



Single Audit Readiness Checklist (First-Time Grantees)

Quick orientation (do this first)

- Confirm you need a Single Audit ([2 CFR 200.501](#)): You expended \$750,000+ (\$1,000,000 for FY beginning on or after 10/01/2024) in federal awards during the fiscal year.
- Pick the audit type: Single Audit vs. program-specific (rare—confirm eligibility).
- Mark the reporting deadline ([2 CFR 200.512](#)): Reporting package due to the FAC no later than the earlier of (a) 30 days after you receive the auditor's reports, or (b) 9 months after fiscal year end.
- Name an internal audit lead and cross-functional team (finance, programs, HR, procurement, IT, subrecipient management).

1) Build a clean SEFA (Schedule of Expenditures of Federal Awards)

- Inventory all awards: Assistance Listing (CFDA) #s, federal agency, pass-through entity (PTE), award #s, award period, and cluster designations.

- Reconcile SEFA amounts to the GL, drawdowns, and program reports; document methodology for “expended.”
 - Tag clusters correctly (e.g., Research & Development, Student Financial Assistance).
 - Flag subawards: amounts passed through to subrecipients disclosed.
 - Prepare Notes to the SEFA: basis of accounting, de minimis rate or NICRA, loan/insurance balances if applicable.
 - Management sign-off on the final SEFA package (SEFA + notes + tie-outs).
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2) Procure and schedule your auditor ([2 CFR 200.509](#); [200.318–.320](#))

- Use a competitive process compliant with your procurement policy.
 - Evaluate independence & experience with Uniform Guidance and your program types.
 - Check peer review results and references.
 - Engagement letter includes scope (FS + UG compliance), deliverables (reports, management letter), fieldwork dates, and PBC list expectations.
 - Entrance conference scheduled; agree on timeline, communications, and sample needs.
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3) Shore up written policies & core controls

- Financial management ([2 CFR 200.302](#)): account structure, allowability review, reconciliations, approvals.
 - Allowable costs ([Subpart E](#)): pre-approval/justification steps; prohibited costs (e.g., alcohol, lobbying) flagged.
 - Compensation & time ([2 CFR 200.430](#)): timesheets/internal controls reflect total activity and accurate allocation; consistent payroll processes.
 - Indirect costs ([2 CFR 200.414](#)): NICRA on file or 10% de minimis; cost allocation plan current and used.
 - Procurement ([2 CFR 200.318–.320](#)): methods, thresholds, price/ cost analysis where required, suspension & debarment checks documented.
 - Cash management (advances vs. reimbursement), program income, matching (if applicable).
 - Equipment & supplies ([2 CFR 200.313](#)): inventory records, tagging, physical counts.
 - Subrecipient management ([2 CFR 200.332](#)): risk assessments, subaward agreements with required data, monitoring (reports/site visits), and verifying subs' audits.
 - Record retention ([2 CFR 200.334](#)): retention clocks and secure storage defined.
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4) Prepare “PBC” (Prepared-By-Client) documentation

Create folders that mirror the auditor’s request list so retrieval is instant:

- General: org chart, board/audit-committee minutes, key grants & contracts, NICRA/approval letters.
- SEFA support: award letters/NOAs, amendments, drawdown reports, GL tie-outs, cluster memos.
- Cash: bank recs, drawdowns, interest on advances (if any).
- Payroll: pay registers, timesheets, allocation support, salary authorization, benefit rate support.
- Procurement: RFPs/quotes, cost or price analyses, conflict-of-interest disclosures, debarment checks.
- Expenses: invoices, approvals, receiving evidence, travel documentation, cost allocation workings.
- Equipment: inventory, purchase support, disposition (if any).
- Subrecipients: risk assessments, subaward agreements, monitoring evidence, management of findings.
- Reporting: SF-425s/FFRs, performance reports, reconciliations to GL.
- IT & access: user lists, role descriptions, change controls (as applicable).
- Compliance Supplement mapping: where each requirement is performed, by whom, and where it’s documented.



