

2016 SINGLE AUDIT OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as an audit program to update the audit documentation of an engagement started in a previous version of this product.

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The **2016 Knowledge-Based Single Audit** has been updated where applicable to take into account new or pending compliance auditing standards and guidance, and their applicability to single audits, as well as the 2016 OMB *Compliance Supplement*. Many new tips and examples have been incorporated. The 2016 tools include links to specific guidance that provides instant access to detailed analysis related to the steps and processes discussed in the workpapers. The 2016 edition of *Knowledge-Based Single Audits* is current through Statement on Auditing Standards (SAS) No. 131, *Amendment to Statement on Auditing Standards No. 122 Section 700, "Forming an Opinion and Reporting on Financial Statements"* (AU-C Section 700); SAS-130, *An Audit of Internal Control Over Financial Reporting That Is Integrated With an Audit of Financial Statements* (AU-C Section 940); the revised AICPA Code of Professional Conduct (Code); ET Section 1.295, *Nonattest Services; Government Auditing Standards, December 2011 Revision*; and the 2016 OMB *Compliance Supplement*; and includes guidance on the 2016 Data Collection form and discussion of the Uniform Guidance. Finally, where applicable, the provisions of the updated Committee of Sponsoring Organizations (COSO) 2013 update to *Internal Control —Integrated Framework* is referenced and incorporated.

The 2016 edition of *Knowledge-Based Single Audit* includes the following updates:

