

New Uniform Guidance September 11, 2014

Information from GAQC, NPO Conference, COFAR and a prior presentation by Diane Edelstein

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

Pursuing the profession while promoting the public good®
www.md-cpa.com

OMB Grant Reform

- December 26, 2013 – OMB issued Final Grant Reform Rules
 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
 - <http://cfo.gov/cofar/>
 - FAQ – February 12, 2014
 - FAQ August 29, 2014



MaherDuessel
Certified Public Accountants

Replaces prior Circulars

- Streamlining of Related Circulars and Guidance
 - A-21, Cost Principles for Educational Institutions
 - A-50, Audit Follow-Up, related to Single Audit
 - A-87, Cost Principles for State, Local, and Indian Tribal Governments
 - A-89, Federal Domestic Assistance Program Information
 - A-102, Awards and Cooperative Agreements with State and Local Governments
 - A-110, Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations
 - A-122, Cost Principles for Non-Profit Organizations
 - A-133, Audits of States, Local Governments and Non-Profit Organizations

MaherDuessel
Certified Public Accountants

Key Effective Dates

Federal Agencies

- Must implement policies and procedures by promulgating regulations
- Effective **December 26, 2014**

Non-Federal Entities

- Will need to implement the new Administrative Requirements and Cost Principles
- All **NEW** Federal awards and **ADDITIONAL** funding to existing awards made after **December 26, 2014**

Audit Requirements

- Effective for fiscal years **beginning** on or after **December 26, 2014**
- **12/31/15, 6/30/16**

MaherDuessel
Certified Public Accountants

OMB Grant Reform – 2 C.F.R. 200

Contents	Reference	Origin
A – Acronyms and Definitions	200.0 – 200.99	All Circulars
B – General Provisions	200.100 – 200.113	All Circulars
C – Pre-Federal Award Requirements and Contents of Federal Awards	200.200 – 200.211	A-110 and A-89
D – Post-Federal Award Requirements	200.300 – 200.345	A-110 and A-102
E – Cost Principles	200.400 – 200.475	A-21, A-87 and A-122
F – Audit Requirements	200.500 – 200.521	A-133
Appendices		

MaherDuessel
Certified Public Accountants

Key Appendices

Appendix	
Appendix III	Indirect Cost Procedures for Educational Institutions
Appendix IV	Indirect Cost Procedures for Nonprofit Organizations
Appendices V-VII	Procedures for State, Local and Tribal Governments

MaherDuessel
Certified Public Accountants

Key Definitions

- Contractor (new) vs. Vendor (old)
 - A contractor is an entity that receives a contract
 - A contract is the method used by a non-Federal entity to purchase property or services to carry out a project or program
- Must means “ required”
- Should means best practice or recommended

MaherDuessel
Certified Public Accountants

Changes to Subpart B (200.113)

- Mandatory disclosures
- An entity must disclose in writing in a timely manner to a federal agency or pass-through:
 - All violations of federal criminal law involving fraud, bribery or gratuity violations potentially affecting the Federal award
- What constitutes in writing?
- What is timely manner?
- What if organization doesn't have gratuity policy?
- No mention of materiality



MaherDuessel
Certified Public Accountants

Fixed Amount Awards 200.201

- Accountability is based on performance and results
- No governmental review of the actual costs incurred
- Use when cost, historical or unit pricing data is available/ not if cost share or match
- Non-Federal entity must certify completeness



MaherDuessel
Certified Public Accountants

Specific Conditions 200.207

- The Federal awarding agency or pass-through may impose conditions such as the following:
 - Require payments as reimbursements not advances
 - Withhold authority to proceed to next phase
 - Require more detailed financial reports/ or monitoring
 - Require technical or management assistance
 - Establish additional prior approvals

MaherDuessel
Certified Public Accountants

Statutory Req. 200.300 - 302

- Non-Federal entity is responsible for complying with the requirements at 200.300(b). Includes statutory requirements for whistleblower protections
- FYI – Federal awarding agency and pass through can require reports on accrual basis but sub doesn't have to change basis of accounting

MaherDuessel
Certified Public Accountants

Internal Controls 200.303

- “ Should” follow COSO
- “Should” follow Standards for Internal Control in the Federal Government (Green Book)
- Safeguard protected personally identifiable information



