



Single Audit Refresher and Update

October 26, 2026

Agenda

- Single Audit Refresher
- Single Audit Environment
- Proposed Uniform Guidance Updates
- Expectations for 2026 Compliance Supplement
- Common Findings

Single Audit Refresher

Federal Single Audit - Overview

- Purpose - provide assurance regarding the management and use of Federal assistance by recipients
- Required for entities that expend more than \$1,000,000 (NEW IN FY25) in Federal assistance
- Consists of two main parts
 - Audit of the Financial Statements
 - Audit of the Entity's Major Programs
- Focus is on testing of major programs
 - Gaining an understanding of and testing internal controls over compliance
 - Testing compliance with applicable compliance requirements for each major program.



State Single Audit - Overview

- Purpose - provide assurance regarding the management and use of State assistance by recipients
- Required for entities that expend more than \$750,000 in State assistance
- Consists of two main parts
 - Audit of the Financial Statements
 - Audit of the Entity's Major Projects
- Focus is on testing of major projects
 - Gaining an understanding of and testing internal controls over compliance
 - Testing compliance with applicable compliance requirements for each major program.
- Focus is on testing of major projects
- No high/low risk auditee – requires 50% coverage

Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Accounting Listing Number	Grant Number / Pass Through Grantor's Number	Reimbursable Expenditures
U.S. Department of Housing and Urban Development			
COVID19 - Cares Act Provider Relief Fund	14.218	B-23-MW-12-0062	157,870.84
Neighborhood Stabilization Program	14.218	B-23-MW-12-0063	3,258.02
Community Development Block Grant	14.218	B-23-MC-12-0045	958,918.99
Total Department of Housing and Urban Development			<u>1,120,047.85</u>
Office of National Drug Control Policy			
Passed through Seminole County Sheriff's Office			
High Intensity Drug Trafficking Areas Program	86.001	G21CF010A	814,963.35
Total Office of National Drug Control Policy			<u>814,963.35</u>
Passed through Florida Department of Emergency Management			
Hurricane Matthew Declaration	87.088	FEMA-4283-DR-FL17-PA-U5-06-77-02-14 0	54,027.79
Passed through Florida Department of Emergency Management			
COVID19			37,088.87
Total Department of Homeland Security			<u>91,116.66</u>
U.S. Department of Treasury			
Passed Through the State of Florida Division of Emergency Management			
COVID19 - Coronavirus Local Fiscal Recovery Fund	21.027	1505-0341	1,957,843.20
			<u>1,957,843.20</u>
		Total Expenditure of Federal Awards	<u><u>\$ 3,983,971.06</u></u>

Federal Major Program Determination

- **Auditee will qualify as low risk only if for each of the preceding two audit periods:**
 - Single Audits were performed on an annual basis, and DCF and reporting package were submitted timely
 - Opinions on F/S and SEFA were unmodified
 - No material weaknesses in internal control under GAGAS
 - No audit findings for Type A programs that either were material weaknesses in internal control, resulted in a modified opinion on a major program, or had known or likely questioned costs that exceeded 5% of program expenditures
 - If auditee meets criteria of low risk, all major programs, in aggregate, must cover at least 20% of federal awards.
 - If auditee does not meet criteria of low risk, all major programs, in aggregate, must cover at least 40% of federal awards

Federal Major Program Determination (Cont.)

- Auditor Type A Program Analysis
 - Identify Type A programs which are high risk using professional judgment and criteria
 - Not audited within the last two years
 - Material weaknesses on internal control for the program
 - Modified opinion on the program
 - High Risk Factors (i.e., Size, Maturity, Complexity, Use of Subrecipients)
 - Specifically Identified as high risk
 - Type A programs identified as high risk are required to be audited as major programs

Federal Major Program Determination (Cont.)