Knowledge-Based Audit Documents (KBAs) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the provisions of the GAGAS guide, and for consistency with Core; removed references to OMB A-133.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBA-101S Overall Uniform Guidance Compliance Audit Strategy					
Modify	Modified title from Overall OMB Compliance Audit Strategy to Overall Uniform Guidance Compliance Audit Strategy Removed A-133 references; updated for FAQs; modified and updated throughout for other superseded information; modified references.	Title; text throughout	Y	Uniform Guidance	
Modify	Added Practice Point for Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (the Uniform Guidance)	Purpose	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	Removed table level diagnostic on Section V: Updates of the Overall Compliance Audit Strategy. A diagnostic will only appear if you have added an item in column 1 and haven't completed column two or three. The workpaper reference column will continue to not have a diagnostic.	Table	N		
KBA-102S Uniform Guidance Compliance Audit Significant Matters					
Modify	Modified title from OMB Compliance Audit Significant Matters to Uniform Guidance Compliance Audit Significant Matters ; updated references	Title; text throughout	Y	Uniform Guidance	
Modify	A new flow of the major program or cluster name will flow into KBA-102S when the user has a finding noted as significant in any AUD-80X series workpaper. This will flow into the 3 rd column of KBA-102S, "Major Program (or Cluster)".	Table	N		
KBA-103S Summary and Evaluation of Noncompliance					
Modify	The No. column in KBA-103S will now flow from the first table to the second table where the user should document any instances of noncompliance were not included in the schedule of findings and questioned costs if the user selects "No (document why not below) in column 9, "Included in Schedule of Findings and Questions Costs?". This flow will help remind users that if a finding isn't included in the schedule of findings and questioned costs the user needs to document the reason.	Table	N		
KBA-104S Evaluating and Communicating Deficiencies in Internal Control over Compliance					
Modify	Modified throughout for consistency with CORE; re-arranged columns in table for consistency with CORE; edited for Uniform Guidance.	Text; table	Y	Uniform Guidance	All columns will retain on roll forward if user uses the default roll forward settings or the user selects to keep all responses.
KBA-302S Understanding the Entity's Federal Program Environment: Complex Entities					
Modify	Updated Practice Point	Instructions	Y	Uniform Guidance	
KBA-303S Inquiries of Management and Others Within the Entity About the Risks of Fraud in a Uniform Guidance Compliance Audit					
Modify	Modified title (added Uniform Guidance): Inquiries of Management and Others Within the Entity about the	Title	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Risks of Fraud in a Uniform Guidance Compliance Audit				
Modify	The diagnostic on the findings tables column “For Material Noncompliance Finding, Select Major Program” when the user hasn’t selected “Noncompliance” in the “Type of Finding” column will no longer show. This diagnostic will only show when the user selects “Noncompliance” in the “Type of Finding” column.	Table	N		
KBA-401S Understanding Entity-Level Controls Over Compliance: Complex Entities					
Modify	Modified for consistency with CORE; added details about likeliness; updated for Part 6 of Compliance Supplement; added more details on internal controls.	Text	Y	AU-C Section 265	
Modify	New diagnostic if the user answers column 12, “Are Controls Functioning” as “No” but the user hasn’t answered column 7, “If Column 6 is “No” Describe the Control Deficiency Identified”. This will remind the user to describe the control deficiency if the controls aren’t functioning so there is no blank flow to the Conclusion Section.	Table	N		
Modify	Under Section I: Control Environment the step, “Establishes standards of conduct.” Has been removed and replaced with “There is a sense of conducting operations ethically, as evidenced by a code of conduct or other verbal or written directive.”	Table	Y		Due to the changes in this step, this step will reset on roll forward.
Modify	Under Section I: Control Environment the following new steps are added: Management makes evident its support of adequate information and reporting systems. The governing Board (or equivalent) engages the auditor and ensures that audit findings and recommendation are adequately addressed, and they fulfill those responsibilities. The Board has an established, active Audit Committee. Key managers have adequate knowledge and experience to discharge their responsibilities. Management’s commitment to competence ensures that staff receive adequate training to perform their duties.	Table	Y		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>Staff are knowledgeable about compliance requirements and are given responsibility to communicate all instances of noncompliance to management.</p> <p>Management initiates positive responsiveness to prior compliance and control findings.</p> <p>Management demonstrates respect for and adherence to program compliance requirements.</p>				
Modify	<p>Under Section II: Risk Assessment the following new steps are added:</p> <p>Management is aware of results of monitoring, audits and reviews, and considers related risk of noncompliance.</p> <p>Management and employees identify, analyze, and adequately respond to risks related to achieving defined objectives.</p> <p>The organizational structure provides identification of risks of noncompliance as managers are given responsibility to identify and communicate changes and identify employees who require close supervision (e.g., they are inexperienced). Management has also identified and assessed complex operations, programs, and projects.</p> <p>Responses to fraud risks.</p> <p>Implements significant changes in program objectives and procedures as necessary.</p>	Table	Y		
Modify	<p>Under Section III: Control Activities the following new steps are added:</p> <p>Supervision of employees is commensurate with competence levels.</p> <p>Personnel possess adequate knowledge and experience to discharge duties and responsibilities.</p> <p>Equipment, inventories, cash and other assets secured physically and periodically counted and compared to records.</p> <p>Computer and program controls include data entry controls (e.g. edit checks), exception reporting, access controls, reviews of input and output data and computer general controls and security controls.</p>	Table	Y		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>Operating policies and procedures exist and are clearly written and communicated.</p> <p>Management prohibits intervention or overriding established controls.</p> <p>If there is a governing Board, the Board conducts regular meetings where financial information is reviewed and results of program activities and accomplishment are discussed. At least written (if not audio and / or video) documentation is maintained of the matters addressed at such meetings.</p>				
Modify	<p>Under Section IV: Information and Communication Systems the following new steps are added:</p> <p>The accounting system provides for separate identification of Federal and non-Federal transactions and allocation of transactions applicable to both.</p> <p>Adequate source documentation exists to support amounts and items reported. A recordkeeping system is established to ensure that accounting records and documentation are retained for the time period required in the statutes, regulations, and the terms and conditions applicable to the program.</p> <p>Accurate information is accessible to those who need it.</p> <p>Reports are provided timely to managers for review and appropriate action.</p> <p>Reconciliations and reviews ensure accuracy of reports.</p> <p>Actions are taken as a result of communications received.</p> <p>Communication is facilitated by staff meetings, bulletin boards, memos, circulation files, emails, surveys, suggestion boxes and other methods.</p> <p>Employee duties and responsibilities are effectively communicated.</p> <p>Channels of communication for reporting suspected improprieties are effective and operating.</p> <p>Open channels of communication exist to and from subrecipients.</p>	Table	Y		
Modify	<p>Under Section V: Monitoring of Controls the following new steps are added:</p>	Table	Y		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>Monitoring is built-in through independent reconciliations, staff meeting feedback, rotating staff, supervisory review and management review of reports.</p> <p>Management meets with program monitors, auditors and reviewers to evaluate the condition of the program and controls.</p> <p>Management follows up on irregularities and deficiencies to determine the cause.</p> <p>Internal audit (if applicable) routinely tests for compliance with federal requirements.</p> <p>If there is a governing Board, the Board reviews the results of all monitoring or audit reports periodically assessing the adequacy of corrective action.</p>				
KBA-401N Understanding Entity-Level Controls Over Compliance: Noncomplex Entities					
Modify	Modified for consistency with CORE; added details about likeliness; updated references; aligned Appendix A to RES-008.	Text		COSO; AU-C Section 265	
KBA-402S Understanding Compliance Requirement-Level Controls: Activities Allowed and Unallowed and Allowable Costs/Cost Principles through KBA-414S Understanding Compliance Requirement-Level Controls: Special Tests and Provisions					
Modify	Modified for consistency with CORE; changed header from "Identify Type of Control Deficiency" to "Describe the Control Deficiency"; and updated for changes in the Compliance Supplement.	Text; table			
Modify	New diagnostic if the user answers column 13, "Are Controls Functioning" as "No" but the user hasn't answered column 11, "If Column 10 is "No" Describe the Risks of Noncompliance". This will remind the user to describe the control deficiency if the controls aren't functioning so there is no blank flow to the Conclusion Section.	Table	N		
KBA-402S Understanding Compliance Requirement-Level Controls: Activities Allowed and Unallowed and Allowable Costs/Cost Principles					
Modify	<p>Added, to the Instructions:</p> <p>The auditor should also refer to RES-022S Selected Items of Cost which replicates the OMB Compliance Supplement Exhibit 3.2.B 1 in delineating various cost</p>	Instructions	Y	Compliance Supplement	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	items and indicating whether the item requires prior approval and whether or not the cost item is allowable for States, Local Governments, Indian Tribes, Institutions of Higher Education and Nonprofit Organizations. The items are also indicated if they ARE NOT treated the same across non-federal entities. In those cases, the auditor should refer to the federal award and the joint interim / final rule for the federal agency.				
Modify	<p>Added eight new control objectives along with leaving the two control objectives from 2015. The two control objectives from 2015 were unchanged. New control objectives are as follows:</p> <p>For indirect cost rates, if a de minimis rate is used, to provide assurance the de minimis rate is applied to the appropriate base amount and consistently applied.</p> <p>For states, local governments, and tribal nations, to provide reasonable assurance that direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.</p> <p>For states, local governments, and tribal nations, to provide reasonable assurance that costs incurred for the same purpose in like circumstances are treated consistently as either direct or indirect costs.</p> <p>To provide reasonable assurance that the Uniform Guidance, subpart E, and other guidance is complied with so that direct charges to federal awards were for allowable costs.</p> <p>To provide reasonable assurance that unallowable costs determined to be direct costs were included in the allocation base for the purpose of computing an indirect cost rate.</p> <p>For indirect costs, to provide reasonable assurance that charges to cost pools used in calculating indirect cost rates were for allowable costs; the methods for allocating the costs are in accordance with the cost principles, and produce an equitable and consistent distribution of costs</p>	Table	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>(e.g. all activities that benefit from the indirect cost, including unallowable activities, must receive an appropriate allocation of indirect costs); that indirect cost rates were applied in accordance with negotiated indirect cost rate agreements; and for State/local departments or agencies that do not have to submit an ICRP to the cognizant agency for indirect costs (those that receive less than \$35 million in direct Federal awards), indirect cost rates were applied in accordance with the Indirect Cost Rate Plan (ICRP) maintained on file.</p> <p>For allowable costs of state / local government-wide central service costs in accordance with Uniform Guidance Appendix V and an approved cost allocation plan (CAP), to provide assurance that charges to cost pools allocated to federal awards through the central service CAPs are for allowable costs; the methods of allocating the costs are in accordance with the cost principles, and produce an equitable and consistent distribution of costs, which benefit from the central service costs being allocated (e.g., cost allocation bases include all activities, including all State departments and agencies and, if appropriate, non-State organizations which receive services and finally, cost allocations were in accordance with central service CAPs approved by the cognizant agency for indirect costs, or, in cases where such plans are not subject to approval, in accordance with the plan on file.</p> <p>For state public assistance agency costs, to provide reasonable assurance that direct charges for federal awards were for allowable costs; charges to cost pools allocated to federal awards through the public assistance CAP (PACAP) were for allowable costs; that the approved public assistance PACAP correctly describes the actual procedures used to identify, measure, and allocate costs to each of the programs operated by the State public assistance agency (however, the actual procedures or methods of allocating costs must be in accordance with the cost principles, and produce an equitable and consistent distribution of costs); that charges to federal awards are in accordance with the approved PACAP (this does not apply if the auditor first</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	determines if the approved PACAP is not in compliance with the cost principles and / or produces an inequitable distribution of costs) and that the employee compensation reporting systems are implemented and operated in accordance with the methodologies described in the approved PACAP.				
KBA-403S Understanding Compliance Requirement-Level Controls: Cash Management					
Modify	<p>Added or Modified Control Objectives under “Process: Cash Management” as follows:</p> <p>To provide reasonable assurances that the drawdown of federal cash is only for immediate needs, minimizing the time elapsing between the transfer of federal funds from the U.S. Treasury or the pass-through entity and the disbursement by the non-federal entity and any interest earned on advances was properly remitted.</p> <p>For States (and recognized Tribal Nations) to provide reasonable assurances that states comply with applicable Treasury agreements, or Uniform Guidance Subpart B procedures.</p> <p>To provide reasonable assurances that recipients limit payments to subrecipients to immediate cash needs, minimizing the time between transfer of federal funds from the pass-through entity to the subrecipient and disbursement of such funds for program purposes by the subrecipient, as required by applicable cash management requirements in the federal award to the recipient.</p> <p>To provide reasonable assurance for grants and cooperative agreements that are paid on a reimbursement basis, supporting documentation shows that the costs for which reimbursement was requested were paid prior to the date of the reimbursement request.</p> <p>To provide reasonable assurance whether compliance with applicable program requirements for loans, loan guarantees, interest subsidies, and insurance was achieved.</p>	Table	Y	Uniform Guidance	All steps from 2015 will reset on roll forward due to changes made.
KBA-407S Understanding Compliance Requirement-Level Controls: Matching, Level of Effort, and Earmarking					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	<p>Under “Process: Matching, Level of Effort, and Earmarking,” added or modified control objectives as follows:</p> <p>To provide reasonable assurance that the minimum amount or percentage of contributions or matching funds was provided.</p> <p>To provide reasonable assurance that the specified service or expenditure levels were maintained.</p> <p>To provide reasonable assurance that the minimum or maximum limits for specified purposes or types of participants were met.</p>	Table	Y	Uniform Guidance	All steps from 2015 will reset on roll forward due to changes made.
KBA-408S Understanding Compliance Requirement-Level Controls: Period of Performance of Federal Funds					
Modify	<p>Under “Process: Period of Performance of Federal Funds,” added or modified control objectives as follows:</p> <p>To provide reasonable assurance that federal funds were only charged for allowable costs incurred during the period of performance <i>or</i> costs incurred prior to the date that the federal award was made only if they were authorized by the federal awarding agency or pass-through entity.</p> <p>To provide reasonable assurance that obligations were liquidated during the required time period.</p>	Table	Y	Uniform Guidance	All steps from 2015 will reset on roll forward due to changes made.
KBA-412S Understanding Compliance Requirement-Level Controls: Reporting					
Modify	<p>Under “Process: Reporting,” modified the only control objective:</p> <p>To provide reasonable assurance that required reports for federal awards include all activity of the reporting period, are supported by applicable accounting or performance records, and are fairly presented in accordance with governing requirements.</p>	Table	Y	Uniform Guidance	Step from 2015 will reset on roll forward due to changes made.
KBA-413S Understanding Compliance Requirement-Level Controls: Subrecipient Monitoring					
Modify	<p>Under “Subrecipient Monitoring,” modified control objectives:</p> <p>To provide reasonable assurance that the pass-through entity (PTE) identified the subaward and applicable requirements at the time of the subaward (or subsequent</p>	Table	Y	Uniform Guidance	All steps from 2015 will reset on roll forward due to changes made.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>subaward modification) in the terms and conditions of the subaward and other award documents sufficient for the PTE to comply with federal statutes, regulations, and the terms and conditions of the federal award.</p> <p>To provide reasonable assurance that the PTE monitored subrecipient activities.</p> <p>To provide reasonable assurance that PTE monitored subrecipient activities and administered the subaward in compliance with the terms and conditions of the subaward.</p>				
KBA-501S Team Discussion of the Risks of Material Noncompliance					
Modify	The diagnostic on the findings tables column “For Material Noncompliance Finding, Select Major Program” when the user hasn’t selected “Noncompliance” in the “Type of Finding” column will no longer show. This diagnostic will only show when the user selects “Noncompliance” in the “Type of Finding” column.	Table	N		
KBA-502S Summary of Assessments of Risks of Noncompliance					
Modify	<p>Added Column 10 instructions and added a “Comments” column to the Section II table:</p> <p>Column 10 to provide additional comments, if necessary.</p> <p>There will be no diagnostic on this column and doesn’t require user entry.</p>	Table	N		
KBA-503S Basis for Assessment of Inherent Risk of Noncompliance					
Modify	Deleted A-133 Practice Alert and replaced it with a new Practice Alert (adding proposed FAQ discussion).	Table	Y	Uniform Guidance	
KBA-901S Schedule of Expenditures of Federal Awards Presentation and Disclosure Checklist					
	<p>Removed A-133 references; updated for AICPA guidance contained in June webinar.</p> <p>Added subitems 1.h., and g., as follows:</p> <p>For any federal awards expended for loan / loan guarantee programs, does the schedule include the value of new loans issued during the period, the beginning balance of loans from previous years (only for which the federal agency imposes continuing compliance</p>	Table	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>requirements), along with any interest subsidy and finally, any cash or administrative cost allowance related to the programs?</p> <p>Show the value of federal award expended in the form of non-cash assistance, such as food commodities, insurance programs, and free rent?</p> <p>Added 3., 4., and 5., as follows:</p> <p>If the federal awarding agency or pass-through entity requires additional information in the SEFA, is it included in accordance with the requirements?</p> <p>If law or regulation require nonfederal awards to be included in the reporting package, is the data and notes included clearly segregated and identified as nonfederal?</p> <p>If law or regulation require nonfederal awards to be included in the reporting package, is the title including a parenthetical to note the presence of non-federal awards?</p>				
Modify	Removed the Tailoring Question related to Uniform Guidance since all the steps related to audits of periods beginning before December 26, 2014, in accordance with OMB Circular A-133 have been removed.	Table	Y	Uniform Guidance	
KBA-902S Uniform Guidance Compliance Audit Review and Approval Checklist					
Modify	<p>Modified title to Uniform Guidance Compliance Audit Review and Approval Checklist; removed A-133 references. Updated for Data Collection Form Changes.</p> <p>Section I: Modified step 17 now reads as follows:</p> <p>The single audit reporting package and the data collection form have been completed and filed with the Federal Audit Clearinghouse, inclusive of all elements as required by the Uniform Guidance, as detailed in sections 510, 511 and 515, as applicable, including:</p> <ul style="list-style-type: none"> a. Financial Statements (Section 510(a)); b. Opinion on Financial Statements (Section 515(a)); c. SEFA (Section 510(b)); 	Title; Table	Y	Uniform Guidance	Step 17 will reset on roll forward due to changes.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<ul style="list-style-type: none"> d. Opinion or Disclaimer of Opinion on SEFA (Section 515(a)); e. Uniform Guidance Report on Internal Control (Section 515(b) (major programs)); f. Uniform Guidance Report on Compliance (Section 515(c) (major programs)); g. <i>Government Auditing Standards</i> Report on Internal Control (Section 515(b) (major programs)); h. <i>Government Auditing Standards</i> Report on Compliance (Section 515(c) (major programs)); i. SFQC (Section 515(d)); j. Summary Schedule of Prior Audit Findings (Section 511(b)); and k. Corrective Action Plan (if findings) (Section 511(c)).\ <p>Added new step 18 now reads as follows: The instructions to the Data Collection Form have been followed, including the relief for qualified Indian Tribes or Tribal Organizations.</p>				
Modify	<p>Section II: Engagement Partner Review: New steps 18-21 now reads as follows:</p> <p>The single audit reporting package, including the data collection form, has been properly filed with the Federal Audit Clearinghouse, including all required attachments in a format that is acceptable to the Federal Audit Clearinghouse.</p> <p>In the filing with the Federal Audit Clearinghouse, I have reviewed the auditee's required statements and attachments and their certifications to the best of their knowledge and belief of truth and correctness as per the instructions to the Data Collection Form.</p> <p>I agree with the certification to the Data Collection Form, which is as follows:</p>	Table	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>The data elements and information included in this form are limited to those prescribed by the Uniform Guidance. The information in Part II of this form is the responsibility of the auditee and is based on information included in the reporting package required by the Uniform Guidance. The information included in Part III of this form, except for Part III Item 2(a)(iii), Item 3(d), and Items 4(a) – (d) (when there are audit findings), was transferred by the auditor from the auditor's report(s) for the period described in Part I, Items 1 and 3, and is not a substitute for such reports. The auditor has not performed any auditing procedures since the date of the auditor's report(s) or any additional auditing procedures in connection with the completion of this form. A copy of the reporting package required by the Uniform Guidance, which includes the complete auditor's report(s), is required to be made available by the FAC on the FAC web site. It is also available in its entirety from the auditee at the address identified in Part I of this form and on the FAC web site.</p> <p>The acceptance of the reporting package was made (is to be made) on a timely basis in accordance with the Uniform Guidance Section 512(a)(1)(c) which is the earlier of 30 calendar days after receipt of the auditor's report(s) or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday or federal holiday, the reporting package is due the next day.</p>				
Modify	<p>Added the following new steps to Section IV: Report Issuance Information:</p> <p>Reporting period end:</p> <p>Receipt of the auditor's report date (per Uniform Guidance Section 512(a)):</p> <p>Thirty calendar days after receipt of auditor's report date (per Uniform Guidance Section 512(a)):</p> <p>Nine months after the end of the reporting period (per Uniform Guidance):</p> <p>Report submission is timely:</p>	Table	Y	Uniform Guidance	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>(If “No,” entity does not qualify as a low risk auditee in the following year per Uniform Guidance Section 520(a)</p> <p>The last step added above will have a floatie option for the user to select, “Yes/No”.</p>				
KBA-903S Uniform Guidance Compliance Audit Documentation Checklist					
Modify	<p>Modified title:</p> <p>Uniform Guidance Compliance Audit Documentation Checklist</p> <p>Removed A-133 references. Updated for Data Collection Form Changes.</p>	Title; text	Y	Uniform Guidance	All steps where the A-133 references were removed will retain on roll forward if the user selects to retain all on this workpaper.

