



**WORKFORCE DEVELOPMENT  
BOARD OF MADERA COUNTY**

**AUDIT REQUIREMENTS POLICY**

EDD Revision Date: 5/25/06

WDB Review Date: 3/22/07; 12/17/15

**EXECUTIVE SUMMARY:**

**Purpose:**

This document established the Workforce Development Board of Madera County's policy on the expenditure requirements for entities receiving Workforce Investment Act (WIOA) funds, in accordance with the recent revisions to Office of Management and Budget (OMB) CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. This policy sets forth standards for obtaining consistency and uniformity among Federal agencies for the audit of non-Federal entities expending Federal awards.

**Scope:**

This policy applies to a non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal Year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of CFR 200.501.

**Effective Date:**

This policy is effective on the date of approval by the Workforce Development Board of Madera County, pending release of new State guidance.

**REFERENCES:**

*Note: References from WIOA are from the Act, as signed into law in July 2014. References from Title 20 of the Code of Federal Regulations (CFR) are cited from the Notice of Proposed Rulemaking, and are therefore subject to change pending issuance of final Federal Regulations.*

- WIOA Section 184
- WIOA NPRM 683.210
- Title 2 OMB, CFR 200.501; 200.511
- Single Audit Act 1996, amended

**STATE-IMPOSED REQUIREMENTS:**

This document may contain State-imposed requirements. These requirements are in ***bold, italic*** print.

## **FILING INSTRUCTIONS:**

This policy implements the requirements of the new CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

## **BACKGROUND:**

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule Title 2 of the Code of Federal Regulations; 2 CFR 200 supersedes and streamlines requirements from OMB Circulars A-21, A-87, A-110, A-122, A-89, A-102, A-133 and the guidance in Circular A-50 on Single Audit Act follow-up. 2 CFR 200, also referred to as the “Super Circular”, consolidates the guidance previously contained in the aforementioned citations into a streamlined format that aims to improve both the clarity and accessibility of the guidance.

## **POLICY AND PROCEDURES:**

### Audit Requirements

Audit required - A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

Single audit - A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with §200.514 Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

Program-specific audit election - When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.

Exemption when Federal awards expended are less than \$750,000. A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in §200.503 Relation to other audit requirements, but records must be available for review or audit by appropriate

officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

Subrecipients and Contractors - An auditee may simultaneously be a recipient, a subrecipient, and a contractor. Federal awards expended as a recipient or a subrecipient are subject to audit under this part. The payments received for goods or services provided as a contractor are not Federal awards. Section §200.330 Subrecipient and contractor determinations sets forth the considerations in determining whether payments constitute a Federal award or a payment for goods or services provided as a contractor.

Copies of MCWIC's Single Audit Reports are to be submitted to EDD as follows:

*Audit & Evaluation Division, MIC 78  
Employment Development Department  
P.O. Box 826880  
Sacramento, CA 94280-0001*

Copies of subrecipient's Single Audit Reports are to be submitted to MCWIC as follows:

Madera County Workforce Investment Corporation  
Attn: Fiscal Department  
441 E. Yosemite Ave.  
Madera, CA 93638

**ACTION:**

The actions specified by this directive shall be carried out by the organizations and individuals specified herein.

**INQUIRIES:**

If you have any questions, please contact the Executive Director or Fiscal Manager at (559) 662-4500.