

GATA Audit Requirements

The audit requirements adopted by GATA include the adoption of the federal audit requirements (2 CFR 200.501), audit requirements for grantees and subrecipients that do not meet the federal audit requirements and audit requirements for “For Profit” subrecipients.

Audit Types

1. A non-federal entity (awardee) that expends \$750,000 or more during the non-federal entity's fiscal year in federal awards (federal pass-through and direct federal funds) from all sources must have a single audit conducted in accordance with 2 CFR 200.514. Awardee's meeting certain requirements may elect to have a program-specific audit conducted in accordance with 2 CFR 200.507 with the approval of their cognizant agency.
2. A non-federal entity that expends less than \$750,000 during the non-federal entity's fiscal year in federal awards (federal pass-through and/or direct federal funds) from all sources is exempt from federal audit requirements for that year. These non-federal entities are not subject to the single audit requirements.
3. Non-federal entities who expend less than \$750,000 in direct federal and federal pass-through funds from all sources are subject to the following audit requirements:
 - a. Non-federal entities who expend \$500,000 or more during the non-federal entity's fiscal year in State, direct federal and federal pass-through funds, singularly or in any combination, and are not subject to the single audit:
 - i. Must have a financial statement audit conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS); and
 - ii. If deemed to be high risk based on their grantee risk profile (includes but not limited to: the Financial and Administrative Risk Assessment, the Merit-Based Review, the Programmatic Risk Assessment, prior history and experience in administering grants, and results of prior audits and/or other regulatory reviews and corrective action status) are required to undergo either an on-site review conducted by the State cognizant agency or an agreed upon procedures engagement, paid for and arranged by the Pass-Through Entity(ies) (PTE(s)) in accordance with 2 CFR 200.425.
 - b. Non-federal entities who do not meet the requirements in subsection (a) but expend \$300,000 or more during the non-federal entity's fiscal year in State, direct federal and federal pass-through funds, singularly or in any combination must have a financial statement audit conducted in accordance with Generally Accepted Auditing Standards (GAAS).
 - c. Non-federal entities who do not meet the requirements in subsection (a) or (b) but have audits conducted based on other regulatory requirements must submit those audits for review.

For-profit Subrecipient. The PTE(s) is responsible for ensuring subrecipient compliance with established requirements. Methods to ensure compliance for State and federal awards to for-profit subrecipients may include pre-award audits, monitoring during the agreement period of performance, and post-award audits. See also 2 CFR 200.331 Requirements for Pass-through Entities.

1. For-profit Subrecipient Audit Requirements. For-profit subrecipients who expend \$750,000 or more in direct federal and federal pass-through funds (from all sources) during their fiscal year are required to have a program-specific audit conducted in accordance with Uniform Guidance section 200.507 (Program-specific Audits).
 - a. State grantmaking agencies must provide the recipient/subrecipient the program-specific audit guide, when available.
 - b. If a program-specific guide is not available, the auditor and auditee have the same responsibilities for the program as they would have for a major program in a single audit.
 - c. The auditor must audit Federal programs with Federal awards expended that, in aggregate, cover at least 50 percent (0.50) of total Federal awards expended.
2. For-profit subrecipients who expend less than \$750,000 in direct federal and federal pass-through funds (from all sources) during their fiscal year are subject to the following audit requirements:
 - a. For-profit subrecipients who expend \$500,000 or more in State, direct federal and federal pass-through funds, singularly or in any combination (from all sources) during their fiscal, and are not subject to a program audit:
 - i. Must have a financial statement audit conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS); and
 - ii. If deemed to be high risk based on their grantee risk profile (includes by not limited to: the Financial and Administrative Risk Assessment, the Merit-Based Review, the Programmatic Risk Assessment, prior history and experience in administering grants, and results of prior audits or other regulatory reviews and corrective action status) are required to undergo either an on-site review conducted by the State cognizant agency or an agreed upon procedures engagement, paid for and arranged by the PTE(s) in accordance with 2 CFR 200.425.
 - d. For-profit subrecipients who do not meet the requirements in subsection (a) but expend \$300,000 or more during the non-federal entity's fiscal year in State, direct federal and federal pass-through funds, singularly or in any combination must have a financial statement audit conducted in accordance with Generally Accepted Auditing Standards (GAAS).
 - b. For-profit subrecipients that are publicly traded companies are not subject to the Single Audit requirements but are required to submit the annual audit conducted in accordance with their regulatory requirements.

Submission Requirements

1. Single Audit and Program Specific Audit Report Submission. Single audits conducted in accordance with this Section, including any program or regulatory audit requirements, must be completed and the reporting packet described in subsection (3) below, must be submitted by the non-federal entity (grantee/subrecipient) to the Federal Audit Clearing House, as required by UG section 200.512. The results of peer and external quality control reviews, management letters, AU325 communications and Consolidated Year-End Financial Report must be submitted to the GATA Grantee Portal. Due date of the submission is the earlier of 30 calendar days after receipt of the auditor's reports or 9 months after the end of the non-federal entity's audit period. If the due date falls on a Saturday, Sunday or State/federal holiday, the reporting packet is due the next business day.

2. Financial Statement Audits conducted in accordance with this Section must be completed and the reporting packet described in subsection (4) below must be submitted by the non-federal entity to the GATA Grantee Portal within the earlier of 30 calendar days after receipt of the auditor's reports or 6 months after the end of the non-federal entity's audit period. If the due date falls on a Saturday, Sunday or State/federal holiday, the reporting packet is due the next business day.
3. For Single Audit and Program Specific Audit submissions, reporting packet submissions must include:
 - a. All items identified in UG section 200.512(c);
 - b. Financial statements and schedule of expenditures of Federal awards discussed in §200.510 Financial statements, paragraphs (a) and (b), respectively;
 - c. Summary schedule of prior audit findings discussed in §200.511 Audit findings follow-up, paragraph (b);
 - d. Auditor's report(s) discussed in §200.515 Audit reporting;
 - e. Corrective action plan discussed in §200.511 Audit findings follow-up, paragraph (c);
 - f. Management letters and AU 325 communication issued by the auditors, and their respective corrective action plans;
 - g. Consolidated Year-end Financial Report with an 'In Relation To' opinion (if applicable); and
 - h. A copy of the results of peer and external quality control reviews of the Audit Firm.
4. For Financial Statement Audit submissions, reporting packet submissions must include:
 - a. Financial Statements;
 - b. Summary schedule of Prior Audit Findings;
 - c. Auditor's report;
 - d. Corrective Action Plan;
 - e. Management letters and AU 325 communications issued by the auditors, and their respective corrective action plans;
 - f. Consolidated Year-end Financial Report with an 'In Relation To' opinion; and
 - g. A copy of the results of peer and external quality control reviews of the Audit Firm.
5. Non-Federal Entities that are not required to have an audit conducted are required to submit a Consolidated Year-end Financial Report.

PLEASE REFER TO THE FULL [Audit Report Review Process Manual](#) FOR ADDITIONAL INFORMATION