5) Build sample “universes” for auditor testing

- Disbursements detail for the year with account, project, funding source.
 - Payroll detail by employee, period, award/ cost center.
 - Procurements over thresholds with method and documentation flags.
 - Subawards issued with amounts and dates.
 - Equipment additions/disposals list.
 - Drawdowns/requests for reimbursement with dates and amounts.
 - Program reports submitted (financial and performance).
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6) Do a mini “mock audit” against major compliance areas

For your likely major programs, walk through each requirement and attach proof:

- Activities Allowed/Unallowed: how do you screen prohibited costs?
- Allowable Costs/Cost Principles: approvals, reasonableness, allocability, consistent treatment.
- Cash Management: timing vs. expenditures; interest handling.
- Eligibility (if applicable): documentation retained.
- Equipment & Real Property: tracking and dispositions.

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- Matching/Level of Effort/Earmarking (if applicable): calculation and support.
 - Period of Performance: service dates checked prior to payment.
 - Procurement/Suspension & Debarment: method, thresholds, SAM checks.
 - Program Income: identification, use, and accounting.
 - Reporting: accuracy and agreement to books/SEFA.
 - Subrecipient Monitoring: risk-based monitoring, follow-up on issues.
 - Special Tests & Provisions: program-specific rules documented.
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7) Year-end close & financial statement readiness

- All accounts reconciled; material estimates documented (e.g., accrued expenses, indirect rate true-ups).
 - Trial balance locked; adjusting entries reviewed and approved.
 - Financial statements & footnotes drafted (including SEFA references).
 - Management representation letter content reviewed.
 - Subsequent events procedures in place through report date.
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8) Communication plan & fieldwork logistics

- Single point of contact for auditor questions; backup identified.
 - Response time standards (e.g., 48 hours) agreed internally.
 - Secure document portal set up, with naming conventions.
 - Staff availability calendar during fieldwork; program staff prepped for interviews.
 - Issue tracker (open items, owner, due date) maintained daily.
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9) After the audit: wrap-up & submission

- Exit conference held; confirm any findings and draft wording.
 - Management responses are specific, actionable, and dated.
 - Corrective Action Plan (CAP) prepared on your letterhead: responsible person, steps, timelines, status for each finding.
 - Summary Schedule of Prior Audit Findings (if applicable) prepared.
 - Reporting package + Data Collection Form (DCF) reviewed and submitted to the FAC by the due date ([2 CFR 200.512](#)).
 - Board/audit committee briefing and distribution of final reports.
 - CAP implementation tracker launched; owners report monthly until complete.
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10) First-timer pitfalls to avoid

- SEFA doesn't tie to the GL/drawdowns.
 - Clusters mis-identified or pass-through info missing.
 - Time & effort not reflecting total activity or lacking clear allocations.
 - Procurement files missing competition or debarment checks.
 - Subrecipient files lack risk assessment or monitoring follow-through.
 - Period-of-performance cutoffs ignored (paying prior/after-period costs).
 - Inconsistent treatment of costs across awards (direct vs. indirect).
 - Late FAC submission or incomplete DCF.
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Suggested timeline (count back from your FAC due date)

- 90–120 days before FY end: Auditor selected; policies gap-fixes; build SEFA framework; train staff.
- 60 days before year-end: Sample universes designed; documentation organized; mock audit on likely majors.
- At year-end: Close books; finalize SEFA; entrance conference.
- Fieldwork: Daily huddles; issue tracker maintained.

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- Within 30–60 days after fieldwork: Draft reports reviewed; CAP finalized.
 - By the earlier of 30 days after auditor reports or 9 months after FY end: Submit to FAC.

We're here to help! Contact us by
email, info@crosstribeadvisory.com,
call 937-234-7780,
or visit our website at: <https://www.crosstribeadvisory.com/>