MaherDuessel
Certified Public Accountants

Payments 200.305

- Minimize the time between transfer of funds from U.S. Treasury / pass through and disbursement
- **Must** be paid in advance or if can't comply with requirements reimbursement 30 days after billed
- If electronic transfer can be as often as like
- Interest up to \$500/ yr. may be retained for administrative purposes/ pay annually to HHS rather than each awarding agency

MaherDuessel
Certified Public Accountants

Cost Sharing/ Matching 200.306

- Largely unchanged from A-110 – don't forget necessary, reasonable, and allowable
- Unrecovered indirect costs, may be included as part of cost sharing or matching only with prior approval of the federal agency
- For donated items can use as cost share or depreciate / not both

MaherDuessel
Certified Public Accountants

Program Income 200.307

- If Federal agency does not specify how to use, program income must be deducted from total allowable costs



MaherDuessel
Certified Public Accountants

Period of Performance 200.309

- Federal awarding agency may authorize no-cost extensions of the period of performance
- No costs incurred before award unless approved

MaherDuessel
Certified Public Accountants

New Requirement 200.318

- The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency(or pass-through entity) in accordance with applicable Federal awarding agency policy

MaherDuessel
Certified Public Accountants

Reporting 200.327

- Cash transaction and financial status report – deleted. Must use OMB approved government – wide reporting - Federal Financial Report
- See FFR at www.whitehouse.gov

MaherDuessel
Certified Public Accountants

Procurement – Subpart D (200.320)

Now five procurement methods:

1. Micro-purchases
 - Acquisition of supplies or services value not to exceed \$3,000
 - Awarded without soliciting competitive quotations if price is considered reasonable
2. Small purchase procedures
 - Subject to simplified acquisition threshold (\$150,000)
 - Price or rate quotations must be obtained from an adequate number of qualified sources
 - Adequate number not defined

MaherDuessel
Certified Public Accountants

Procurement – Subpart D (200.320) – Continued

3. Procurement by sealed bids
 - Publicly solicited
 - Fixed price contract awarded to lowest bidder
 - Preferred for procuring construction



MaherDuessel
Certified Public Accountants

Procurement – Subpart D (200.320) – Continued

4. Competitive proposals
 - Must follow these requirements:
 - RFP must be publicized
 - Proposals solicited from adequate number of qualified sources
 - Organization must have written method for conducting evaluation of proposals received
 - Contract awarded to the firm with proposal most advantageous to the program – price and other factors considered
 - Doesn't need to be lowest price

MaherDuessel
Certified Public Accountants

Procurement – Subpart D (200.320) – Continued

5. Noncompetitive proposals
 - ONLY appropriate when:
 - Goods or services only available from a single source
 - There is public emergency
 - After soliciting number of sources competition is deemed inadequate
 - NEW: Awarding agency expressly authorized noncompetitive proposals in response to written request from organization
 - Just naming a vendor in a grant or budget isn't enough
- ****contracts must contain info in Appendix II Part 200****

MaherDuessel
Certified Public Accountants

Pass- through Monitoring 200.331

- Must put specific info in the sub award, including indirect cost rate (see list)
- Must evaluate each sub recipient's risk of noncompliance and determine appropriate sub recipient monitoring
 - Provide training and technical assistance
 - Perform on-site reviews
 - Arrange for agreed upon procedure engagements

MaherDuessel
Certified Public Accountants

Remedy/Noncompliance 200.338

- *Add conditions to the award*
- Temporarily withhold cash payments
- Disallow costs
- Terminate or suspend the award
- Withhold further awards

MaherDuessel
Certified Public Accountants

Post- Closeout 200.344

- Post closeout adjustments – must be based on an audit or other review made within record retention period
- The collection of questioned costs can occur after the record retention period

MaherDuessel
Certified Public Accountants

The New Cost Principles

- 2 CFR 200 – Subpart E
- 2 CFR 200.400 – 475
- Applicable to States, Local Governments, Tribal Governments, Colleges and Universities, and Nonprofit Organizations
- Not applicable to Commercial Organizations and Hospitals
 - Maybe later