- Auditor Type B Program Analysis
 - Consider performing risk assessments on Type B programs that exceed 25% (1/4 of Type A Threshold)
 - Identify Type B programs which are high risk using professional judgment and criteria
 - Risk Factors (i.e., PY Findings, Size, Maturity, Complexity, Use of Subrecipients)
 - All Type B programs identified as high risk should be audited as major programs

Federal

- A. Activities Allowed or Unallowed
- B. Allowable costs/cost principles
- C. Cash Management
- D. Reserved
- E. Eligibility
- F. Equipment/Real Property Management
- G. Matching, level of effort or earmarking
- H. Period of Performance**
- I. Procurement and suspension & debarment
- J. Program Income
- K. Reserved
- L. Reporting
- M. Subrecipient monitoring
- N. Special tests and provisions

State

- A. Activities Allowed or Unallowed
- B. Allowable costs/cost principles
- C. Cash Management
- D. Eligibility
- E. Equipment/Real Property Management
- F. Matching
- G. Period of Availability
- H. Reporting
- I. Subrecipient monitoring
- J. Special tests and provisions

Allowable Activities & Costs

- Compliance
 - Activities/costs are allowed per the terms of the grant agreement and/or compliance supplement
 - (ex., Review of invoices)
- Internal Controls over Compliance
 - Activities/costs are reviewed by an individual familiar with grant requirements
 - (ex., Documentation of approval on invoice)
 - Pre-Award/Pre-Purchase Approval Controls
 - Payroll and Time and Effort Controls
 - Budget to Actual Monitoring
 - Written Policies and Procedures
 - Cost Transfer Review

Cash Management

- Compliance
 - Requests for Reimbursement - Expenses are incurred prior to reimbursement
 - (ex., Review of request for reimbursement, invoices)
 - Advance - Any amounts not used are remitted back to the funding source
 - (ex., Review of advance, G/L detail, remittance to funding source)
- Internal Controls over Compliance
 - Requests for reimbursement are reviewed by an individual familiar with grant requirements
 - (ex., Documentation of approval on request for reimbursement)
 - Reconciliation of Grant Draws to Expenditures
 - Monitoring of Advance Funds
 - Written Cash Management Procedures
 - Controls Over Subrecipient Payments (Pass-Through Entities)

Eligibility

- Compliance
 - Individuals are eligible per the terms of the grant
 - (ex., Review of required eligibility information for selected individuals)
- Internal Controls over Compliance
 - Eligibility requirements are verified by an individual familiar with grant requirements
 - (ex., Documentation of approval by authorized individual)
 - Verification of Supporting Documentation
 - Standardized Eligibility Checklists
 - System Controls Over Participant Enrollment
 - Periodic Re-Certification of Eligibility
 - Training and Written Procedures

Equipment/Real Property Management

- Compliance
 - Proper records are maintained for equipment
 - (ex., Review of tracking sheets, subsidiary ledger, G/L, etc.)
- Internal Controls over Compliance
 - Processes are in place to adequately safeguard and maintain equipment
 - (ex., Verify that inventory counts are performed regularly)
 - Safeguarding and Custody Controls
 - Acquisition Approval Controls
 - Disposition Controls
 - Review and Monitoring Controls

Matching, Level of Effort & Earmarking

- Compliance
 - Matching - Minimum amount or percentage contributions or matching funds were provided
 - Level of Effort - Specified service or expenditure levels were maintained
 - Earmarking - Minimum or maximum limits for specified purposes or types of participants were met
- Internal Controls over Compliance
 - A process is in place to ensure that matching/level of effort/earmarking requirements were considered
 - (ex., Review approved budget per grant agreement, request for reimbursement, etc.)
 - Separate Tracking of MLE Activity
 - Periodic Calculation and Monitoring
 - Budget-to-Actual Monitoring
 - Review of Financial Reports and Reimbursement Requests

