

Supplemental Instructions for Form SF-SAC, Reporting on Audits of States, Local Governments and Non-Profit Organizations For Fiscal Periods Ending in 2007

The Form SF-SAC approved for audits with fiscal period end dates in 2004, 2005, and 2006, is extended to apply audits with fiscal period end dates in 2007. All submissions with fiscal period end dates in 2007 must use the 2004-2006 Form SF-SAC and Instructions. These supplemental instructions contain additional information pertaining to submissions with fiscal periods ending in 2007.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is OMB No. 0348-0057. The time required to complete this data collection form is estimated to average 59 hours for large auditees (i.e., auditees most likely to administer a large number of Federal awards) and 17 hours for all other auditees. These amounts reflect estimates of reporting burden on both auditees and auditors relating to the Form SF-SAC, including the time to review instructions, obtain the needed data, and complete and review the information.

Note: The form dated (5-2004) should be used for audits covering fiscal periods ending in 2004, 2005, 2006 and 2007. Submissions covering fiscal periods with end dates prior to January 1, 2004 must use one of the earlier versions of Form SF-SAC available on the Federal Audit Clearinghouse (FAC) Web site (<http://harvester.census.gov/fac/>). The form dated 3-20-2001 must be used for audits covering fiscal periods ending in 2001, 2002 or 2003.

Circular A-133 §__. 320(b) requires auditees to submit a completed Form SF-SAC, along with a reporting package in accordance with §__.320(d) of the Circular, to the Federal clearinghouse designated by OMB (currently the U. S. Census Bureau). The reporting package is defined in §__. 320(c) of the Circular. Auditees are also required to send a copy of the reporting package (or written notification of no findings) (§__. 320(e)) to any pass-through entity from which they receive Federal funds. Submissions to a pass-through entity should not include the form.

Auditees should not submit a reporting package or Form SF-SAC if their A-133 audit report is included in another auditee's report. **Example:** If the audit of a state university's Federal awards is included in the statewide single audit report and Form SF-SAC, the university should not submit a reporting package or Form SF-SAC to the Federal clearinghouse.

The SF-SAC is not to be used by commercial (for profit) or non-United States auditees. Commercial (for profit) and foreign organizations should see the Federal awarding agency contact for audit report submission instructions.

WHAT'S NEW

Change of terminology. Per SAS 112, consider any reference to "reportable condition" on Part II, Items 3 & 4, and Part III, Items 4 & 5 in the 2004-2006 Form as a "significant deficiency" per the definition in Auditing Standards Board Statement on Auditing Standards 112 and OMB Bulletin 06-03.

Only one copy of the reporting package is required. Auditees should only submit one copy of the reporting package. If the audit requires distribution to another Federal agency, the Federal Audit Clearinghouse will copy and distribute the required reporting packages to the Federal agencies per §__.320(d) of the Circular.

SUBMISSION TO THE FEDERAL AUDIT CLEARINGHOUSE

Auditees are encouraged to use the on-line Internet option available on the Federal Audit Clearinghouse (FAC) Website.

The Web site is located at: <http://harvester.census.gov/fac/>. Prior to completing Form SF-SAC on-line, review the step-by-step instructions available on the FAC Web site.

Only an approved Form SF-SAC will be accepted. There are two approved Form SF-SAC formats: the paper form available for printing on the Internet or a form created using the on-line Internet Data Entry System option. Spreadsheet files for reporting the multiple Employer Identification Numbers (EINs), multiple Data Universal Numbering System (DUNS) numbers, Federal awards and audit finding data can be uploaded into the on-line Internet Data Entry System. Both options are available on the FAC Web site.

The form must be signed and dated by both the auditee and auditor. A photocopy of the form is acceptable, but both signatures must be original. Auditees who enter their Form SF-SAC data using the Internet Data Entry System must print a hard copy of the final form after the form passes all the edits, obtain the auditee and auditor signatures, and forward the signed Form SF-SAC along with a reporting package to the FAC. Future improvements to the Internet Data Entry System may allow electronic submission of the Form SF-SAC and reporting package at a later date. Submission of anything other than a complete form and reporting package will not be processed.

