFDA number.

STATE

State of Vermont, Agency of Administration Policy for Grant Issuance and Monitoring Bulletin 5:
http://aoa.vermont.gov/sites/aoa/files/Bulletins/Bulletin_5_eff12-26-14.pdf

Primary Pass-Through Entity means the State of Vermont business unit assigned the responsibility for coordinating review of a subrecipient's Single Audit report and/or following up with a subrecipient who is delinquent in submitting the *Subrecipient Annual Report* to the Department of Finance and Management.

SAR: Subrecipient Annual Report – As a condition of your federally funded grant award from the State of Vermont, you must complete this report in its entirety annually within forty-five (45) days after your fiscal year end. This reflects the CFDA for each federal award and outlines expenditures in a given fiscal year.

HOW TO:

Obtain a DUNS Number

How do I get a DUNS number? → Call 1-866-705-5711 or access the Dun & Bradstreet website: <http://fedgov.dnb.com/webform>. → **How long does this step usually take?** → 1-2 business days

Register with SAM – annual registration required

How do I register with the System Award Management (SAM)? → Access <https://www.sam.gov/portal/SAM/##11> You'll also need the authorizing official of your organization and an Employer Identification Number (EIN). And select Public view. → **How long does this step usually take?** → 7-10 business days (2 more weeks to acquire an EIN)

Submit Subrecipient Annual Report – annually when receiving any federal funds

How do I submit a Subrecipient Annual Report to the State of Vermont? → Access: http://finance.vermont.gov/sites/finance/files/documents/Forms/Grant_Recipients/FIN-Subrecipient_Annual_Report.pdf ; complete and follow all instructions. Due within 45 days after your fiscal year end. → **How long does this step usually take?** → Varies: allow time to complete and mail.

Submit Single Audit to FAC & all State of Vermont granting agencies whose grant funds you expended

How do I submit a Single Audit to the Federal Audit Clearinghouse (FAC)? → Access <https://harvester.census.gov/facweb/default.aspx/> → and create an account if you are not already a current user. → **How long does this step usually take?** → 5-7 business days (more if new account)

How do I submit a Single Audit to State of Vermont granting agency whose funds we expended? → Contact State of Vermont Department contacts at: http://finance.vermont.gov/sites/finance/files/documents/Pol_Proc/Grants/FIN-B5_Dept_Contact_List.pdf Submit Single Audit to each department contact via email → **How long does this step usually take?** → Varies: allow time to complete and email.

How to Submit a Single Audit to ACCD-DHCD → **Log onto GEARS at:** <https://egrants.vermont.gov>, go to blue banner, Organization → Organization Documents → scroll down to SA-2017-NAME-000XX

1. Single Audit Plan → **SA PLAN:** To confirm understanding of needing a Single Audit. Due no later than 3 months after your fiscal year end

→ **Single Audit:** Due 30 days after Auditor's Report or no later than 9 months after your fiscal year end.

2. Single Audit →

COMPLETE SUBRECIPIENT ANNUAL REPORT and SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

OMB Uniform Guidance, 200.510, (b) 1-4 outlines the information needed to complete both the Vermont Subrecipient Annual Report (SAR), and the Schedule of Expenditures of Federal Awards (SEFA) if a Single Audit is due. This overview will help you to comply with these new federal guidelines and direct you where to find the information on Vermont State Grant Agreement, Part 1 – Grant Award Detail.

Table 1: Where to find information to complete the Single Audit Schedule of Expenditures of Federal Awards (SEFA) in accordance with OMB Uniform Guidance 200.510(b) requirements

OMB Uniform Guidance, UG 200.510(b) Requirement For SEFA	Where information is found on the State of Vermont Grant Agreement, Part 1 (cover page)	SEFA information from Other Funding Sources
1. List individual Federal programs by Federal agency	Section III: #39 Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)	Direct Federal Award Documentation; or other entities grant award documentation
2. For Federal Awards received as a Subrecipient	Section I: #9 Subrecipient Award, if Yes if checked	
a. 'Name of the pass- through entity'	Section I: #16 State Granting Agency: Agency of Commerce and Community Development - DHCD	
b. 'Identifying number assigned by the pass- through'	Section I: #1 Grant Number#: Starts with the Agency/Dept's five-digit business unit number prefix. ACCD-DHCD = 07110-XX-YEAR- NAME-00XXX	
3. Provide total Federal awards expended for each (award)	Grantee/Auditee's Financial records of expenditures	Grantee/Auditee's Financial records of expenditures
a. 'individual Federal program name'	Section III: #32 Program Title: Community Development Block Grant (CDBG), CDBG DR or CDBG DR Hurricane Sandy	
b. 'the CFDA number'	Section III: #31 CFDA #: 14.228 (CDBG & DR1) or 14.269 (DR2)	
4. Total amount provided to Subrecipients from each Federal program	Check Attachment A, Grant Agreement for terms stating if a subaward was made. If yes, review financial records for the subaward.	If yes, subaward: Grantee/Auditee's Financial records of expenditures passed through to a Subrecipient

BEST PRACTICE GUIDANCE

Journal of Accountancy:

- **Nov 1, 2016, 11 Tips for Success with Single Audits:** <http://www.journalofaccountancy.com/issues/2016/nov/single-audits.html>

AICPA, Governmental Audit Quality Center Uniform Guidance Resources:

- an overview of the resources available at:
<http://www.aicpa.org/INTERESTAREAS/GOVERNMENTALAUDITQUALITY/RESOURCES/SINGLEAUDIT/UNIFORMGUIDANCEFORFEDERALREWARDS/Pages/default.aspx>
- ACIPA Governmental Audit Quality, Auditee Practice Aids: The Schedule of Expenditures of Federal Awards:
https://www.aicpa.org/InterestAreas/GovernmentalAuditQuality/Resources/SingleAudit/UniformGuidanceforFederalRewards/DownloadableDocuments/Auditee_Practice_Aids_SEFA_Uniform_Guidance.pdf
- Performing a Single Audit Under the Uniform Guidance? Key Matters to Understand and Tips for Enhancing Audit Quality. (2 pages)
<http://www.aicpa.org/InterestAreas/GovernmentalAuditQuality/Resources/SingleAudit/UniformGuidanceforFederalRewards/DownloadableDocuments/10ThingsAuditorsNeedtoKnowAbouttheUGFinal.pdf>
- **Feb 2017, Auditee Resource Center Article: Corrective Action Plan (CAP) and Summary Schedule of Prior Audit Findings (SSPAF) key points on Uniform Guidance (UG) requirements for Auditees:**
 1. to prepare a CAP in a document separate from the auditor's Schedule of Findings and Questioned Costs (SFQC). The auditor's reference or summarizing the CAP does not meet Uniform Guidance requirements per section 200.511.
 2. To prepare a Summary Schedule of prior audit findings.
 3. Best practice for the Auditee is to place both the CAP and the SSPAF on their letterhead "to make clear to those reviewing reporting packages that the information on the CAP and SSPAF are prepared by the auditee "as required by the Uniform Guidance

Sample: Washington State SAO, guidance on SEFA with sample found at:

http://www.sao.wa.gov/local/BarManual/Documents/GAAP_p4_Sched16.pdf

Questions:

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