Period of Performance

- Compliance
 - Expenses were incurred during the period specified per the terms of the grant agreement and/or compliance supplement
 - (ex., Review of invoices)
- Internal Controls over Compliance
 - Expenses incurred are reviewed by an individual familiar with grant requirements
 - (ex., Documentation of approval on invoice)
 - Grant Coding and Accounting System Controls
 - Monitoring of Grant End Dates
 - Review of Journal Entries and Cost Transfers
 - Closeout and Liquidation Controls

Procurement and Suspension and Debarment

- Compliance
 - Procurement - Purchases are in compliance with the terms of the grant (i.e., A-102 Common Rule, OMB Circular A-110)
 - (ex., Review of invoices)
 - Suspension and Debarment - Vendors are not suspended, debarred, or otherwise excluded
 - <http://www.sam.gov>
- Internal Controls over Compliance
 - Purchases are reviewed by an individual familiar with grant requirements
 - (ex., Documentation of approval on invoice)
 - Written Procurement Policies and Procedures

Procurement and Suspension and Debarment

- Internal Controls over Compliance
 - Contract Review Controls
 - Suspension and Debarment Verification
 - SAM Review Controls
 - Subrecipient Award Review
 - Supervisory Monitoring

Program Income

- Compliance
 - Program income is correctly determined, recorded, and used per the terms of the grant agreement
 - (ex., Interest Income is used towards costs allowable per the terms of the grant)
- Internal Controls over Compliance
 - A process is in place to ensure that program income is properly tracked and utilized
 - (ex., Documentation of approval on request for reimbursement if interest income is applied toward grant costs)
 - Separate Tracking and Accounting
 - Review of Program Income Calculations
 - Written Policies and Procedures

- Compliance
 - Reports include all activity for the reporting period, are properly supported, and are submitted per the terms of the grant agreement
 - (ex., Report agrees to the amount(s) submitted for reimbursement for the period, documentation of submission of Report)
- Internal Controls over Compliance
 - A process is in place to ensure that reports are properly approved and submitted in a timely manner
 - (ex., Documentation of approval on report – signature, electronic authorization)
 - Reconciliation Controls
 - Timeliness Controls
 - FFATA Reporting Controls (2026 Compliance Supplement)

Subrecipient Monitoring

Compliance

- Develop and communicate to monitoring plan
- Program and financial monitoring may be done by different PTE personnel
- Site or desk reviews
- Development of corrective action plan
- Communicate findings in writing
- Obtain corrective action plan; perform follow-up and evaluation of corrective actions taken
- Modify and update monitoring plan accordingly

Subrecipient Monitoring (Cont.)

- Internal Controls over Compliance
 - Review reports required by the pass-through entity
 - Follow-up to ensure subrecipient takes appropriate action on all deficiencies pertaining to the subaward from the pass-through entity identified through audits, on-site reviews, and other means
 - Issue a management decision for audit findings pertaining to subawards made by the pass-through entity

Special Tests & Provisions

- Specific requirements are unique to each Federal Program
- Found in grant agreement or compliance supplement pertaining to the major program selected
- Do not fall under the provisions of the other remaining compliance requirements

Entity-Wide Controls

Governance and Oversight

- Governing board or audit committee receives periodic grant compliance reporting.
- Senior management establishes a tone emphasizing compliance with grant requirements.
- Responsibility for federal grant compliance is assigned to designated personnel.
- Significant grant compliance issues are communicated to those charged with governance.

Written Policies and Procedures

Training

- Personnel responsible for grants receive periodic training on:
 - Uniform Guidance requirements
 - Grant-specific requirements
 - Federal procurement requirements
 - Subrecipient monitoring responsibilities
- Training is documented and retained.

Entity-Wide Controls (Cont.)

Grant Identification and Tracking

- All federal awards are assigned unique project or grant codes.
- Grant periods, award amounts, assistance listings, and compliance requirements are maintained in a central repository.
- Awards are monitored throughout the grant lifecycle.

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Entity-Wide Controls (Cont.)

Financial Management System Controls

- Grant expenditures can be separately identified and accumulated.
- Access to modify grant information is restricted.
- Reconciliations between subsidiary records and the general ledger are performed and reviewed.