Audit Programs (AUDs) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the provisions of the GAGAS guide, and for consistency with Core; removed references to OMB A-133. Added Note throughout to clarify referencing to guidance:

Caution: This set *Knowledge-Based Audits™ of State and Local Governments with Single Audits* tools only contains tools referencing the *Uniform Guidance*. For those few biennial audits for periods that began *before* December 26, 2014, and would still be performed in accordance with the former Circular A-133, the audit reports generated in accordance with A-133 would not be publicly available on the Federal Audit Clearinghouse website and the auditee would still need to provide reports to any pass-through entities in accordance with the former Circular A-133. Should tools be needed referencing A-133, the auditor should download the tools issued prior to calendar year 2016.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AUD-100 Engagement-Level Tailoring Questions					
Modify	Removed all OMB references within tailoring questions. All these now say “Uniform Guidance”.	Table	Y	Uniform Guidance	All TQs modified in AUD-100 will retain on roll forward.
AUD-101S Overall Audit Program: Uniform Guidance Audit of Federal Awards					
Modify	Modified Title: Overall Audit Program: Uniform Guidance Audit of Federal Awards CORE changes; updated Step 18; deleted practice point; added step 20; added step 36; added sample procedures to step 46. Removed A-133 references.	Title; text; Procedure steps	Y	Uniform Guidance	
Delete	Deleted the following step and Practice Alert: Specifically inquire of management about, and be alert to, recipient and subrecipient expenditure of funds provided by the American Recovery and Reinvestment Act of 2009 (ARRA). Practice Alert: At the time of this edition, ARRA funds may be immaterial for most recipients. The 2015 OMB <i>Compliance Supplement</i> deletes many of the requirements related to ARRA funds.	Procedures steps	Y	Uniform Guidance	
Modify	Added Practice Point for Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (the Uniform Guidance) Step 18 now reads: Hold a discussion among the engagement team, which should include the engagement partner and other key engagement team members, including any component auditors to emphasize the need to use professional skepticism and to discuss the susceptibility of the entity’s major programs to material noncompliance, whether due to fraud or error.				This step will retain on roll forward.

