



**New York Airports District Office
Information Bulletin
Federal Aviation Administration
Eastern Region
New York Airports District Office
1 Aviation Plaza
Jamaica, NY 11434**

Subject: Single Audit Act Requirements

Issue Date: Nov. 15, 2016

Prepared by: Ybrahina Cohen

Point of Contact: Ybrahina Cohen

Action Required: Contact the NYADO for additional guidance

Attachments: FAA HQ Single Audit Act Requirements Memo

**Federal Aviation
Administration**



**New York Airports District Office
1 Aviation Plaza, Room 111
Jamaica, New York 11434
Telephone: 718-995-5770
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Re: Single Audit Act Requirements

Dear Airport Sponsor,

The purpose of this communication is to inform you of your responsibility to complete the requirements under the Single Audit Act of 1984. If you are a grantee expending more than \$750,000 in Airport Improvement Program (AIP) funding per fiscal year, you are legally required to complete an annual audit in accordance with the Single Audit Act of 1984 (as amended) and 2 CFR Subpart F – Audits Requirements.

As of December 26th, 2014, the new uniform grant requirements of 2 CFR-200 became effective. The audit report is due by the earlier date of either 30 days after receipt of the auditor's report(s), or nine months after the end of the fiscal year end date.

The Office of Management and Budget (OMB) has also issued a 2015 Compliance Supplement that serves to identify important compliance requirements relevant to the AIP. Visit www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2015 to obtain this information.

Sponsors required to conduct a single audit must submit their audit electronically to the Federal Audit Clearinghouse (FAC) via their Internet Data Entry System. For more detailed information on the Single Audit Act requirements please reference the following web site: <http://harvester.census.gov/sac/>

Should you have any questions, please contact the New York Airports District Office,

Thank you.



Federal Aviation Administration

Memorandum

Date: November 30, 2015

To: Planning and Programming Branch Managers (XXX-610)

From: Jesse Carriger, Manager, Airport Improvement Program, APP-520

A handwritten signature in blue ink, appearing to be "JC", is written over the name "Jesse Carriger" in the "From:" line.

Subject: **AIP Alert #16-01: ACTION- FY16 Single Audit Act Requirements**

This guidance serves as an update to the November 20, 2014, AIP memo outlining guidance for the Single Audit Act tracking and reporting requirements.

In August of 2009 the Department of Transportation Inspector General identified during a review of our grant management disbursement process that the FAA failed to properly monitor and track grantees that are required to meet the requirements of the Single Audit Act.

The Single Audit Act requires that non-Federal entities that expend \$750,000 or more in their fiscal year in Federal awards must complete annual or program-specific audits. Although FAA may not be the cognizant agency, HQ requires Regions/ADOs to send out notification to our airport sponsors if they potentially trigger the single audit requirement.

As of December 26, 2014, the new uniform grant requirements of 2 CFR 200 became effective. An entity whose fiscal year starts after December 26, 2014 must use the standards of Subpart F – Audit Requirements when conducting their audit. The first audit period for which the uniform requirements become effective is January 1, 2015 through December 31, 2015. For a June 30th fiscal year end, the audit period will be from July 1, 2015 through June 30, 2016.

Attachment 1: Delphi expenditures report - \$750,000 or more. This list is to be used to aid in the requirement, and is not all inclusive, as the audit trigger is dependent on all federal awards expended by the sponsor within their audit period (normally fiscal year).

Attachment 2: Form letter that may be used to notify sponsors, either via email or U.S. Mail, or as part of other notifications. All notifications should be sent out to sponsors **by March 31, 2016.**

Single Audit Act Requirements (as of 11/30/15)

Each year, the Federal Government provides billions of dollars in grants to non-Federal entities (States, local and tribal governments, etc...). Audits are a primary tool used by the Federal Government to ensure that these funds are expended properly. A single audit provides a cost-effective mechanism for non-Federal entities to conduct one audit in lieu of multiple audits of individual programs.

When is a single audit required?

Audits are required in accordance with the Single Audit Act of 1984 (as amended) and 2 CFR Subpart F – Audits Requirements.

Non-Federal entities* (airport sponsors including sub-grant recipients under the FAA's State Block Grant Program) that **expend \$750,000** or more of Federal funds in the sponsor's fiscal year must have a single or program-specific audit conducted for that year. The \$750,000 threshold represents **all Federal** funding sources, not just grants from the Federal Aviation Administration.

***Note:** Airport sponsors that are part of a larger government entity (city or county) commonly are covered by the larger entity's Single Audit submission. This submission fulfills the audit requirement.

What does a single audit contain?

A single audit combines the annual financial statement audit with additional audit coverage of Federal funds. The single audit is intended to meet the basic audit needs of both the non-Federal entity and the Federal awarding agencies, combining all Federal programs into a single report.

The auditor conducting the single audit must comply with the requirements outlined in subpart F. Additionally, the Compliance Supplement (2 CFR Appendix XI) provides special instructions for each Federal program. The special instructions for the Airport Improvement Program ensure the auditor reviews airport revenues as well as other aspects of the airport's financial statements.

How do I obtain an auditor?

Subpart F requires that Federal administrative rules be followed in procuring audit services. Factors to consider in evaluating proposals for audit services include responsiveness to the request for proposal, availability of staff with professional qualifications and relevant experience, results of quality reviews, and cost. The audit is typically performed by an independent certified public accountant (CPA).

Information is also available on the General Accountability Office's website at www.gao.gov. A pamphlet called "*How to Avoid a Substandard Audit: Suggestions for Procuring an Audit*" is available for use.

How do I submit my audit?

Sponsors may no longer mail audit reports to the Federal Audit Clearinghouse. Instead, Sponsors must upload their completed audit report online at the Federal Audit Clearinghouse website (<http://harvester.census.gov/fac/>).

Users are instructed to create an online report ID and then complete form SF-SAC prior to uploading the audit report.

Where can I get more information?

Single audit requirements are set forth in 2 CFR subpart F and the associated Compliance Supplemental.

Information related to single audit requirements can be found at:
<http://www.ecfr.gov/cgi-bin/text-idx?node=sp2.1.200.f>

Information related to the 2015 Compliance Supplement can be found at:
https://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2015