



# FACT SHEET

## Single Audit Services



As a pass-through entity for Federal Education funds, the Nebraska Department of Education (NDE) is providing this **Single Audit Services Facts Sheet** to assist Federal program subrecipients in the management and implementation of policies and/or procedures required for audit services using Federal dollars.

This information is being provided by the NDE as general compliance guidance only. Subrecipients of Federal funds should refer to the full text of the regulations which can be found at [Electronic Code of Federal Regulations \(eCFR\)](#) when developing their own policies and procedures.

Subrecipients of Federal funds are solely responsible for meeting all applicable Federal regulations.

2 CFR 200 is the guiding policy for all federal grants. Recipients of federal program funds are required to comply with all of the following.

We are aware that many schools/ESUs will begin working on meeting their audit requirements soon. Wanted to make all aware that you could use a portion of your federal funding to pay for a reasonable portion of your Federal Single Audit requirement. See Federal regulation below.

To clarify, you can use your federal dollars to pay for a portion of your single audit. Your single audit only. This may require for you to ask your auditor to break up the billing between financial audit and single audit.

Per 2 CFR 200.425 Audit Services

(a) A reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act Amendments of 1996 ([31 U.S.C. 7501-7507](#)), as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

(1) Any costs when audits required by the Single Audit Act and [subpart F of this part](#) have not been conducted or have been conducted but not in accordance therewith; and

(2) Any costs of auditing a non-Federal entity that is exempted from having an audit conducted under the Single Audit Act and [subpart F of this part](#) because its expenditures under Federal awards are less than \$750,000 during the non-Federal entity's fiscal year.

(b) The costs of a financial statement audit of a non-Federal entity that does not currently have a Federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.



## Federal Compliance Monitoring

As part of the NDE's annual Federal Compliance Monitoring program, staff from the NDE Office of Budget & Grants Management may review records and the subrecipient's policies/procedures for audit services using Federal dollars. The Grant Compliance Auditors will use the requirements of 2 CFR 200 and other applicable Federal Codes and requirements when completing such reviews.

## Technical Assistance

Please feel free to contact NDE Grants Compliance staff should you have any questions relative to the contents of this document.

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***This document is not a substitute for the advice of your own attorney and/or law firm licensed to practice law in the state of Nebraska. In reading and applying Federal law, the NDE recommends LEAs seek and obtain the advice of counsel with questions of application, interpretation, and/or to ensure that use of this information is appropriate to your particular situation.***