Form Due Date: The audit shall be completed and the data collection form and reporting package shall be submitted within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the Federal cognizant or oversight agency for audit.

WHO TO CONTACT WITH QUESTIONS

For questions related to specific Federal awards, please contact the Federal agency from which the award originated. For technical audit questions, please contact the auditee's Federal cognizant or oversight agency. Appendix III of the "OMB Circular A-133 Compliance Supplement" contains Federal agency contact information for A-133 audits. Appendix III of the Compliance Supplement is accessible via the Internet at www.whitehouse.gov/OMB/grants. For questions concerning the submission process or the form, contact the FAC (1.888.222.9907). Information can also be found on the FAC Web site (<http://harvester.census.gov/fac/>).

FORM INSTRUCTION CHANGES PERTAINING TO FISCAL YEARS ENDING IN 2007. Refer to *Instructions For Completing Form SF-SAC, Reporting on Audits of States, Local Governments, and Non-Profit Organizations For Fiscal Periods Ending in 2004, 2005, or 2006* for all other items.

PART II - FINANCIAL STATEMENTS

The auditor completes this section of the form. All information for this section should be obtained from the opinion on the financial statements and reports in accordance with the Government Auditing Standards (GAS) related to the financial statement audit.

Item 3- Is a reportable condition disclosed? Mark either "Yes" or "No" to indicate the disclosure of a significant deficiency."

Item 4- Is any reportable condition reported as a material weakness? Skip this item if Item 3 is marked "No." Mark either "Yes" or "No" to indicate the disclosure of a significant deficiency reported as a "material weakness."

PART III - FEDERAL PROGRAMS

The auditor completes this section of the form.

Item 4- Is a reportable condition disclosed for any major program? Mark either "Yes" or "No" to indicate if the Schedule of Findings and Questioned Costs include any significant deficiency in internal control for major programs (Circular §__.510 (a)(1)).

Item 5- Is any reportable condition reported for any major program as a material weaknesses? If Item 4 is marked "No," skip Item 5. If Item 4 is marked "Yes," mark Item 5 either "Yes" or "No" to indicate if any significant deficiencies are material weaknesses (Circular §__.510 (a)(1)).

Item 8-

Note- Regardless of how many Federal agencies are selected on this item, only one copy of the reporting package is required to be submitted to the Federal Audit Clearinghouse. The auditee must submit only one reporting package (as defined in §__.320(c)) to the Federal Audit Clearinghouse. The Clearinghouse will copy and distribute the required audit reporting packages to Federal agencies per §__.320(d) of the Circular.

Item 10- Audit Findings

The rows of Item 10 directly correspond to matching rows in Item 9. The information to complete columns (a) and (b) is obtained from the Schedule of Findings and Questioned Costs prepared by the auditor. If the Schedule of Findings and Questioned Costs does not identify audit findings for a specific row, the auditor should enter "O" for item (a) and "N/A" for item (b). Audit findings affecting more than one major program should be listed for all major programs affected.

Column (a) - Type(s) of Compliance Requirement(s)-

Using the list provided on the form in footnote 4 on page 3, enter the letter(s) that correspond to the type(s) of compliance requirement(s) applicable to the audit findings (i.e., noncompliance, reportable conditions (assume significant deficiencies) (including material weaknesses), questioned costs, fraud and other items reported under §__.510(a)) reported for each Federal program. Do not list all types of compliance requirements that were tested. Normally, audit findings will be covered by the 14 types of compliance requirements described in Part 3 of the "OMB Circular A-133 Compliance Supplement." If there is an audit finding, but it is not covered by one of these, enter "P" for "Other." If there were no audit findings, enter "O" for "None." Enter the letters only; do not enter commas or spaces.

Column (b) - Audit Finding Reference Number(s)- Enter the audit finding reference number(s) for audit findings (i.e., noncompliance, reportable conditions (assume significant deficiencies) (including material weaknesses), questioned costs, fraud, and other items reported under §__.510(a)) in the Schedule of Findings and Questioned Costs. If no audit findings were reported, enter N/A for "Not applicable" (footnote 5)