Modify	<p>Added step 20, which reads as follows:</p> <p>Obtain an understanding of the entity's business rationale for significant unusual transactions and whether that suggests the transactions may have been entered into to engage in fraudulent compliance or conceal misappropriation of assets. In obtaining such an understanding, consider the following:</p> <ul style="list-style-type: none"> a. Whether the structure of such transactions is unnecessarily complex (e.g., involving multiple entities within a consolidated group or unrelated third parties). b. Whether management has informed those charged with governance about the nature of and accounting for such transactions. c. Whether management is emphasizing the need for a particular treatment over the underlying economics of the transaction. 	Procedure steps	Y	Uniform Guidance	
Modify	<p>Added step 36, which reads as follows:</p> <p>Evaluate whether the entity's controls sufficiently address identified risks of noncompliance due to fraud and controls intended to address the risk of management override of other controls.</p>	Procedure steps	Y	Uniform Guidance	

Modify	<p>Modified step 46, which now reads as follows:</p> <p>Design and document compliance audit procedures to (1) respond to the assessed risks of material noncompliance at the compliance requirement level, including the risks of management override of internal controls over compliance, providing a clear link between the nature, timing, and extent of compliance audit procedures and the risk assessments due to fraud or error; (2) plan the testing of internal control over compliance to support a low assessed level of control risk of noncompliance for each major program; and (3) address all applicable compliance requirements that could have a direct and material effect on each major program. Procedures may include:</p> <ul style="list-style-type: none"> a. Obtaining additional corroborative audit evidence from independent sources outside the entity or physically inspecting certain assets. b. Performing compliance tests closer to or at year-end. c. Increasing sample sizes or using computer-assisted audit techniques. d. Performing procedures at locations on a surprise or unannounced basis. e. Interviewing personnel involved in activities in areas where fraud risk has been identified to obtain their insights about the risk and how controls address the risk. 	Procedure steps	Y	Uniform Guidance	This step will reset on roll forward.
AUD-601S Audit Program: Testing and Evaluating Internal Auditors' Work					
Modify	<p>Added step 2a, removed practice point from instructions and added verbiage about similar functions.</p> <p>First bulleted item under Purpose modified:</p> <p>Determine whether the work of the entity's internal audit function, or others in a similar function (hereinafter referred to as "internal audit function"), or direct assistance from the internal auditors can be used, and if so, in which areas and to what extent;</p>	Purpose			

Modify	<p>Added substep 2.a: An understanding of the work of the internal audit function sufficient to identify those activities related to the audit.</p> <p>Modified substep 2.e: Whether the nature, timing, and extent of the internal audit function's work was appropriate to meet our objectives and relevant to the overall audit strategy and audit plan, including how audit resources are allocated to compliance activities, including those with direct and material compliance requirements.</p>	Procedure steps			Step 2(e) will retain on roll forward.
AUD-602S Audit Program: Involvement of a Component Auditor					
Modify	A "Not Applicable" option is added to question 9, "If the component prepares financial statements using a different financial reporting framework than that used by the group, we have evaluated following:"				This step will retain on roll forward.
AUD-603S Audit Program: Using the Work of an Auditor's Specialist					
	<p>Added practice point to instructions:</p> <p>Practice Point: An auditor's specialist includes either an auditor's internal specialist (who is a partner or staff, including temporary staff, of the auditor's firm or a network firm) or an auditor's external specialist.</p>	Instructions	N		
AUD-701S Audit Program: Designing Tests of Controls Over Compliance					

	<p>Minor edits to conform to chapter 6 of the GAGAS guide; added Practice Point to Purpose:</p> <p>Practice Point: Professional standards do not directly define ‘a low assessed level’ of control risk of noncompliance. The AICPA recommends that auditors use professional judgment to determine the extent of control testing necessary to obtain a low level of control risk of noncompliance. A factor to consider is the requirement to address federal agencies’ desire to know if conditions indicate that auditees have not implemented adequate controls over compliance for federal programs to ensure compliance with federal statutes, regulations and the terms and conditions of grant awards. Similarly, to other audits, in designing and performing tests of controls, the auditor should obtain more persuasive audit evidence when the auditor plans to place greater reliance on the effectiveness of a control. In addition, as the rate of expected deviation from a control increases, the auditor should increase the extent of testing of the control. However, the auditor should consider whether the rate of expected deviation indicates that obtaining audit evidence from the performance of tests of controls will not be sufficient to reduce the control risk of noncompliance for the assertions relevant to the compliance requirement. If the rate of expected deviation is expected to be high, the auditor may determine that tests of controls for a particular type of compliance requirement may be inappropriate.</p>	Purpose	N		
Modify	<p>The diagnostic on the findings tables column “For Material Noncompliance Finding, Select Major Program” when the user hasn’t selected “Noncompliance” in the “Type of Finding” column will no longer show. This diagnostic will only show when the user selects “Noncompliance” in the “Type of Finding” column.</p>	Table	N		
AUD-801S Audit Program: Activities Allowed or Unallowed					

Modify	<p>Updated Practice Alert (Purpose); modified text, deleting references to Circular A-133; deleted outdated Practice Point (Section I) on the OMB Circulars A-133.</p> <p>Updated for section 3.2.A of 2016 Compliance Supplement (modified first part of Section III Practice Alert) as follows:</p> <p>Practice Alert: The OMB <i>Compliance Supplement</i> Part 3 is divided into two parts. Compliance requirements for federal awards expended that are subject to requirements from OMB Circular A-133 are contained in <i>Compliance Supplement</i> Part 3.1 and are likely federal awards or funding increments made prior to December 26, 2014. Compliance requirements for federal awards subject to the Uniform Guidance are contained in <i>Compliance Supplement</i> Part 3.2 and are likely federal awards or funding increments made on or after December 26, 2014. The Uniform Guidance is effective for federal awards made on or after December 26, 2014, and incremental funding where federal agencies change the award terms and conditions. As explained in the Council on Financial Assistance Reform (COFAR) FAQ .110-11, the effective date of the Uniform Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. However, as specified in the Uniform Guidance section 200.101(b)(3), with the exception of the audit requirements in the Uniform Guidance, subpart F, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of the Uniform Guidance, the provision of the federal statutes or regulations govern. The applicability table in the Uniform Guidance, which is provided below, shows which requirements are applicable to the different types of federal awards.</p> <p>Updated the Primary Audit Objectives table:</p> <p>Obtain an understanding of internal control, assess risk, and test internal control as required by 2 CFR section 200.514(c) (Uniform Guidance).</p>	Purpose; Text;	Y	Compliance Supplement; Uniform Guidance	
AUD-802S Audit Program: Allowable Costs and Cost Principles (States, Local, and Tribal Governments)					

Modify	<p>Removed the following TQ's as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 3. Are expenditures under the major program subject to an Indirect Cost Rate Agreement (ICRA)? 	Table	Y		
Modify	<p>Added Practice Point:</p> <p>Practice Point: As provided in the Uniform Guidance Section 101, the cost principles requirements apply to all federal awards with the exception of grant agreements and cooperative agreements providing food commodities; agreements for loans, loan guarantees, interest subsidies, insurance; and programs listed in the Uniform Guidance Section 101(d). Federal awards administered by publicly owned hospitals and other providers of medical care are exempt from the Uniform Guidance, subpart E, but are subject to the requirements 45 CFR part 75, Appendix IX, the Department of Health and Human Services (HHS) implementation of the Uniform Guidance, which primarily replicates subpart E with a few exceptions. The cost principles applicable to a non-federal entity apply to all federal awards received by the entity, regardless of whether the awards are received directly from the federal awarding agency or indirectly through a pass-through entity. For this purpose, federal awards may also include cost-reimbursement contracts under the Federal Acquisition Regulation (FAR). The cost principles do not apply to federal awards under which a non-federal entity is not required to account to the federal awarding agency or pass-through entity for actual costs incurred.</p>	Purpose	Y	Uniform Guidance	

Modify	<p>Replaced outdated Section II Practice Point; replaced first part of Section III Practice Point as follows:</p> <p>Practice Alert: The OMB <i>Compliance Supplement</i> Part 3 is divided into two parts. Compliance requirements for federal awards expended that are subject to requirements from OMB Circular A-133 are contained in <i>Compliance Supplement</i> Part 3.1 and are likely federal awards or funding increments made prior to December 26, 2014. Compliance requirements for federal awards subject to the Uniform Guidance are contained in <i>Compliance Supplement</i> Part 3.2 and are likely federal awards or funding increments made on or after December 26, 2014. The Uniform Guidance is effective for federal awards made on or after December 26, 2014, and incremental funding where federal agencies change the award terms and conditions. As explained in the Council on Financial Assistance Reform (COFAR) FAQ .110-11, the effective date of the Uniform Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. However, as specified in the Uniform Guidance section 200.101(b)(3), with the exception of the audit requirements in the Uniform Guidance, subpart F, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of the Uniform Guidance, the provision of the federal statutes or regulations govern. The applicability table in the Uniform Guidance, which is provided below, shows which requirements are applicable to the different types of federal awards.</p>	Text	Y	Uniform Guidance	
Modify	Replaced the Primary Audit Objectives table	Procedures table	Y	Uniform Guidance	
Modify	<p>Section III: Deleted text and Practice Points on the OMB Circulars relating to grants and funding before December 31, 2014.</p> <p>Modified substep 1.d.: We determined whether the use of the de minimis indirect cost rate resulted in the entity receiving any indirect cost reimbursement for costs also charged as a direct cost (double-charging or inconsistently charging).</p>	Text, procedures steps	Y	Uniform Guidance	This step will retain on roll forward.
Modify	<p>Added new substep 4.g.(1):</p> <p>If documentation exists, we selected a sample of claims for reimbursement and verified that the rates used are in accordance with the rate agreement, that rates were applied to the appropriate bases, and that the amounts claimed were the product of applying the rate to the applicable base. We verified that the costs included in the base(s) are consistent with the costs that were included in the base year to determine the appropriateness of indirect cost charges to awards.</p>	Procedures steps	Y	Uniform Guidance	