MaherDuessel
Certified Public Accountants

Key Basic Concepts of Cost Principles Retained

- Recipient responsibility for employing sound management practices
- Recipient autonomy related to organizational structure, staffing, and management
- Recipient decision making related to charging practice (direct vs. indirect)
- No profit in Federal assistance
- Total recovery: allowable costs plus allocable indirect costs minus applicable credits

MaherDuessel
Certified Public Accountants

General Tests of Allowability of Costs Retained

Necessary, reasonable, allocable	Conform to limitations	Conform with Federal law and grant terms
Consistent with organizational policies	Consistently treated	Determined in accordance with GAAP
Not charged elsewhere	Net of applicable credits	Adequately documented

MaherDuessel
Certified Public Accountants

Cost Principles with Little or No Change

- 421 Advertising and public relations
- 423 Alcoholic beverages
- 424 Alumni(ae) activities
- 425 Audit services
- 426 Bad debts
- 429 Commencement and convocation costs
- 445 Goods and services for personal use
- 450 Lobbying
- 455 Organization costs
- 457 Plant and homeland security costs
- 458 Pre-award costs
- 459 Professional service costs
- 467 Selling and marketing costs
- 469 Student activity costs

MaherDuessel
Certified Public Accountants

Cost Principles with Changes

- 427 Bonding costs
- 430 Compensation – personal services
- 431 Compensation – fringe benefits
- 433 Contingency provisions
- 434 Contributions and donations
- 436 Depreciation
- 437 Employee morale, health and welfare costs
- 439 Equipment and other capital expenditures
- 441 Fines, penalties, damages and other settlements
- 447 Insurance and indemnification
- 449 Interest
- 453 Materials and supplies costs, including costs of computing devices
- 454 Memberships, subscriptions, and professional activity costs

MaherDuessel
Certified Public Accountants

Cost Principles with Changes – Continued

- 460 Proposal costs
- 461 Publication and printing costs
- 462 Rearrangement and reconversion costs
- 463 Recruiting costs
- 464 Relocation of employees
- 465 Rental costs of real property and equipment
- 468 Specialized service facilities
- 470 Taxes (including Value Added Taxes)
- 471 Termination costs
- 472 Training and education
- 474 Travel

MaherDuessel
Certified Public Accountants

Compensation – Personal Services (200.430)

- Time and distribution records must be maintained for all employees whose salaries are:
 - Paid in whole or in part with federal funds (200.430(i)(1))
 - Used to meet a match/cost share requirement (200.430(i)(4))



MaherDuessel
Certified Public Accountants

Compensation – Personnel Services (200.430) – Continued

- Two fundamental features were maintained in the new Cost Principles Subpart E:
 1. Time and effort is based on actual NOT budget
 2. Full disclosure
 - All time worked for the organization and what portion is Federal



MaherDuessel
Certified Public Accountants

Compensation – Personnel Services (200.430) – Continued

- Four new standards for documentation of personnel expenses
 1. Charges for salaries must be based on records that accurately reflect the work performed
 2. Must be supported by a **system of internal controls** which provides *reasonable* assurance the amounts charged are accurate, allowable, and properly allocated

MaherDuessel
Certified Public Accountants

Compensation – Personnel Services (200.430) – Continued

3. Be incorporated into official records
 4. Reasonably reflect total activity for which employee is compensated
 - Not to exceed 100%
 - Implies one document
 - Not separate for each program
- These are the highlights (there is more in section 200.430)
- Review details if applicable



MaherDuessel
Certified Public Accountants

Depreciation (200.436)

- Use allowance no longer allowed
- No depreciation on assets that are fully depreciated
- New: depreciation over life of the asset



MaherDuessel
Certified Public Accountants

Equipment and Other Capital Expenditures (200.439)

- Computing devices do not meet the threshold requirement so are considered supplies
 - Tablets
 - Laptops
 - Smart phones
- Lesser of \$5,000 or entity capitalization threshold
- Revisit policy if below this amount



MaherDuessel
Certified Public Accountants

Key Changes to Indirect Costs – Subpart E

- More changes in Section 200.414:
 - Introduction of de minimis 10% rate in lieu of negotiation
 - Authorization to continue use of a negotiated rate for up to four years