Management Review Controls

- Supervisory review and approval of:
 - Expenditures
 - Reimbursement requests
 - Journal entries
 - Financial reports
 - Compliance calculations
- Reviews are documented through signatures, electronic approvals, or workflow evidence.

Entity-Wide Controls (Cont.)

Monitoring Controls

- Periodic monitoring of compliance requirements across all active grants.
- Exception reports are reviewed and investigated.
- Corrective actions are tracked to completion.

Subrecipient Monitoring Controls

- Procedures exist to identify subrecipients versus contractors.
- Required subaward information is communicated.
- Financial and performance reports are reviewed.
- Monitoring procedures are documented and performed.

Entity-Wide Controls (Cont.)

Reporting Controls

- SEFA preparation procedures are documented.
- Federal expenditures are reconciled to the general ledger.
- Reports are reviewed and approved before submission.

Information Technology Controls

- User access is restricted based on job responsibilities.
- Changes to grant-related master data are approved.
- System-generated reports used for compliance are periodically validated.

Single Audit Environment

The Current Single Audit Environment

Governance

- Boards and executives expect clearer risk prioritization, escalation and resilience planning

Political Volatility/Uncertainty

- Funding priorities, agency roles and compliance expectations can shift faster than annual planning cycles
- Competitive grant opportunities, COVID funding, changes to federal programs and compliance requirements

Audit Timing Pressure

- Delayed Supplements and evolving requirements are creating compressed and challenging audit timelines

