

13. AUDITS

A. Audit Requirements

Subpart F to 2 CFR Part 200 (Audit Requirements) is issued pursuant to the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and sets forth the standards for achieving consistency and uniformity among Federal agencies for the audit of non-Federal entities expending Federal awards. Subpart F also provides the policies and procedures for Federal agencies or pass-through entities when using the results of these audits. To the extent that audits performed in accordance with Subpart F meet DOC needs, DOC shall rely upon and use such audits. In accordance with the DOC GT&Cs, for-profit and other organizations not covered by the audit provisions of Subpart F shall be subject to the audit requirements as stipulated in the award document.

A non-Federal entity subject to Subpart F of 2 CFR Part 200 must, within 90 calendar days of the end of its fiscal year, notify the Grants Officer of the amount of Federal awards, including all DOC and non-DOC awards, the non-Federal entity expended during its fiscal year.

B. Audit Roles and Responsibilities

1. The Senior Procurement Executive and Director of OAM is designated as the DOC's Single Audit Accountable Official (SAAO). The SAAO is responsible for ensuring DOC fulfills the requirements of 2 CFR § 200.513 (Responsibilities) and effectively uses the single audit process to reduce improper payments and improve Federal program outcomes. The complete list of the SAAO responsibilities can be located at 2 CFR § 200.513 (Responsibilities).
2. The Deputy for Procurement Management and the Deputy Senior Procurement Executive is designated as the DOC's Senior Financial Accountable Official (SFAO). The SFAO serves as DOC's Single Audit point of contact and is responsible for authorizing audit report deadline extensions in accordance with 2 CFR § 200.512 (Report Submission).
3. The Director of the FAPOD is designated as the Key Management Single Audit Liaison (KMSAL). The KMSAL serves as DOC's point of contact for the single audit process. The complete list of the KMSAL responsibilities can be located at 2 CFR § 200.513 (Responsibilities).
4. The DOC Office of the Inspector General (OIG) serves as the National Single Audit Coordinator (NSAC) for DOC.

C. Other Audits

An audit of an award may be conducted at any time as indicated in the DOC GT&Cs. The following is a list of other audits outside of the Single Audit Act which may be required by DOC.

1. Audits of For-profit, Organizations, Sole Proprietors, and Individuals. A for-profit organization, sole proprietor, or individual receiving a DOC award must have a program-specific or other audit performed where the federal share amount awarded is \$1,000,000 or more, as specified in the award, over the duration of the period of performance. The DOC award may include a line item in the budget for the cost of the audit. The auditor should follow Generally Accepted Government Auditing Standards (GAGAS) and the requirements for a program-specific audit as described in Subpart F of 2 CFR Part 200,

unless there is program-specific audit guidance. A copy of the program-specific audit shall be submitted to the Grants Officer at the address specified in the award document.

2. Audit Conducted by the OIG. The OIG will arrange the audit, whether the audit is performed by their OIG personnel, an independent accountant, or any other Federal, state, or local audit entity.

3. Audit Required by the Award. When an audit is required under a specific award condition, the recipient will usually make the arrangements for the audit. The audit shall be performed in accordance with GAGAS and the requirements for a program-specific audit as described in Subpart F of 2 CFR Part 200, unless a program-specific audit guide is available. The recipient shall submit copies of program-specific audits to the Grants Officer at the address specified in the award document.

D. Access to Recipient Records

An audit of the award may be conducted at any time under the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3, § 1 *et seq.*. The Federal awarding agency or pass-through entity, Inspectors General, Comptroller General of the United States, or any of their authorized representatives, have the right of access to any records of the recipient or subrecipient pertinent to the Federal award, in order to perform audits. The right also includes timely and reasonable access to recipient or subrecipient personnel for the purpose of interview and discussion related to such documents or the Federal award in general. *See* 2 CFR § 200.337 (Access to records).

E. Audit Resolution

Operating units are responsible for submitting a bi-monthly update of all unresolved audits to OAM/FAPOD by the third Friday of every other month, beginning the month of February of each calendar year.