MaherDuessel
Certified Public Accountants

Key Changes to Indirect Costs – Subpart E-Continued

- Salaries of administrative and clerical staff are normally treated as *indirect* unless all of the following are met (200.413(c)):
 1. Such services are integral to the activity
 2. Individuals can be specifically identified with the activity
 3. Such costs are explicitly included in the budget or have prior *written* approval
 4. Costs not also recovered as indirect

MaherDuessel
Certified Public Accountants

Key Changes to Indirect Costs – Subpart E – Continued

- More changes in Section 200.414:
 - Mandating (or encouraging) indirect charging of certain allowable costs
 - Administrative support
 - Proposal costs
 - Audit services
 - Required recognition by federal agencies of federally negotiated rates
 - Enforcement of long-standing policy
 - No more side deals



MaherDuessel
Certified Public Accountants

Key Changes to Indirect Costs – Subpart E – Continued

- More changes in Section 200.414 – Continued:
 - Procedures for recognition of subrecipient indirect costs
 - Recognize Federally negotiated rates
 - Permit use of 10% de minimis rate
 - Small organizations without negotiated indirect cost rates now have mechanism to get indirect costs reimbursed
 - Must be addressed in subgrant agreement



MaherDuessel
Certified Public Accountants

Required Certifications – Subpart E (200.415)

- Similar in A-87 but not A-21 or A-122
- Certification on annual and final fiscal reports or vouchers requesting payment
 - Assurance that expenditures are proper and in accordance with the terms and conditions of the federal award and approved budget
- Required on EVERY voucher requesting pay
- Does this apply to drawdowns also?



MaherDuessel
Certified Public Accountants

Required Certifications – Subpart E (200.415) – Continued

- Signed by an official who is authorized to legally bind the entity
 - Who will be designated at the organization?
 - CFO? CEO?
 - Organizations should start thinking about this
- Subject to criminal, civil or administrative penalties for fraud, false statements or false claims



MaherDuessel
Certified Public Accountants

Written Policies

- “Written Policy” reference in Uniform Guidance (25 times)
 - Financial management – section 200.302
 - Payment – section 200.305
 - Procurement – sections 200.318, 200.319, 200.320
 - Compensation – sections 200.430 and 200.431
 - Relocation costs – section 200.464
 - Travel costs – section 200.474

MaherDuessel
Certified Public Accountants

AUDIT REQUIREMENTS

REFORMS TO CIRCULARS A-133 AND A-50

MaherDuessel
Certified Public Accountants

Revisions Focus Audit On Risk

- Increases audit threshold.
- Strengthens risk-based approach to determine Major Programs.
- Provides for greater transparency of audit results.
- Strengthens agency use of the single audit process.
- Provides for public outreach to focus Compliance Supplement on requirements of highest risk.

MaherDuessel
Certified Public Accountants

Basic Structure of Single Audit Process Unchanged

- Audit threshold (200.501).
- Subrecipient vs. Contractor (200.501(f) & 200.330).
- Biennial (200.504) & Program-specific (200.507) audits.
- Non-Federal entity selects auditor (200.509).
- Auditee prepares financial statements & SEFA (200.510).
- Audit follow-up & corrective action (200.511 & 200.521).
- 9-month due date (set in law) (200.512(a)).
- Reporting to Federal Audit Clearinghouse (200.512).
- Major programs determined based on risk (200.518).
- Compliance Supplement overall format.

MaherDuessel
Certified Public Accountants

Audit Threshold

- Increases audit threshold from \$500,000 to \$750,000
- What will the Commonwealth do as a result of fewer audits?
- What will you do to properly monitor?

MaherDuessel
Certified Public Accountants

Major Program Determination

- 200.518 Major Program Determination focuses audits on the areas with internal control deficiencies that have been identified as material weaknesses. Future updates to the Compliance Supplement will reflect this focus as well.

MaherDuessel
Certified Public Accountants

Type A/B Threshold (Step 1)

- Programs are grouped based on dollars.
 - Type A programs are those above the threshold.
 - Type B are those below the threshold.
- Type A/B threshold is a sliding scale with minimum.
 - Minimum increases from **\$300,000 to \$750,000**.
 - Threshold presented in table to be more easily understood.
- Audit threshold and Type A/B minimum threshold will be the same at \$750,000.