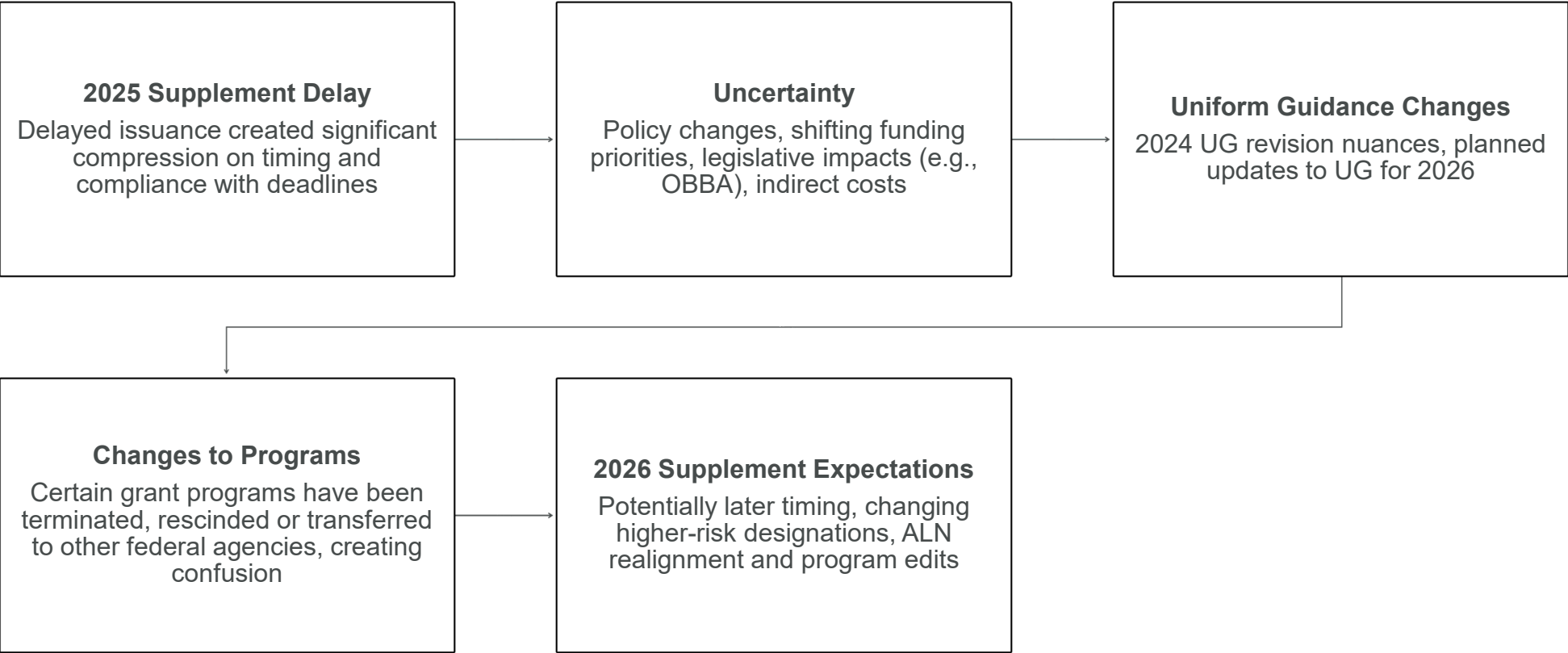
Resource Constraints

- Leaders are balancing limited compliance capacity, growing technology needs and pressure to control indirect cost rates.

Impact of AI

- Data reliability and quality risks; AI bias: [OMB Memo on AI](#)
- Cybersecurity and privacy issues; legal and regulatory uncertainty

Single Audits in a Compressed and Uncertain Environment



Year	# of Single Audits
2019	37,253
2020	40,173
2021	45,877
2022	47,694
2023	47,478
2024	45,210
2025*	31,789*

*Partial year

Executive Orders — What They Are, Can Do, and Cannot Do

What They CANNOT Do

- Create new laws (that power belongs solely to Congress)
- Appropriate (spend) new federal funding (Congress controls the budget)
- Override or contradict existing federal law or Acts of Congress
- Violate the Constitution or infringe on constitutionally protected rights
- Create permanent policy — they can be reversed by the next president or struck down by federal courts

Key Checks on Executive Orders

- Congress can pass legislation that overrides them
- Federal courts can strike them down if they are unconstitutional or exceed presidential authority
- Future presidents can revoke them with a new executive order

Regulatory Watchlist: Uniform Guidance and Regulatory Changes

Uniform Guidance Revisions

- 2024 revisions to 2 CFR Part 200 are effective
- Focus on grant terms and conditions for operational impact, effective dates and internal policy refresh
- Pay attention to agency specific implementation(s)
- Updates to the 2026 Uniform Guidance (2 CFR)
 - Changes guidance to regulation
 - Changes “Uniform Guidance” to “Uniform Grants Regulation (UGR)”
 - Objective 1: Improve Transparency, Accountability, and Oversight
 - Objective 2: Clarify Regulatory Structure
 - Objective 3: Reduce Recipient Burden

Regulatory Changes

- H.R.1 - One Big Beautiful Bill Act (OBBA)
- H.R.4 – Recissions Act of 2025
- E.O. 14332 – Improving Oversight of Federal Grantmaking
- E.O. 14395 – Establishing Task Force to Eliminate Fraud
- H.R.8312 Establish Fraud Prevention and Program Integrity within the U.S. Dept. of Treasury
- H.R.8107 Government Audit and Accountability of Federally Funded State-Administered Programs Act
- Web and Mobile Accessibility Regulation for Public Entities
- Federal agency policy actions regarding indirect costs
- Proposed changes to SAM.gov

Disclaimer: This list is not all-inclusive but was developed focusing on regulations that are significant to the public sector.

