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| TOPIC       | GRANTS       | SUB-SECTION   | 22.50.10     |
| SECTION     | SINGLE AUDIT | ISSUANCE DATE | JULY 1, 1998 |
| SUB-SECTION |              | REVISED -     | 2018         |

**SINGLE AUDIT ACT**

State and local governments each year receive billions of dollars in federal assistance. Federal agencies rely upon state audits to ensure compliance and control over the use of these funds.

2 CFR 200, Subpart F contains the requirements for audits of non-federal recipients of Federal awards. The OMB Director also assigns cognizant agencies for recipients of federal funds. The federal cognizant agency for the State of Mississippi is the Department of Health and Human Services (HHS).

The determination of when an award is expended should be based on when the activity related to the award occurs. Generally, the activity pertains to events that require the non-federal entity to comply with laws, regulations, and the provisions of contracts or grant agreements. These include expenditure/expense transactions associated with grants, cost-reimbursement contracts, cooperative agreements, and direct appropriations; the disbursement of funds passed through to subrecipients; the use of loan proceeds under loan and loan guarantee programs; the receipt of property and surplus property; the receipt or use of program income; the distribution or consumption of food commodities; the disbursement of amounts entitling the non-federal entity to an interest subsidy; and the period when insurance is in force.

**SCOPE OF AUDIT**

2 CFR 200, Subpart F provides that:

The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards. The State Auditor's Office meets the definition of an independent auditor for purposes of the Single Audit Act, as amended.

The audit shall cover the operation of the entire non-federal entity, or at the option of the government, such audit shall include a series of audits that cover departments, agencies, and other organizational units which expended or otherwise administered federal awards during such fiscal year, provided that each such audit shall encompass the financial statement and schedule of expenditures of federal awards for each such department agency and other organizational unit, which shall be considered to be a non-federal entity. The financial statement and schedule of expenditures of federal awards shall be for the same fiscal year.

**AUDIT REPORT**

The audit report must include the following:

The auditor's opinion (or disclaimer of opinion) as to whether the financial statements are presented fairly in all material respects in conformity with GAAP and an opinion (or disclaimer) as to whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole.

The auditor's report on internal control related to the financial statements and major programs.

The auditor's report on compliance with laws, regulations, provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements. This report should also include an opinion (or disclaimer) as to whether the auditee complied with laws, regulations, and the provisions of contracts or grant agreements which could have a direct and material effect on each major program.

A schedule of findings and questioned costs.

**STATE OF MISSISSIPPI  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

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The Single Audit Report may be accessed at the following link:

<http://www.osa.state.ms.us/>

2 CFR Part 200 may be accessed at the following link:

<https://www.gpo.gov/fdsys/granule/CFR-2017-title2-vol1/CFR-2017-title2-vol1-part200>