AUD-803S Audit Program: Allowable Costs and Cost Principles (Institutions of Higher Education)					
Modify	<p>Removed the following TQ's as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 3. Does the educational institution receive more than \$25 million in federal funding in any fiscal year (OMB Circular)? 4. Does the educational institution receive more than \$50 million in federal funding in any fiscal year (Uniform Guidance)? 5. Has the entity received a de minimis indirect cost rate? 	Table	Y		

Modify	<p>Updated for section 3.2.B of 2016 Compliance Supplement</p> <p>Purpose section now reads as follows:</p> <p>This audit program is designed to document the audit plan for compliance audit procedures to respond to the assessed risk of material noncompliance relating to allowable costs and cost principles applicable to state, local, and Indian tribal governments pursuant to the Uniform Guidance.</p> <p>Practice Alert: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance) focuses on testing for fraud, waste, and abuse, as well as performance requirements. The scope is limited to activities allowed or unallowed, allowable costs, cash management, cost principles, eligibility, subrecipient monitoring, and reporting. However, federal agencies are allowed additional, special tests and provision requirements. In part 4 of the OMB <i>Compliance Supplement</i>, CFDA 20.001 <i>Wage Rate Requirements Cross-Cutting Section</i> contains a list of federal awards that require Davis-Bacon testing. Care must be taken by auditors to understand which of the types of compliance requirements are applicable for which federal award.</p> <p>Practice Point: As provided in the Uniform Guidance Section 101, the cost principles requirements apply to all federal awards with the exception of grant agreements and cooperative agreements providing food commodities; agreements for loans, loan guarantees, interest subsidies, insurance; and programs listed in the Uniform Guidance Section 101(d). Federal awards administered by publicly owned hospitals and other providers of medical care are exempt from the Uniform Guidance, subpart E, but are subject to the requirements 45 CFR part 75, Appendix IX, the Department of Health and Human Services (HHS) implementation of the Uniform Guidance, which primarily replicates subpart E with a few exceptions. The cost principles applicable to a non-federal entity apply to all federal awards received by the entity, regardless of whether the awards are received directly from the federal awarding agency or indirectly through a pass-through entity. For this purpose, federal awards may also include cost-reimbursement contracts under the Federal Acquisition Regulation (FAR). The cost principles do not apply to federal awards under which a non-federal entity is not required to account to the federal awarding agency or pass-through entity for actual costs incurred.</p>	Purpose; text	Y	Uniform Guidance	
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Modify	Section I, added: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (the Uniform Guidance, section 514(c)(2) requires the auditor to perform procedures to obtain an understanding of internal control over federal programs sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs, in addition to the requirements of <i>Government Auditing Standards</i> (GAGAS).	Text	Y	Uniform Guidance	
Modify	Section III, modified first part of Practice Alert, now reads as follows: Practice Alert: The OMB <i>Compliance Supplement</i> Part 3 is divided into two parts. Compliance requirements for federal awards expended that are subject to requirements from OMB Circular A-133 are contained in <i>Compliance Supplement</i> Part 3.1 and are likely federal awards or funding increments made prior to December 26, 2014. Compliance requirements for federal awards subject to the Uniform Guidance are contained in <i>Compliance Supplement</i> Part 3.2 and are likely federal awards or funding increments made on or after December 26, 2014. The Uniform Guidance is effective for federal awards made on or after December 26, 2014, and incremental funding where federal agencies change the award terms and conditions. As explained in the Council on Financial Assistance Reform (COFAR) FAQ .110-11, the effective date of the Uniform Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. However, as specified in the Uniform Guidance section 200.101(b)(3), with the exception of the audit requirements in the Uniform Guidance, subpart F, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of the Uniform Guidance, the provision of the federal statutes or regulations govern. The applicability table in the Uniform Guidance, which is provided below, shows which requirements are applicable to the different types of federal awards.	Text	Y	Uniform Guidance	
Modify	Modified/Replaced the Primary Audit Objectives table	Primary Audit Objectives table	Y	Uniform Guidance	

Modify	<p>Added new steps under program step library header, “Institutions of Higher Education Indirect Costs in Accordance with the Uniform Guidance”:</p> <p>c. We selected a sample of claims for reimbursement and verified:</p> <ol style="list-style-type: none"> 1. That the rates used are in accordance with the rate agreement; 2. That rates were applied to the appropriate bases; 3. That the amounts claimed were the product of applying the rate to the applicable base; and 4. That the costs included in the base(s) are consistent with the costs that were included in the base year (e.g., if the allocation base is total direct costs, verify that current year direct costs do not include costs items that were treated as indirect costs in the base year). 	Procedures steps	Y	Uniform Guidance	
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Modify	<p>Added new steps under program step library header, “Indirect Costs – Not Approved by Cognizant Agency”:</p> <ol style="list-style-type: none"> 1. The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods reflects the pattern of consumption of the asset during its useful life (Uniform Guidance section 436(d)(2)). 2. The depreciation methods used to calculate the depreciation amounts for the ICRP are the same methods used by the educational institution for its financial statements (Uniform Guidance section 436(d)(2)). 3. Charges for depreciation are supported by adequate property records and physical inventories, which must be taken at least once every 2 years (Uniform Guidance section 436(e)). 4. The allocation method for the depreciation cost pool complies with Uniform Guidance, Appendix III, paragraph B.2. 5. Gains and losses on the sale, retirement, or other disposition of depreciable property have been appropriately accounted for and complies with Uniform Guidance section 443. <p>f. We tested the interest cost pool to determine if:</p> <ol style="list-style-type: none"> 1. Computations for interest comply with the provisions of section 449. 2. The allocation method for the interest cost pool complies with Appendix III, paragraph B.3. <p>g. We tested the operations and maintenance cost pool to determine if:</p> <ol style="list-style-type: none"> 1. Costs are appropriately classified in this cost pool (Appendix III, paragraph B.4). 2. Rental costs comply with the provisions of section.465. 3. The IHE’s accounting practices for classifying (A) rearrangement and alteration costs, and (B) reconversion costs, either as direct or indirect, result in consistent treatment in like circumstances. 4. The allocation method for the operations and maintenance cost pool complies with Appendix III, paragraph B.4. 	Procedures steps	Y	Uniform Guidance	
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	<p>5. If a utility cost adjustment has been included in the negotiated indirect cost rate, the adjustment complies with the provisions of Appendix III, paragraph B.4.c.</p> <p>d. We tested the library cost pool to determine if:</p> <p>(1) Costs are appropriately classified in this cost pool (Appendix III, paragraph B.8).</p> <p>(2) The allocation method for the library cost pool complies with Appendix III, paragraph B.8.</p> <p>(3) If the allocation method is based on a cost analysis study in accordance with Appendix III, paragraph A.2.d, determine that the study:</p> <p>(a) Results in an equitable distribution of costs and represents the relative benefits derived;</p> <p>(b) Is appropriately documented in sufficient detail for review by the cognizant agency for indirect costs;</p> <p>(c) Is statistically sound;</p> <p>(d) Is performed specifically at the educational institution;</p> <p>(e) Is reviewed periodically, but not less frequently than rate negotiations, updated if necessary, and used; and</p> <p>(f) Assumptions are clearly stated and adequately explained.</p> <p>e. We tested the administrative cost pools to determine if:</p> <p>(1) Costs are appropriately classified in these cost pools and the distribution bases are compliant with Appendix III, paragraphs B.5, B.6, and B.7.</p> <p>(2) The administrative cost components comply with the limitation on reimbursement of administrative costs in Appendix III, paragraph C.8.</p> <p>Practice Point: If the proposal is based on the alternative method for administrative costs in Appendix III, paragraph C.9, then the limitation does not apply. If the proposal is based on the alternative method for administrative costs, determine that the educational institution meets the criteria of paragraph C.9 and that this is adequately documented in the proposal.</p>				
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	<p>(3) Departmental administration expense pool – We tested to determine that this cost pool complies with Appendix III, paragraph B.6.</p> <p>(4) Academic Deans’ Offices – We tested that salaries and operating expenses are limited to those attributable to administrative functions.</p> <p>(5) Academic Departments – We tested salaries and fringe benefits attributable to the administrative work (including bid and proposal preparation) of faculty (including department heads), and other professional personnel conducting research and/or instruction, are allowed at a rate of 3.6 percent of modified total direct costs.</p> <p>Practice Point: This category must not include professional business or administrative officers.</p> <p>(a) We determined that this allowance is added to the computation of the indirect cost rate for major functions.</p> <p>(b) We tested to determine that the expenses covered by this allowance are excluded from the departmental cost pool (Appendix III, paragraph B.6).</p> <p>(6) We tested for consistent treatment, in like circumstances, of other administrative and supporting expenses incurred within academic departments. (For example, items such as office supplies, postage, local telephone, and memberships normally are treated as indirect costs).</p>				
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AUD-804S Audit Program: Allowable Costs and Cost Principles (Non-Profit Organizations)					
Modify	<p>Removed the following TQ's as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 3. Does the nonprofit organization have awards containing award-specific rates (approved by the federal awarding agency) that take precedence over the negotiated rate for purposes of indirect cost recovery? 	Table	Y		

