

Single Audit (formerly known as A-133 Audit)

History

All Federal agencies are required to perform audit on their recipients. This became a burden and it was decided that a single audit can be completed for all recipients to be used by all Federal agencies. In 1984 OMB Circular A-128 implemented the Single Audit Act for States, local governments and Indian Tribes. In 1990 OMB Circular A-133 was issued where the Single Audit Act was expanded to cover non-profit organizations including Institutes of Higher Education (IHEs) who received over a dollar threshold.

With the issuance of the Uniform Guidance (2 CFR 200) in December 2014, the Single Audit Act provisions were rolled into the [Uniform Guidance at 2 CFR 200 subpart F \(200.500\)](#) Audit Requirements.

Information on the Single Audit can be found in the [Federal Audit Clearinghouse website](#).

Requirements

A Single Audit must be completed on all recipients who receive \$750,000 or more in federal funds in the recipient's fiscal year.

Audits must be performed in accordance with GAGAS (Generally Accepted Governmental Auditing Standards) by an independent auditor.

A Single Audit does NOT prohibit federal agencies from conducting their own audit of a recipient, a specific award, or a program. For example, in the first six months of 2016, the UW has had 10 federal reviews/examinations/audits.

An Audit includes review of the following:

Financial statements. The auditor must determine whether the financial statements of the auditee are presented fairly in all material respects in accordance with generally accepted accounting principles.

Internal control. Using the Compliance Supplement (see below), a review is made on internal controls over Federal programs based upon the guidance in Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States and the Internal Control—Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Compliance. The auditor must determine whether the auditee has complied with Federal statutes, regulations, and the terms and conditions of Federal awards that may have a direct and material effect on each of its major programs.

Risk Assessment

To ensure transparency and allow for risk assessments, the Single Audit must be published in the Federal audit clearinghouse web site. Federal agencies as well as prime recipients (flow through) use the results of the Single Audit to assist in assessing risk. The risk assessment will determine the level of control the Federal agency believes is necessary to ensure the recipient is compliant with the award and Federal agency terms and conditions. The higher the risk the greater the level of oversight and controls imposed by the Federal agency.

UW's OSP uses the Single Audit information to perform a risk assessment on all UW sub-recipients.

UW Single Audit

For the UW, the Single Audit is completed on an annual basis by the [Washington State Auditor's Office](#).

The audit usually includes an examination of these programs

1. Federal Student Aid
2. Research and Development R&D Financial Assistance
3. Other Financial Assistance programs

The results of all Washington State agencies single audits are combined into a single state audit.

Compliance Supplement:

The Compliance Supplement is published annually by the OMB. It provides instructions to the auditor on what and how to conduct the audit. It identifies existing important compliance requirements that the Federal Government expects to be considered as part of an audit.

The Compliance Supplement also provides a source of information for auditors to understand the Federal program's objectives, procedures, and compliance requirements relevant to the audit as well as audit objectives and suggested audit procedures for determining compliance with these requirements.

The focus of the Compliance Supplement is on compliance requirements that could have a direct and material effect on a major program.

Schedule of Expenditure on Federal Awards (SEFA):

Recipient entity must prepare a SEFA which lists all Awards (direct & flow-through) by their Catalog of Federal Domestic Assistance (CFDA) number. This information is used by auditors to select specific awards or programs to audit; typically selected high risk programs are audited. The SEFA report also becomes part of the annual UW financial statement.