

# TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA)

## AUDIT REQUIREMENTS

1. Uniform Grant Management Standards (UGMS) have not been updated, but the State Comptroller's office raised the Single Audit Threshold to \$750,000 retroactively to 12/26/2014. Uniform Administrative Requirements, §200.501 states entities...  
*"...that expend...\$750,000...or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part."*  
If funds were spent for more than one federal or state program, a single audit is required. 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. The audited time period is the Entity's fiscal year, not TDHCA's funding period.
2. Based on §200.501 Audit requirements (d). and the UGMS, Entities -  
*"...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).."*
3. Based on §200.425 Audit services and UGMS, The following costs are unallowable -  
*(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—Audit Requirements of this part because its expenditures under Federal awards are less than \$750,000 during the non-Federal entity's fiscal year.*
4. Based on UGMS Subpart C, §\_300 (g),  
*"When an Entity expends state awards totaling less than \$500,000 (see 1. above), the CEO or CFO shall so certify..."* in writing to TDHCA by submitting the Audit Certification Form within 60 days of the Entity's fiscal year.
5. The audit shall be conducted by a Certified Public Accountant (CPA) that is licensed at the time of the audit by the State of Texas regulatory body. The CPA shall meet all of the general standards as required by *Government Auditing Standards*. Auditor selection must adhere to federal and state procurement requirements.
6. The independent auditor's report should include all of the relevant items listed on TDHCA's *Single Audit Report Checklist (page 2)*. Additional guidance on the conduct and reporting of these audits is contained in the latest issuance of the following publications:
  - 2 CFR §200 Uniform Administrative Requirements
  - State of Texas Uniform Grant Management Standards
  - Texas Comptroller of Public Accounts - Official Site
  - AICPA's Audit Guides of States and Local Governments Units and Non-for-Profits Organizations
  - AICPA's Audit Risk Alerts "State and Local Governmental Developments"
  - AICPA's Audit Risk Alerts "Not-for-Profit Organizations Industry Developments"

***In accordance with the Texas Administrative Code, Title 10, Part 1, Chapter 1, Subchapter D, Rule §1.403 (k), the Department may fail to renew, amend, extend and/or not enter into a new Contract with a Subrecipient until receipt of the required Single Audit Certification form....***

**Submit the Audit Certification Form (ACF) to:**

[saandacf@tdhca.state.tx.us](mailto:saandacf@tdhca.state.tx.us)

**Upload single audits to the Federal Single Audit Clearinghouse:**

<https://harvester.census.gov/facweb/>

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (TDHCA)**  
**SINGLE AUDIT REPORT CHECKLIST**

TDHCA developed this checklist to improve the quality and completeness of audit reports.

†	<b>Opinion/Report on Organization’s Financial Statements</b> , signed and dated by the auditor, in accordance <i>with Government Auditing Standards</i>
†	General Purpose or Basic <b>Financial Statements</b> of the Entity
†	<b>Notes</b> to the General Purpose or Basic <b>Financial Statements</b> of the Entity
†	<b>Opinion/Report on Schedule of Expenditures of Federal and State Awards</b> , signed and dated by the auditor
†	<b>Schedule of Expenditures of Federal Awards</b> , including TDHCA’s contract numbers, the total expended for the federal program, and the CFDA number in accordance with OMB Circular A-133, Subpart C §.310 (b)(1)–(6) and UGMS
†	<b>Opinion/Report on Schedule of Expenditures of State Awards</b> , signed and dated by the auditor
†	<b>Schedule of Expenditures of State Awards</b> , including TDHCA’s contract numbers and the total expended for the state program. This schedule may be combined with the Schedule of Expenditures of Federal Awards if the state and federal amounts are shown and totaled separately
†	<b>Report on Internal Control and Compliance Over Financial Reporting</b> , signed and dated by the auditor, based on audit of Financial Statements performed in accordance with <i>Government Auditing Standards</i> OMB Circular A-133, Subpart E, §. 505 (b) and UGMS
†	<b>Report on Internal Control and Compliance with Requirements applicable to each major program</b> , signed and dated by the auditor, in accordance with OMB Circular A-133, Subpart E, §. 505 (c) and UGMS
†	<b>Schedule of Findings and Questioned Costs</b> in accordance with OMB Circular A-133, Subpart E, §. 505(d) and UGMS
†	<b>Schedule of Prior Audit Findings</b> reporting the status of all findings included in the prior audit’s schedule of findings and questioned costs in accordance with OMB Circular A-133, Subpart C, §. 315 (a) and (b) and UGMS
†	<b>Corrective Action Plan</b> including name of person responsible for the corrective action, corrective action planned, anticipated completion date, and explanation, and reason if auditee does not agree with findings or believes correction is not required, in accordance with OMB Circular A-133, Subpart C, §. 315 (c) and UGMS
<b><i>The documents listed below must be uploaded to the Federal Audit Clearinghouse within the earlier of 30 days after receipt of the auditor’s report or nine (9) months after the end of the audit period.</i></b>	
†	A copies of the entire audit report issued by the CPA
†	A copy of any management letter issued by the CPA in conjunction with the audit report
†	A copy of management’s comments on all findings, recommendations, & questioned costs contained in the audit report and management letter, including a detailed corrective action plan