Modify	<p>Updated for section 3.2.B of 2016 Compliance Supplement; deleted outdated Practice Alerts; Purpose section now reads as follows:</p> <p>This audit program is designed to document the audit plan for compliance audit procedures to respond to the assessed risk of material noncompliance relating to allowable costs and cost principles applicable to state, local, and Indian tribal governments pursuant to the Uniform Guidance.</p> <p>Practice Alert: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance) focuses on testing for fraud, waste, and abuse, as well as performance requirements. The scope is limited to activities allowed or unallowed, allowable costs, cash management, cost principles, eligibility, subrecipient monitoring, and reporting. However, federal agencies are allowed additional, special tests and provision requirements. In part 4 of the OMB <i>Compliance Supplement</i>, CFDA 20.001 <i>Wage Rate Requirements Cross-Cutting Section</i> contains a list of federal awards that require Davis-Bacon testing. Care must be taken by auditors to understand which of the types of compliance requirements are applicable for which federal award.</p> <p>Practice Point: As provided in the Uniform Guidance Section 101, the cost principles requirements apply to all federal awards with the exception of grant agreements and cooperative agreements providing food commodities; agreements for loans, loan guarantees, interest subsidies, insurance; and programs listed in the Uniform Guidance Section 101(d). Federal awards administered by publicly owned hospitals and other providers of medical care are exempt from the Uniform Guidance, subpart E, but are subject to the requirements 45 CFR part 75, Appendix IX, the Department of Health and Human Services (HHS) implementation of the Uniform Guidance, which primarily replicates subpart E with a few exceptions. The cost principles applicable to a non-federal entity apply to all federal awards received by the entity, regardless of whether the awards are received directly from the federal awarding agency or indirectly through a pass-through entity. For this purpose, federal awards may also include cost-reimbursement contracts under the Federal Acquisition Regulation (FAR). The cost principles do not apply to federal awards under which a non-federal entity is not required to account to the federal awarding agency or pass-through entity for actual costs incurred.</p>	Purpose	Y	2016 Compliance Supplement; Uniform Guidance	
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Modify	<p>Section I, added:</p> <p>Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (the Uniform Guidance, section 514(c)(2) requires the auditor to perform procedures to obtain an understanding of internal control over federal programs sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs, in addition to the requirements of <i>Government Auditing Standards</i> (GAGAS).</p> <p>Section III, modified first part of Practice Alert, now reads:</p> <p>Practice Alert: The OMB <i>Compliance Supplement</i> Part 3 is divided into two parts. Compliance requirements for federal awards expended that are subject to requirements from OMB Circular A-133 are contained in <i>Compliance Supplement</i> Part 3.1 and are likely federal awards or funding increments made prior to December 26, 2014. Compliance requirements for federal awards subject to the Uniform Guidance are contained in <i>Compliance Supplement</i> Part 3.2 and are likely federal awards or funding increments made on or after December 26, 2014. The Uniform Guidance is effective for federal awards made on or after December 26, 2014, and incremental funding where federal agencies change the award terms and conditions. As explained in the Council on Financial Assistance Reform (COFAR) FAQ .110-11, the effective date of the Uniform Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. However, as specified in the Uniform Guidance section 200.101(b)(3), with the exception of the audit requirements in the Uniform Guidance, subpart F, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of the Uniform Guidance, the provision of the federal statutes or regulations govern. The applicability table in the Uniform Guidance, which is provided below, shows which requirements are applicable to the different types of federal awards.</p>				
Modify	Modified and updated the Primary Audit Objectives table	Primary Audit Objectives table	Y	Uniform Guidance	

Modify	<p>Section III: Substantive Procedure – deleted references to OMB Circulars relating to grants and funding before December 31, 2014; modified verbiage from “We evaluated” and “We verified” to “We tested.”</p> <p>Modified step 3.a., substeps (1) and (2), which now read:</p> <ol style="list-style-type: none"> 1. Costs conform to the allowability of cost provisions in the Uniform Guidance, subpart E. 2. Costs are supported by appropriate documentation, such as purchase orders, receiving reports, contractor invoices, canceled checks, and time and attendance records that meet the documentation standards of the Uniform Guidance Section 430(i), and are correctly charged as to account, amount, and period. <p>Modified step 4, which now reads: For Disclosure Statements (DS-1) required by cost accounting standards, we performed the following procedures:</p>	Procedures steps	Y	Uniform Guidance	Step 3a(2) will reset on roll forward due to changes.
AUD-805S Audit Program: Cash Management					
Modify	<p>Removed the following TQ’s as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 	Table	Y		

Modify	<p>Updated for section 3.2.C of 2016 Compliance Supplement</p> <p>Deleted outdated Practice Alerts; added the following Practice Alert:</p> <p>Practice Alert: Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance) focuses on testing for fraud, waste, and abuse, as well as performance requirements. The scope is limited to activities allowed or unallowed, allowable costs, cash management, cost principles, eligibility, subrecipient monitoring, and reporting. However, federal agencies are allowed additional, special tests and provision requirements. In part 4 of the OMB <i>Compliance Supplement</i>, CFDA 20.001 <i>Wage Rate Requirements Cross-Cutting Section</i> contains a list of federal awards that require Davis-Bacon testing. Care must be taken by auditors to understand which of the types of compliance requirements are applicable for which federal award.</p>	Purpose	Y	Uniform Guidance; 2016 Compliance Supplement	
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Modify	<p>Section I, added:</p> <p>Title 2 U.S. Code of Federal Regulations (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (the Uniform Guidance, section 514(c)(2) requires the auditor to perform procedures to obtain an understanding of internal control over federal programs sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs, in addition to the requirements of <i>Government Auditing Standards</i> (GAGAS).</p> <p>Section III, modified first part of Practice Alert, which now reads as follows:</p> <p>Practice Alert: The OMB <i>Compliance Supplement</i> Part 3 is divided into two parts. Compliance requirements for federal awards expended that are subject to requirements from OMB Circular A-133 are contained in <i>Compliance Supplement</i> Part 3.1 and are likely federal awards or funding increments made prior to December 26, 2014. Compliance requirements for federal awards subject to the Uniform Guidance are contained in <i>Compliance Supplement</i> Part 3.2 and are likely federal awards or funding increments made on or after December 26, 2014. The Uniform Guidance is effective for federal awards made on or after December 26, 2014, and incremental funding where federal agencies change the award terms and conditions. As explained in the Council on Financial Assistance Reform (COFAR) FAQ .110-11, the effective date of the Uniform Guidance for subawards is the same as the effective date of the federal award from which the subaward is made. However, as specified in the Uniform Guidance section 200.101(b)(3), with the exception of the audit requirements in the Uniform Guidance, subpart F, in any circumstances where the provisions of federal statutes or regulations differ from the provisions of the Uniform Guidance, the provision of the federal statutes or regulations govern. The applicability table in the Uniform Guidance, which is provided below, shows which requirements are applicable to the different types of federal awards.</p>	Text		Uniform Guidance; 2016 Compliance Supplement	
Modify	Modified the Primary Audit Objectives table	Table	Y	Uniform Guidance	

Modify	<p>Deleted references relating to grants and funding before December 31, 2014; added:</p> <p>Practice Point: The following procedures are intended to be applied to each program determined to be major. However, due to the nature of cash management and the system of cash management in place in a particular entity, it may be appropriate and more efficient to perform these procedures for all programs collectively rather than separately for each program.</p> <p>Modified step 5 (and heading), as follows:</p> <p>Grants and Cooperative Agreements to Non-Federal Entities Other Than States:</p> <p>We reviewed trial balances related to federal funds for unearned revenue (deferred revenue or deferred inflows of resources, as applicable). If unearned revenue, deferred revenue or deferred inflows of resources balances are identified, we evaluated whether such balances are consistent with the requirement to minimize the time between drawing and disbursing federal funds.</p> <p>Modified references in steps for Uniform Guidance Section 305</p>	Procedures steps	Y	Uniform Guidance	Step will retain on roll forward.
AUD-807S Audit Program: Eligibility					
Modify	Removed and added practice points for section 3.2.E of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-808S Audit Program: Equipment and Real Property Management					
Modify	<p>Removed the following TQ's as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 3. Is the auditee entity a State that is a Local or Tribal Government (Uniform Guidance)? 4. Is the auditee entity a Subrecipient of a State that is a Local or Tribal Government? 	Table	Y		

