


**CITY OF SAN ANTONIO**  
**DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT**  
**Intradepartmental Correspondence**

**TO:** Office of Grants Monitoring and Administration Staff

**FROM:**  Thomas W. Morgan, Grant Administrator, Department of Planning and Community Development

**COPIES TO:** John M. Dugan

**SUBJECT:** **Revised:** Procedure for Reviewing Single Audits

**DATE:** November 18, 2013

**The purpose of this memo is to implement new formal audit review procedures to address a compliance finding by the U.S. Department of Housing and Urban Development.**

For sub-grantee/sub-recipient agencies expending \$500,000 or greater in Federal funding it is required to comply with OMB Circular A-133 regarding federal Single Audit requirements. To ensure GMA staff is effectively reviewing and collecting single audits under this requirement, the following procedures are placed into effect as of the date of this memo.

1. Program staff must ensure the following special condition is provided in Sub-Recipient Agreements:
  - a. In accordance with 24 CFR 92.506(CDBG citation), 24 CFR 84.26 and OMB Circular A-133 the Sub-grantee/Sub-recipient shall ensure that if \$500,000 or more of federal funds are expended within a fiscal year, a single audit shall be conducted in accordance with the General Accepted Accounting Principles (GAAP) for that year and shall submit to the CITY within five (5) working days of submission of the single audit to the Federal Audit Clearing House (FAC) thereof by Sub-grantee/Sub-recipient during the executed limits of this agreement.*
  - b. Sub-grantees/Sub-recipients who do not expend \$500,000 within a fiscal year, shall submit communication in writing indicating a Single Audit was not required.*
  - c. Sub-grantee/Sub-recipient will ensure that all single audits are maintained through the record retention period outlined in this agreement.*
2. Grant Division staff shall maintain the "Record Keeping Log for Single Audits" to collect and review single audits (See attached). This record in an excel format shall be maintained in the Misc31 shared drive (K:\Single Audits).
3. Upon receipt of the single audit, program staff shall:
  - a. Search for the sub-recipient Federal Audit Clearinghouse (FAC) Report located at the following link: [www.harvester.census.gov](http://www.harvester.census.gov). If the report is not found, inform the agency that submission to the FAC is required.

- b. Staff shall review the report and document comments for inclusion in report submitted to the appropriate manager.
  - c. Review the single audit to make certain internal accounting and other internal control systems are in place to adequately ensure the agency retains capacity to manage federal funds in accordance with laws and regulations. Grant division staff shall identify specific monetary, programmatic, or cross-cutting issues and forward to Fiscal Manager, Grant Manager, or Compliance Manager depending on the issue for review.
  - d. The identified manager must evaluate the FAC Report comments and Audit findings, if any, and prepare a corrective action plan.
  - e. Provide a summary of findings and recommended corrective action to the Grant Administrator for final review. Grant Administrator shall issue the Management Decision on audit findings within 60 days after receipt of the audit report and ensure the Sub-grantees/Sub-recipients takes appropriate and timely corrective action.
4. Contract Division staff shall document all Single Audit, Findings, Management Decisions, and evidence of corrective action measures implemented in the Agency Certification File (Red File), along with a copy of the subject audit.