2026 Uniform Guidance Revisions



2026 Uniform Guidance Revisions

Objective 1: Improve Transparency, Accountability, and Oversight

- End DEI/DEIA mandates and other “ideological” requirements in grant programs
- Ensure merit-based selection of award recipients
- Align awards with administration policies and Executive Branch priorities
- Strengthen enforcement through expanded termination authority and payment controls

Objective 2: Clarify Regulatory Structure

- Reclassify 2 CFR subtitle A from “guidance” to binding OMB regulation
- Future OMB amendments will apply government-wide on OMB’s own effective date
- No secondary agency notice-and-comment rulemaking will be required

Objective 3: Reduce Recipient Burden

- Remove extraneous policy requirements from funding opportunities
- Encourage multi-year awards and streamlined NOFOs via Grants.gov
- Eliminate fixed amount awards and simplify procurement provisions

Three main
objectives
for revisions
to UG

Federal Administration Updates

- [E.O. 14332 – Improving Oversight of Federal Grantmaking](#)
 - Mandates political appointee oversight of all discretionary federal grants, plain-language and expert-reviewed grant announcements, restrictions on certain types of funded activities, tighter indirect-cost control, and mandatory termination-for-convenience clauses.
 - OMB is reopening UG for additional updates
 - Pre-award considerations
 - Proposed changes to indirect costs
 - Strengthen the existing provisions to allow the federal government to terminate all discretionary grants for convenience

H.R.1 – “One Big Beautiful Bill” Act



Rescissions of existing grants – billions in transportation, climate, and community grants were rescinded



Shifts away from climate, housing, and local development grants and towards state-administered programs



Several provisions are impacting IHE, specifically provisions of the Federal Student Aid program



**Effective Date:
07/01/26**

Section 84001: Ineligibility based on low earning outcomes

Section 81001: Establishment of loan limits for graduate and professional students and parent borrowers; termination of graduate and professional PLUS loans

Section 83001: Eligibility (Pell Grants)



Implementation delayed

Borrower defense to repayment (Title 34 Part 685, subpart D)

E.O. 14395 – Establishing the Task Force to Eliminate Fraud

Mandates task force to coordinate and accelerate a comprehensive national strategy to stop fraud, waste, and abuse within federal benefit programs

Each Federal agency administering federal benefit programs shall provide to task force information concerning programs the task force deems relevant to uncovering benefits fraud and increase fraud-detection capabilities

Each agency administering Federal benefit programs on the task force shall identify the agency's benefit transactions and processes that are most susceptible to fraud schemes

Local jurisdictions may need to implement anti-fraud requirements

H.R.8107 – Government Audit and Accountability of Federally Funded State-Administered Programs Act

Would task GAO with delivering audit to Congress identifying the highest risks to federal dollars

Would identify program areas and administrative practices that present greatest risk to federal dollars being administered by SLG

GAO would scrutinize findings of federal and state auditors, inspectors general and attorneys general, single audit reports, and other publicly available federal oversight and program integrity data

Web and Mobile Accessibility Regulation for Public Entities

89 FR 31320 amended 28 CFR 35 to add Subpart H

- [A&A Alert 2026-05](#)
- [Policy Manual Section 10950.300](#)

Effective Dates (Updated)

- 04/26/27 for a **public entity**, other than a special district government, with a total population of 50,000+
- 04/26/28 for a **public entity** with a total population of less than 50,000 or any special district government

Public entity means

- Any state or local government;
- Any department, agency, special purpose district, or other instrumentality of a State or States or local government; and
- The National Railroad Passenger Corporation, and any commuter authority (as defined in section 103(8) of the Rail Passenger Service Act)

Web and Mobile Accessibility Regulation for Public Entities

- Ensure that the web content and mobile apps that the public entity provides or makes available, directly or through contractual, licensing, or other arrangements, comply with Level A and AA success criteria and conformance requirements specified in [WCAG 2.1](#)

EXCEPTIONS

Archived web content

Pre-existing
conventional
electronic documents

Content posted by a
third party

Individualized, password-
protected or otherwise
secured conventional
electronic documents

Pre-existing social
media posts

This includes an ACFR / financial statements if they are posted to a public entity's website (FAC is not considered to be in scope for this requirement)