Modify	Removed and added practice points for section 3.2.F of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-809S Audit Program: Matching, Level of Effort, Earmarking					
Modify	Modified step below under the “Matching” Program Step Header: 1(c) We tested records to corroborate that the values placed on in-kind contributions are in accordance with the Uniform Guidance sections 306, 414, and 434 (as applicable), program regulations, and the terms of the award.	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	This step will reset on roll forward due to changes.
Modify	Removed and added practice points for section 3.2.G of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-810S Audit Program: Period of Performance of Federal Funds					
Modify	Removed the following TQ’s as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps: 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)?	Table	Y		
Modify	Removed and added practice points for section 3.2.H of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-811S Audit Program: Procurement and Suspension and Debarment					
Modify	Removed the following TQ as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps: 1. Did the auditee entity expend any American Recovery and Reinvestment Act of 2009 (ARRA) funds in the current year?	Table	Y		

Modify	Removed and added practice points for section 3.2.I of 2016 Compliance Supplement - including keeping reference to A-133 steps due to grace period in FAQ's.	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-812S Audit Program: Program Income					
Modify	Removed and added practice points for section 3.2.J of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-814S Audit Program: Reporting					
Modify	Removed and added practice points for section 3.2.L of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-815S Audit Program: Subrecipient Monitoring					
Modify	<p>Removed the following TQ's as they no longer are associated with any mark N/A within the audit program due to the removal of OMB Circular related steps:</p> <ol style="list-style-type: none"> 1. Were grant awards or funding increments received BEFORE December 26, 2014 (subject to OMB Circular A-87)? 2. Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)? 3. Were deficiencies noted in the auditee entity's "during-the-subaward monitoring" of sub-recipients? 4. Has the sub-recipient(s) displayed a continued inability or unwillingness to have the required audits? 5. Has there been any noted non-compliance by subrecipients? 	Table	Y		
Modify	Removed and added practice points for section 3.2.M of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-816S Audit Program: Special Tests and Provisions					

Modify	Removed and added practice points for section 3.2.N of 2016 Compliance Supplement	Procedures steps	Y	Uniform Guidance; 2016 Compliance Supplement	
AUD-817S Audit Program: Schedule of Expenditures of Federal Awards					
Modify	Removed the following TQ as they no longer are associated with any show/hide within the audit program due to the removal of OMB Circular related steps: Were grant awards and funding increments received ON or AFTER December 26, 2014 (subject to the Uniform Guidance)?	Table	Y		
Delete	Removed and added practice points and references relating to Circular A-133, throughout.	Purpose; Procedures steps	Y	GAGAS Chapter 7; Uniform Guidance	
AUD-901S Audit Program: Subsequent Events					
Modify	Updated for changes in Chapters 7 and 10 of GAGAS guide. Added step 4 and substeps: 4. We have obtained written representations specific to subsequent events, including, but not limited to: a. Management has disclosed the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period. b. Management has disclosed all known noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditor's report or stating that there were no such known instances. c. Management has disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.	Procedures steps	Y	GAGAS Chapter 7 and 10; Uniform Guidance	

Auditor's Reports (RPTs) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

- **Deleted:** The alternate versions from the 2015 Single Audit toolset that referenced the OMB Circulars, as these are no longer applicable (RPTs 901BS, 902BS, 903BS, 904BS, 905BS, 906BS, 907BS, 908BS, 909BS, 911BS, 912BS).
- **NEW: RPT-913AS Report on Schedule of Expenditures of Federal Awards When the Auditor Is Issuing a Stand-Alone Report Under AU-C Section 805, Special Considerations—Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement**

Correspondence Documents (CORs) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the GAGAS guide, and for consistency with CORE. Deleted: The alternate versions referenced the OMB Circulars.

- **Deleted:** The alternate versions from the 2015 Single Audits toolset that referenced A-133 (no longer applicable): (CORs 201BS, 202BS, 202DS, 208BS, 209BS, 213BS, 903BS, 904BS).
- **NEW COR-201CS Single Audit Engagement Letter: Governmental Entity (Uniform Guidance), Integrated Audit**
- **NEW COR-202CS Single Audit Engagement Letter: Not-for-Profit Entity (Uniform Guidance), Integrated Audit**

Practice Aids (AIDs) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

- **AID-201S Nonattest Services Independence Checklist:** Updated for changes in Code of Conduct and GAGAS guide; modified for clarity.
- **AID-701S Audit Sampling Worksheet for Tests of Controls Over Compliance:** Updated for section 519(d); removed A-133 tabs; added a transition considerations tab consistent with the GAGAS guide Part 2.
- **AID-302S Subrecipient Versus Contractor Considerations; AID-303S:** Removed A-133 references.
- **AID-304S List of Clusters and Programs Contained in OMB Compliance Supplement as of June 2016:** Removed A-133 references, updated clusters, added column for loan balances, updated instructions with practice point on expenditures of federal awards; modified title to **List of Clusters and Programs Contained in OMB Compliance Supplement as of June 2016**.
- **AID-401S Understanding General Controls Over Compliance for Information Technology:** Added N/A Option to “Functioning” column; minor wording changes.
- **AID-402S Understanding Controls Over Compliance Maintained by a Service Organization:** Modified for consistency with CORE; added steps 4 & 5 to main table, separated first step in the conclusion table into two steps; added step 3.
- **AID-601S Considering the Use of the Work of Internal Auditors:** Deleted practice point (CORE change); updated some verbiage to make single audit specific; minor additional edits from the GAGAS guide.
- **AID-602S Understanding and Preliminary Assessment of the Entity's Internal Audit Function; AID-701S:** Deleted practice point (CORE change); minor edits.
- **AID-702S Matrix of Compliance Requirements:** Updated for 2016 Compliance matrix changes;
- **AID-801S Audit Sampling Worksheet for Substantive Tests of Compliance:** Updated factors; deleted A-133 references; other minor edits.
- **AID-901S Differences of Professional Opinion: Uniform Guidance Compliance Audit; AID-902S Changes to Audit Documentation After the Auditor's Report Release Date: Uniform Guidance Compliance Audit:** Removed A-133 references; modified titles, replacing “OMB” with “Uniform Guidance.”
- **AID-903S Audit Report Preparation Checklist:** Updated for Data collection form changes and information in GAGAS guide.

Resource Documents (REsS) have been updated throughout, where applicable, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

- **RES-001S *Knowledge-Based Audit Methodology Overview for Single Audits***: Updated content for changes in practice and guidance and consistency with CORE as applicable.
- **RES-002S *Index of Audit Programs, Forms, and Other Practice Aids***: Updated for changes in content; deleted tools that referenced A-133 (no longer applicable).
- **RES-003S *Government Auditing Standards and Single Audits***: Edited references to A-133 and updates for FAQs0
- **RES-004S *Audit Sampling Guidance for Tests of Controls over Compliance***: Edited references to A-133 and added clarifying language on common controls and tests of compliance.
- **RES-005S *Audit Sampling Guidance for Substantive Tests of Compliance***: minor wording changes; clarifications when sampling from pre-UG awards and UG awards.
- **RES-007S *Guidelines for Performing Effective Walkthroughs and Making Inquiries***: Updated to clarify on inquiries.
- **RES-008S *Entity-Level Controls Over Compliance: Examples of Control Activities for Each Internal Control Component and Related Relevant Principles and Points of Focus***: Updated for Part 6 of Compliance Supplement.
- **RES-009S *Control Objectives and Examples of “What Can Go Wrong” and Related Controls That Address What Can Go Wrong: Activities Allowed and Unallowed and Allowable Costs/Cost Principles* – RES-022S *Selected Items of Cost***: Removed A-133 references.
- **RES-016S *Control Objectives and Examples of “What Can Go Wrong” and Related Controls That Address What Can Go Wrong: Procurement and Suspension and Debarment***: Discussed 2-year delay in procurement ability (retained the A-133 information due to the delay).
- **RES-QCA *Meeting Quality Control Standards Using KBA Audit Tools***: Updated QC references and modified for consistency with CORE.

In addition, forms and practice aids throughout have been updated to include new examples and tips and, where applicable, to take into account:

New literature, standards, and developments, reflected in the following current audit and accounting guidance:

- Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance);
- 2016 OMB Compliance Supplement;
- *Government Auditing Standards*, December 2011 Revision (Yellow Book).
- *AICPA Code of Professional Conduct—Revised* (Code);
- AICPA Statement on Quality Control Standards No. 8, *A Firm’s System of Quality Control (Redrafted)*;
- SAS-131 *Amendment to Statement on Auditing Standards No. 122 Section 700, “Forming an Opinion and Reporting on Financial Statements”* (AU-C Section 700);
- SAS-130 *An Audit of Internal Control Over Financial Reporting That Is Integrated With an Audit of Financial Statements* (AU-C Section 940);
- ET Section 1.295, *Nonattest Services*;
- Committee of Sponsoring Organizations (COSO) 2013 update to *Internal Control —Integrated Framework*; and
- 2016 Data Collection form.

Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements conducted using this product.