MaherDuessel
Certified Public Accountants

Type A/B Threshold – Table (200.518(b)(1))

Type A/B Threshold	Total Federal Awards Expended (FAE)
\$750,000	Equal to \$750,000 but LT or EQ to \$25 M
Total FAE times .03	Exceed \$25M but LT or EQ to \$100M
\$3,000,000	Exceed \$100M but LT or EQ to \$1B
Total FAE times .003	Exceed \$1B but LT or EQ to \$10B
\$30M	Exceed \$10B but LT or EQ to \$20B
Total FAE times .0015	Exceed \$20B

M means Million Dollars and B means Billion Dollars.
LT means Less Than.
EQ means Equal To.

MaherDuessel
Certified Public Accountants

High-Risk Type A Program

Current A-133 Criteria:

- Not audited as major program in 1 of 2 most recent audit periods
- In most recent period had **Any Audit Finding**
 - Provided for auditor judgment in limited cases; e.g., very small questioned costs
- Auditor considered risk related to:
 - Federal or pass-through entity (PTE) oversight
 - Inherent risk**
 - Results of audit follow-up
 - Changes in personnel or systems

Uniform Grant Guidance:

- SAME "two year look-back"**
- In most recent period had a **High Risk Audit Finding** identified as:
 - Modified opinion
 - Material weakness in internal control
 - Known or likely questioned costs exceeding 5% of total program expenditures
- Auditor **only** considers risk related to:
 - Federal or PTE oversight
 - Results of audit follow-up
 - Changes in personnel or systems.

MaherDuessel
Certified Public Accountants

Key – An entity with strong internal controls and few audit findings will have less high-risk Type A programs

High-Risk Type B Program (200.518(d)) (Step 3)

Current A-133 criteria:

- Currently there are two Type B risk assessment options:
 - Option 1 – Perform risk assessments on **ALL** Type B programs and select at least **50%** of Type B programs identified as high risk up to number of low-risk Type A programs.
 - Option 2 – Perform risk assessments on all Type B programs until as many high-risk Type B programs have been identified as there are low-risk Type A programs.

New criteria:

- Perform risk assessments on Type B programs until high-risk Type B programs have been identified **UP TO** at least **25%** of number of low-risk Type A programs.

MaherDuessel
Certified Public Accountants

Percentage of Coverage Rule (200.518(f)) (Step 4)

- Guidance reduces the minimum coverage as follows:

Type of Auditee	Current	New
Not low-risk	50%	40%
Low-risk	25%	20%

MaherDuessel
Certified Public Accountants

Low-Risk Auditee (200.520)

- | | |
|---|--|
| Current (2 prior years) | New (2 prior years) |
| <ul style="list-style-type: none">Annual single auditsUnmodified opinion on financial statements in accordance with GAAPUnmodified SEFA in relation to opinionNo GAGAS material weaknessesIn either of preceding two years, none of Type A programs had:<ul style="list-style-type: none">Material WeaknessMaterial noncomplianceQuestioned costs that exceed 5%Timely filing with FACAuditor reporting going concern not preclude low-riskWaivers | <ul style="list-style-type: none">SAMEUnmodified opinions on statements in accordance with GAAP or basis of accounting required by state lawSAMESAMESAMESAMESAMENo Audit reporting of going concernNo waivers |

MaherDuessel
Certified Public Accountants

Single Audit Report Submission (Cont'd)

- All auditees must submit the reporting package and the data collection form electronically to the Federal Audit Clearinghouse (FAC) (200.512(d)).
- FAC submission process will be changed to require that submissions be in text-based PDF and unlocked to improve accessibility.
- FAC responsible to make the reports available on a Web site (200.512(g)).
 - Exception for Indian tribes

MaherDuessel
Certified Public Accountants

Single Audit Reports on the Web - PPII

- Auditors and auditees must ensure reports do not include protected personally identifiable information (PPII) (200.82 & 200.512(a)(2)).
- Auditee must sign statement that (200.512(b)(1)):
 - Reports do not include PPII.
 - Authorizes FAC to make reports publically available on a Web site.
 - Exception for Indian tribes as defined in 200.54.
 - No exception for tribal organization not meeting the 200.54 definition.

