

I. SINGLE AUDIT

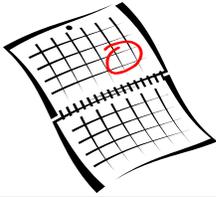
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Critical Date

- **October 1, 2015**– Distribution of FMS Accounting Report of Federal Awards
- **October 15, 2015** – Return FMS Accounting Report of Federal Awards via email (in PDF Format)

A. OVERVIEW

Introduction

The Single Audit Amendments Act (Public Law 104-56) was enacted into law in July 1996 and replaced the Single Audit Act of 1994. The Amendment established a law to streamline and improve the effectiveness of audits of Federal awards for state and local governments and not-for-profit organizations. To implement the requirements of the Single Audit Amendment Act of 1996, the Federal Office of Management and Budget (OMB) issued Circular A-133 “Audits of States and Local Governments and Non-Profit Organizations”.

What is the Single Audit?

The Single Audit comprises the audit of a non-federal entity’s activities and programs which expend federal awards during a fiscal year. The Single Audit is based on Federal guidelines as established in the recently implemented Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards issued by the US Office of Management and Budget on December 26, 2013. A Single Audit is conducted by independent auditors.

The City of New York Single Audit

The New York City Single Audit includes an examination of the financial records, internal controls and compliance with Federal laws and regulations for both the Federal programs and the City as a whole.

Focus of the Audit of the City’s Financial Statements

The audit of the City’s financial statements is designed to determine whether the statements are *fairly presented in all material respects; and whether the presentation is in accordance with Generally Accepted Accounting Principles (GAAP)*.

Focus of the Audit of the City’s Federal Awards

The objective of the audit of Federal awards is to determine whether Federal funds were expended appropriately and in compliance with applicable laws and regulations.

Single Audit Report

The City's independent auditors, Deloitte & Touche, will conduct the City of New York Single Audit.

As part of the initial steps and conducting the City's Single Audit, the Auditors must determine Major programs for review and funding received from the following programs: Research and Development (R&D), American Recovery and Reinvestment Act (ARRA), and Federal Emergency Management Agency (FEMA) grants.

The New York City Single Audit Report consists of the independent auditors' report on:

- The City's Financial Statements and Supplementary Schedule of Expenditures of Federal Awards
- Report on Compliance and Internal Control over Financial Reporting based on an audit of the City's Financial Statements performed in accordance with Government Auditing Standards
- Report on Compliance with requirements applicable to each Major Program and on Internal Control over Compliance in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

The Mayor of the City of New York and the Office of the Comptroller

The New York City Single Audit is completed through the coordinated efforts of the Mayor's Office of Operations, the Mayor's Office of Management and Budget and the Office of the Comptroller. Cooperation of all City Agencies covered by the requirements is crucial to the successful completion of the Single Audit.

The New York City Office of the Comptroller prepares the Schedule of Expenditures of Federal Awards, coordinates the issuance of the City's Single Audit Report; assists in the coordination of the audit by the independent auditors; and provides technical guidance through the issuance of Comptroller's Directives.

Internal Controls

To assist City Agencies in maintaining adequate internal controls and achieving compliance with Federal laws and regulations, the Office of the Comptroller requires that Agencies complete the Office of the Comptroller's Directive 1 Questionnaire, "Agency Evaluation of Internal Controls."

Schedule of Expenditure of Federal Awards

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards requires the preparation of a Schedule of Expenditures of Federal Awards. The Schedule must include the following:

- List Federal programs by CFDA number for each Federal Agency Identification of pass-through entities
- Identification of the total amount provided to Subrecipients from each federal program in where the City acts as the pass-through
- The total amount of Federal awards expended during the year

The Schedule of Expenditures of Federal Awards is prepared by the Office of the Comptroller, in coordination with City Agencies. The preparation of the Schedule involves the following process.

The City of New York's Financial Management System (FMS Accounting) generates the report for Federal Awards. This report should reflect the total federal expenditures incurred by City Agencies during the fiscal year. The report is distributed to City Agencies for review and reconciliation. A new requirement established by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is to identify the total amount provided to sub-recipients from each federal program in where the City acts as the pass-through. The Comptroller's Office will distribute an Excel spreadsheet of each agencies sub-receipt information for completion and certification. Once the data is reviewed and returned by Agencies, the Office of the Comptroller prepares the Schedule of Expenditures of Federal Awards which is then submitted to the independent auditors for examination and inclusion in the City of New York Single Audit Report.

Procedures

The preparation of the Schedule of Expenditures of Federal Awards follows the accrual basis of accounting. Therefore, Agencies should make sure that all federal assistance expenditures incurred by them during the fiscal year are included in their Report of Federal Awards.

To ensure the accuracy of the data and fair presentation of the Schedule of Expenditures of Federal Awards, the Office of the Comptroller requires that Agencies perform the following:

- Review the Report of Federal Awards to ensure that all data stated is correct. Please note that the NYC Office of Management and Budget will verify all items for CFDA number 97.036.
- **Reconcile the amounts in the report to their internal records. If a difference is found in the amount or the CFDA no., please provide supporting documentation to corroborate the manual adjustment. The documentation provided should include FMS Accounting Document ID's, grantor letter, grant agreement, etc.**
- Ensure that the CFDA numbers are accurate.
- Ensure the Accuracy of the Pass-Through Grantor and indicate it beside each grant program.
- Ensure that the review takes into account all Federal assistance expended by the Agency including those programs received from a *pass-through entity* as well as *non-cash assistance* and any grant not accounted for on the report for Federal Awards.
- Ensure that the Excel spreadsheet for subrecipient information is completed accurately.
- Include the completed Single Audit Representation Letter with the Report of Federal Awards and the Subrecipient Information spreadsheet.

Report Deadline

The FMS Accounting Report for Federal Awards and Subrecipient Information spreadsheet will be distributed on **October 1, 2015**. Agencies must submit the reviewed and reconciled report to the Office of the Comptroller by **October 15, 2015** via email (in PDF format).

SINGLE AUDIT REPRESENTATION

Date: _____

Ms. Katrina Stauffer
Division of Accounting Compliance
Bureau of Accountancy
Office of the Comptroller
Municipal Building – Room 200South
One Centre Street
New York, NY10007

Dear Ms. Stauffer:

We represent to you that the following has been certified by our agency:

_____ The items listed in the attached Fiscal Year 2015 CWA-FEDAST-001 report has been reviewed and verified for all CFDA numbers; excluding CFDA 97.036 as the NYC Office of Management and Budget will confirm the amounts for this CFDA.

_____ During Fiscal Year 2015 our agency acted as a Pass-Through grantor providing Federal Awards to Sub-recipients. Attached is the completed Single Audit Sub-recipient Information Spreadsheet.

_____ During Fiscal Year 2015 our agency did not act as a Pass-Through a grantor of Federal Awards to subrecipients.

Name: _____

Title: _____

Agency Name: _____

Cordially,

Signature

THIS FORM CAN BE DOWNLOADED FROM THE COMPTROLLER'S WEBSITE, COMPLETED AND RETURNED ELECTRONICALLY.