RELATED, FOUNDATIONS AND ASSOCIATION WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles. Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA s	KNOWLEDGE-BASED AUDIT DOCUMENTS		
KBA-101S	Overall Uniform Guidance Compliance Audit Strategy	X	
KBA-102S	Uniform Guidance Compliance Audit Significant Matters	X	
KBA-103S	Summary and Evaluation of Noncompliance	X	X
KBA-104S	Evaluating and Communicating Deficiencies in Internal Control over Compliance	X	
KBA-301S	Determination of Materiality at the Major Program and Compliance Requirement Levels		
KBA-302S	Understanding the Entity's Program Environment: Complex Entities		
KBA-302N	Understanding the Entity's Program Environment: Noncomplex Entities		
KBA-303S	Inquiries of Management and Others within the Entity about the Risks of Fraud in a Uniform Guidance Compliance Audit		
KBA-400S	Identification of Applicable Compliance Requirements	X	
KBA-401S	Understanding Entity-Level Controls over Compliance: Complex Entities		
KBA-401N	Understanding Entity-Level Controls over Compliance: Noncomplex Entities		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-402S	Understanding Compliance Requirement-Level Controls: Activities Allowed and Unallowed and Allowable Costs/Cost Principles		X
KBA-403S	Understanding Compliance Requirement-Level Controls: Cash Management		X
KBA-404S	[Not in Use]		
KBA-405S	Understanding Compliance Requirement-Level Controls: Eligibility		X
KBA-406S	Understanding Compliance Requirement-Level Controls: Equipment and Real Property Management		X
KBA-407S	Understanding Compliance Requirement-Level Controls: Matching, Level of Effort, and Earmarking		X
KBA-408S	Understanding Compliance Requirement-Level Controls: Period of Performance of Federal Funds		X
KBA-409S	Understanding Compliance Requirement-Level Controls: Procurement and Suspension and Debarment		X
KBA-410S	Understanding Compliance Requirement-Level Controls: Program Income		X
KBA-411S	[Not in Use]		
KBA-412S	Understanding Compliance Requirement-Level Controls: Reporting		X
KBA-413S	Understanding Compliance Requirement-Level Controls: Subrecipient Monitoring		X
KBA-414S	Understanding Compliance Requirement-Level Controls: Special Tests and Provisions		X
KBA-501S	Team Discussion of the Risks of Material Noncompliance		
KBA-502S	Summary of Assessments of Risks of Noncompliance	X	X
KBA-503S	Basis for Assessment of Inherent Risk of Noncompliance		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-901S	Schedule of Expenditures of Federal Awards Presentation and Disclosure Checklist		
KBA-902S	Uniform Guidance Compliance Audit Review and Approval Checklist		
KBA-903S	Uniform Guidance Compliance Audit Documentation Checklist		
AUDs	AUDIT PROGRAMS		
AUD-100S	Engagement-Level Tailoring Questions	X	
AUD-101S	Overall Audit Program: Uniform Guidance Audit of Federal Awards	X	
AUD-601S	Audit Program: Testing and Evaluating Internal Auditors' Work		
AUD-602S	Audit Program: Involvement of a Component Auditor		X
AUD-603S	Audit Program: Using the Work of an Auditor's Specialist		X
AUD-604S	Audit Program: Using the Work of a Management's Specialist		X
AUD-701S	Audit Program: Designing Tests of Controls over Compliance		
AUD-801S	Audit Program: Activities Allowed or Unallowed		X
AUD-802S	Audit Program: Allowable Costs and Cost Principles (States, Local and Tribal Governments)		X
AUD-803S	Audit Program: Allowable Costs and Cost Principles (Institutions of Higher Education)		X
AUD-804S	Audit Program: Allowable Costs and Cost Principles (Non-Profit Organizations)		X

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-805S	Audit Program: Cash Management		X
AUD-806S	[Not in Use]		
AUD-807S	Audit Program: Eligibility		X
AUD-808S	Audit Program: Equipment and Real Property Management		X
AUD-809S	Audit Program: Matching, Level of Effort, Earmarking		X
AUD-810S	Audit Program: Period of Performance of Federal Funds		X
AUD-811S	Audit Program: Procurement and Suspension and Debarment		X
AUD-812S	Audit Program: Program Income		X
AUD-813S	[Not in Use]		
AUD-814S	Audit Program: Reporting		X
AUD-815S	Audit Program: Subrecipient Monitoring		X
AUD-816S	Audit Program: Special Tests and Provisions		X
AUD-817S	Audit Program: Schedule of Expenditures of Federal Awards		
AUD-901S	Audit Program: Subsequent Events		
AIDs	PRACTICE AIDs		
AID-201S	Nonattest Services Independence Checklist		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AID-301S	Single Audit Applicability and Major Program Determination Form		
AID-302S	Subrecipient versus Contractor Considerations		
AID-303S	Determining Compliance Audit Materiality		
AID-304S	List of Clusters and Programs Contained in OMB Compliance Supplement as of June 2016		
AID-401S	Understanding General Controls over Compliance for Information Technology		
AID-402S	Understanding Controls over Compliance Maintained by a Service Organization		X
AID-601S	Considering Reliance on the Work of Internal Auditors		
AID-602S	Understanding and Preliminary Assessment of the Entity's Internal Audit Function		
AID-701S	Audit Sampling Worksheet for Tests of Controls over Compliance		
AID-801S	Audit Sampling Worksheet for Substantive Tests of Compliance		
AID-802S	Dual-Purpose Testing Worksheet		
AID-901S	Differences of Professional Opinion: Uniform Guidance Compliance Audit		
AID-903S	Audit Report Preparation Checklist		

Additional Information for Associated Workpapers

The following tables list the workpapers that require association in this title, along with the information that must be completed before you can insert each workpaper.

Workpaper Requiring Association	What is it associated with?		
	Workpaper	Table/Question	Association Item (Custom Value)
KBA-502S Summary of Assessments of Risks of Noncompliance	KBA-101S Overall OMB Compliance Audit Strategy	Once major programs are listed in the table that answer the question "List the major programs or cluster of programs to be included in the scope of the compliance audit," these workpapers will be automatically selected and inserted for each major program when you next insert a Knowledge Coach workpaper.	
AUD-801S through AUD-816S	KBA-101S Overall OMB Compliance Audit Strategy	Once major programs are listed in the table that answer the question "List the major programs or cluster of programs to be included in the scope of the compliance audit," you can choose which major program to associate with these workpapers.	
KBA-402S through KBA-414S	KBA-101S Overall OMB Compliance Audit Strategy	Once major programs are listed in the table that answer the question "List the major programs or cluster of programs to be included in the scope of the compliance audit," you can choose which major program to associate with these workpapers.	
KBA-103S Summary and Evaluation of Noncompliance	KBA-101S Overall OMB Compliance Audit Strategy	Once major programs are listed in the table that answer the question "List the major programs or cluster of programs to be included in the scope of the compliance audit," you can choose which major program to associate with these workpapers.	
AID-402S Understanding Ctrl's: Service Org (Custom)	AUD-100S Tailoring Question Workpaper	Does the entity use service organizations for federal program transactions? Is "Yes" Shows the "Has the auditor adequately documented our consideration of service organizations used for federal program transactions in the financial statement audit workpapers? Is "No" Shows the "Document the service organizations used by the entity for federal program transactions." table in KBA-101S Overall OMB Compliance Audit Strategy.	
	KBA-101S Overall OMB Compliance Audit Strategy	Document the service organizations used by the entity for federal program transactions.	Service Organization
AUD-602S Audit Program: Component Auditor Involvement (Custom)	AUD-100S Tailoring Question Workpaper	Are any of the applicable compliance requirement types of any of the major programs expected to be audited by component (other independent) auditors? is "Yes" Shows the "Document the compliance requirement types that will be audited by component (other independent) auditors." table in KBA-101S Overall OMB Compliance Audit Strategy.	
	KBA-101S Overall OMB Compliance Audit Strategy	Document the compliance requirement types that will be audited by component (other independent) auditors.	Audit Firm Name
AUD-603S Audit Program: Auditor's Specialist (Custom)	AUD-100S Tailoring Question Workpaper	Does the auditor intend to use a specialist on our audit? Is "Yes" Shows the "Has the auditor adequately documented consideration of the use of a specialist for federal program transactions in the financial statement audit workpapers? is "No" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101S Overall OMB Compliance Audit Strategy.	
	KBA-101S Overall OMB Compliance Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Auditor's Specialist from the Type of Specialist Column	Specialist Firm Name
AUD-604S Audit Program: Management's Specialist (Custom)	AUD-100S Tailoring Question Workpaper	Does the auditor intend to use a specialist on our audit? Is "Yes" Shows the "Has the auditor adequately documented consideration of the use of a specialist for federal program transactions in the financial statement audit workpapers? is "No" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101S Overall OMB Compliance Audit Strategy.	
	KBA-101S Overall OMB Compliance Audit Strategy	Document the expected use of a specialist(s) on our audit. Then select Management's Specialist from the KBA-101S Overall OMB Compliance Audit Strategy.	Specialist Firm Name