MaherDuessel
Certified Public Accountants

FAC Repository of Record for Reporting Packages (200.36 & 200.512(b))

- Federal agencies, pass-through entities, and others obtain copies by accessing FAC website.
- Subrecipient only required to submit report to FAC and no longer required to submit to pass-through entity.
- Pass-through entity no longer required to retain copy of subrecipient report as available on the Web.

MaherDuessel
Certified Public Accountants

Single Audit Accountable Official

200.513 Responsibilities

Requires Federal awarding agencies to designate a Senior Accountable Official who will be responsible for overseeing effective use of the Single Audit process and implementing metrics to evaluate audit follow-up.

MaherDuessel
Certified Public Accountants

Single Audit Accountable Official (200.513(c)(5))

- Ensure agency effectively uses the single audit process.
- Develop a baseline, metrics, and targets to track, over time, the effectiveness of:
 - The agency's process to follow-up on audit findings.
 - Single Audits in:
 - Improving non-Federal entity accountability for Federal awards.
 - Use by the agency in making award decisions.
- Designate the agency's Key Management Single Audit Liaison.

MaherDuessel
Certified Public Accountants

Agency Key Management Single Audit Liaison (200.513(c)(6))

- Agency management's point of contact for single audit.
- Promote interagency coordination.
- Oversee training for agency's program management personnel related to the single audit process.
- Promote use of cooperative audit resolution.
- Coordinate agency's audit follow-up to ensure timely corrective action on audit findings.
- Organize cognizant agency for audit follow-up.
- Ensure agency provides annual updates to the Compliance Supplement.
- Support the Senior Audit Accountable Official.

MaherDuessel
Certified Public Accountants

Cooperative Audit Resolution

200.513(c)(3)(iii) Responsibilities

Encourages Federal awarding agencies to make effective use of cooperative audit resolution practices in order to reduce repeat audit findings.

MaherDuessel
Certified Public Accountants

Appendix XI - Compliance Supplement

While most commenters were in favor of the proposed reduction of the number of types of compliance requirements, many voiced concern about the process to implement such changes. Comments questioned whether Federal agencies adding back provisions under special tests and provisions would result in increased administrative burden.

Since the Supplement is published as part of a separate process, the COFAR recommended that any future changes to its structure be based on available evidence of impact on past findings and include further public outreach to mitigate potential risks of an inadvertent increase in administrative burden.

MaherDuessel
Certified Public Accountants

Compliance Supplement

- Supplement is published as separate process so the final changes are not included in the Guidance.
- Future changes will be based on available evidence of past audit findings & potential impact of non-compliance.
- Further public outreach will be conducted prior to making structural changes to Supplement format.
 - 2014 Supplement will preview the implementation of changes.
 - Changes will not be effective until the 2015 Supplement.

MaherDuessel
Certified Public Accountants

Audit Findings (200.516)

- Increases the threshold for reporting known and likely questioned costs from \$10,000 to \$25,000 (200.516(a)(3) & (4)).
- Requires that questioned costs be identified by CFDA number and applicable award number (200.516(b)(6)).
- Requires identification of whether audit finding is a repeat from the immediately prior audit and if so the prior year audit finding number (200.516(b)(8)).
- Provides that audit finding numbers be in the format prescribed by the data collection form (200.516(c)).

MaherDuessel
Certified Public Accountants

Finding Elements

§
200.516



MaherDuessel
Certified Public Accountants

Single Audit Reporting

- Face of schedule of expenditures of federal awards (SEFA) must include **all** Federal awards expended including:
 - Noncash assistance
 - Loan programs (beginning balance of outstanding loans plus loans disbursed during period plus interest subsidy, cash, or administrative cost allowance)
 - Loan guarantee programs
- Amounts in data collection form should be same as SEFA
- Reporting package submitted to Federal Audit Clearinghouse (FAC) must be unlocked and unencrypted
- Reports submitted to FAC will be publicly available except for Indian tribes

MaherDuessel
Certified Public Accountants

Additional Audit Requirements

- List of program specific audit guides will be provided beginning with the 2014 Supplement including (200.517(a)):
 - Agency contact information.
 - Web site where copy of guide is available.
- Clarified that if report due date is on a Saturday, Sunday, or Federal legal holiday, report submission is due the next business day (200.512(a)).
- Provides for a government-wide audit quality project once every 6 years beginning in 2018 (200.513(a)(3)(ii)).
- Made technical edits to align with current auditing standards.