Other Federal Updates – Current Status of Indirect Cost Rate Caps

Note: *As of now, no federal 15% indirect cost rate caps are in effect*

Agency	Current Status
NIH	Proposed policy to cap IDC at 15% blocked from implementation. First Circuit Court of Appeals affirming lower court's decision to block
DOE	Proposed policy to cap IDC at 15% for IHEs blocked from implementation. Policy guidance rescinded in the FY26 Energy-Water Appropriations Bill. DOE is moving to dismiss case
NSF	Proposed policy to cap IDC at 15%, summary judgment issued on June 20, 2025, blocking implementation of the policy. New NSF awards issued will not implement NSF 25-034 but will include a term applying NSF 25-034 for the entirety of the award if a subsequent court decision permits application of the policy
DoD	Proposed policy to cap all new awards to IHEs at 15% or lower. Challenged in court, appealed and on February 18, 2026, First Circuit Court of Appeals granted government's motion to drop its appeal, permanently vacating the DoD policy

To-Do: Institutions should continue using their federally negotiated indirect cost rates unless explicitly notified otherwise

Fraud Remains a Critical Area of Focus

Taskforce created and
headed by VP

States testifying before
Congress

PRAC moving to
Treasury

Hints at performance-
based auditing

OMB Memo M-25-30

- “Federal auditing does not work”
- “Compliance for its own sake is no longer the goal”

Minnesota / Benefit
payment fraud schemes

HHS Cracks Down on
Years of Unchecked
Audit Findings |
[HHS.gov](https://www.hhs.gov)

Key Changes Expected in the 2026 Supplement

Background and Effective Date

OMB has not yet issued the Supplement

Once issued it will be effective for audits of fiscal years beginning after June 30, 2025

Anticipate the Supplement will be posted on OMB's Web site at:
<https://www.whitehouse.gov/omb/>

Once issued, our templates will be updated

Can I issue a 6/30/26 year-end single audit before the final 2026 Supplement is released?

- No, auditors are required to use the version of the Supplement effective for the year-end associated with the audit
- Need key information from the Supplement, such as higher risk designations, 6 compliance requirements subject to audit, etc.
- Peer review and federal quality review checklists ask if the appropriate version of the Supplement was used to perform the audit

CAUTION

- The following 2026 Supplement information is based on review of drafts from OMB
- Changes could be made by OMB before issuance
- Important to review the issued 2026 Supplement to identify any changes



2026 Compliance Supplement Expectations

Limited scope review process – only statutory and regulatory updates

Realigned/Decoupled programs – This is when the agency creates separate ALNs for an existing program.

- There are several in the 2026 Supplement
- Not considered new programs as no new funding is involved. Treated as a cluster
- Realignments are made for agency reporting purposes and to align with the current administration's initiatives in OMB Memorandum M-24-11
- For look back requirements, these programs will still be considered to have been audited in the prior 2 years, where applicable
- Part 2 will identify realigned programs separate from new and deleted programs

2026 Compliance Supplement Expectations

Part 2 - Matrix

Programs with changes to the requirements subject to audit (Y or N)

- Shown in bold and highlighted yellow

New programs

- Identified with “(new)” after the ALN

Deleted programs

- Identified with “(delete)” after the ALN
- Still subject to audit
- Auditors use Part 7 to audit these programs

Programs moved from one agency to another

- Identified with “realign” after the ALN

Reminder:
Maximum of 6
compliance
requirements
continues
(A & B are 1)

**2 possible
exceptions:**
CCDF Cluster
and R&D Cluster
have 7
requirements

2026 Compliance Supplement Expectations

Parts 2 and 4 – new and deleted programs

New Programs

- **15.018** – Energy Community Revitalization Program (ECRP)
- **20.337** – Consolidated Rail Infrastructure and Safety Improvements Program
- **93.00R** – 988 and Behavioral Health Crisis Services Programs
- **93.798** – Rural Health Transformation Program

Deleted programs are still subject to audit

Auditors will utilize Part 7 of the Supplement to audit these programs

Deleted Programs

- **10.181** – Pandemic Relief Activities: Farm and Food Worker Relief Grant Program
- **16.034** – Coronavirus Emergency Supplemental Funding Program
- **20.319** – High-Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants
- **21.023** – Emergency Rental Assistance Program
- **21.026** – Homeowner Assistance Fund
- **21.032** – Local Assistance and Tribal Consistency Fund
- **59.075** – Shuttered Venue Operators Grant Program
- **84.425** – Education Stabilization Fund
- **93.498** – Child Care Disaster Relief

2026 Compliance Supplement Expectations

Part 3 – Compliance Requirements

- Revert to single part
- “Matching” now “cost sharing”

Part 5 – Clusters of Programs

- No changes SFA – Reminder on safe harbor requirement
- No changes R&D
- Other Clusters will be updated for realignments

Part 6 – Internal Control

Removal of section

Part 7 – Guidance for Auditing Programs Not in Supplement

No changes

Part 8 - Appendixes

- Remove Appendix I & II
- Added guidance about realignments
- **FFATA Reporting**

2026 Compliance Supplement Expectations

Part 4 – Expected Changes to Top 5 Most Frequently Audited Programs

ALN	Program Name	# of Times Audited*	Changes in 2026
10.555/10.553/10.559/ 10.556/10.582	Child Nutrition Cluster	3,134	No major changes
84.027/84.173	Special Education Cluster (IDEA)	2,111	No major changes
84.010	Title I Grants to Local Educational Agencies	1,968	No changes expected to any ED programs
21.027	Coronavirus State and Local Fiscal Recovery Funds	1,441	No major changes
14.157	Supportive Housing for the Elderly	1,164	No major changes

2026 Compliance Supplement Expectations

Part 8, Appendix IV - Higher Risk Designation

- Removed 15.252 - Abandoned Mine Land Reclamation (AMLRL)
- Added 3 new programs

Assistance Listing Number	Title
93.778/93.777/93.775	Medicaid Cluster
93.489/93.575/93.596	Child Care and Development Fund (CCDF) Cluster
93.558	Temporary Assistance for Needy Families (TANF)

Other Single Audit Updates and Reminders

FAC Updates

No changes to the DCF in 2026

- Taskforce for updating the DCF for 2027

Adding resubmissions option - in process

- Adding ability to change the DCF, audit report, or both, for a submitted file
- Select if made changes to DCF, audit report or both
- Marked as a resubmission
- Only Federal agencies will be able to see original audit report
- A full resubmission will generate new acceptance date and may impact “low-risk auditee” status

Future updates

- See [Updates from the FAC](#) section of the GSA FAC site

FAC – Best Practices

- To ensure that the data submitted to the FAC is accurate and complete, both auditors and their clients should:
- Be familiar with the [FAC submission guidelines](#).
- Ensure all relevant financial statements, schedules and reports are compiled and reviewed before submission as the information entered should be a replication of everything in the single audit reporting package.
- Verify that all data entries are consistent across different forms and documents.
- Plan and start the submission process well in advance of deadlines to allow ample time for reviews and corrections.

Common Findings

Common Findings

- SEFA Preparation
 - Improper reporting (multiple revisions)
 - Improper identification of subrecipient payments
- Revenue Recognition
- SEFA Note Disclosure – 15% de minimis cost rate
- Internal Controls over Compliance
- Timely inspection of work performed (i.e., monitoring)
- Procurement – Policies consistently followed across the entity
- Wage rate determination – certified payrolls obtained from contractors, as well as subcontractors (Davis Bacon)

Common Findings

- Expenditures not adequately supported
- Costs charged to the wrong grant
- Missing eligibility documentation
- Inadequate sole-source justification
- Failure to include required federal contract provisions
- Errors in Federal Financial Reports

Common Findings

- Untimely reporting
- Failure to identify subrecipients versus contractors
- Charging expenditures incurred before the award start date
- Charging expenditures incurred after the grant period ended

Contact

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