MaherDuessel
Certified Public Accountants

Effective Date for Audit Requirements (200.110(b))

- Subpart F will be effective for non-Federal entity Fiscal Years (FY) or biennial periods beginning on or after December 26, 2014.
- First year examples:
 - FY beginning January 1, 2015 and ending December 31, 2015.
 - Biennial period beginning January 1, 2015 and ending December 31, 2017.
- Early implementation of Subpart F is not permitted.

MaherDuessel
Certified Public Accountants

Reaching COFAR

Please submit questions to cofar@omb.eop.gov. All questions will be reviewed and some may be included in a frequently asked questions document that will be posted on the COFAR website, <https://cfo.gov/cofar/>

MaherDuessel
Certified Public Accountants

Links to Helpful Documents

- All these documents can be found at http://www.whitehouse.gov/omb/grants_docs
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards - 2 CFR 200 <http://www.ecfr.gov/cgi-bin/text-idx?SID=d6d9a62155484b2fb6176d7d01a640cc&node=2:1.1.2.2.1&rgn=div5>
- Uniform Administrative Requirements... Pdf version <http://www.gpo.gov/fdsys/pkg/FR-2013-12-26/pdf/2013-30465.pdf>

MaherDuessel
Certified Public Accountants

Links to Helpful Documents – Continued

- Uniform Guidance *Cost Principles* Text Comparisons <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-cost-principles-requirements-text-comparison.pdf>
- Uniform Guidance *Audit Requirements* Text Comparisons <http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform-guidance-audit-requirements-text-comparison.pdf>

MaherDuessel
Certified Public Accountants

Links to Helpful Documents – Continued

- Uniform Guidance Administrative Requirements Text Comparisons
http://www.whitehouse.gov/sites/default/files/omb/fedreg/2013/uniform_guidance_administrative_requirements_text_comparison.pdf
- COFAR's FAQ for New Uniform Guidance on 2 CFR 200
<https://cfo.gov/wp-content/uploads/2013/01/2-C.F.R.-200-FAQs-2-12-2014.pdf>
- E-mail COFAR at cofar@omb.eop.gov

MaherDuessel
Certified Public Accountants

COFAR Presentation

Links to the Uniform Guidance 1-27-14 Training Webcast:

- COFAR Training Intro 1-27-14
<http://youtu.be/SOET4b-7my8>
- COFAR Training Administrative Requirements 1-27-14
<http://youtu.be/BP3I3Pj1JQ>
- COFAR Training Cost Principles 1-27-14
<http://youtu.be/g0rWXdy2ICM>
- COFAR Training Audit Requirements 1-27-14
<http://youtu.be/q-U8HGbbC-Y>

MaherDuessel
Certified Public Accountants

Federal Audit Clearinghouse

- <https://harvester.census.gov/facweb/Default.aspx>
- FAQs on the website
- E-mail link to ask questions on the website
- Call (301) 763-1551 or (800) 253-0696 (toll free)

MaherDuessel
Certified Public Accountants

Federal Audit Clearinghouse – 2013 Form Changes

- Personally Identifiable Information Certification (PII)
 - Auditors and auditees will be required to certify that their reporting package does not contain Personally Identifiable Information (PII).
- Unlocked, unencrypted, and at least 85% text-searchable PDFs.

MaherDuessel
Certified Public Accountants

Federal Audit Clearinghouse – 2013 Form Changes

- New Submission Process
 - New user profiles
 - For 2013 audits with cognizant agency (and remaining audits in 2014), all reporting package uploads must be text searchable, unlocked, and unencrypted PDF files (FAC provides instructions when filing reports this year)
- FAC working towards making all reporting packages transparent to the public
 - Financial statements, SEFA
 - Auditor reporting
 - Schedule of Findings and Questioned Costs

MaherDuessel
Certified Public Accountants

Questions ?????



LISA A. RITTER, CPA, CFE
PARTNER- MAHER DUESSEL
HARRISBURG, PA
WWW.MD-CPAS.COM
LRITTER@MD-CPAS.COM

MaherDuessel
Certified Public Accountants