

FORV/S

Single Audit Update

Kyle Elmore & Phang Soundara / December 15, 2022

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Presenters



Kyle Elmore, CPA

Director
FORVIS, LLP
Little Rock, AR
501.372.1040
Kyle.Elmore@forvis.com



Phang Soundara, CPA

Senior Manager
FORVIS, LLP
Fort Smith, AR
479.452.1040
Phang.Soundara@forvis.com

FORV/S

2

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Today's Agenda

- Overview of Single Audit requirements and COVID-19 related programs
- Provider Relief Funds – Assistance Listing #93.498
- COVID-19 Testing for the Uninsured – Assistance Listing #93.461
- Other programs and considerations
 - Coronavirus Relief Fund – Assistance Listing #93.461
 - FEMA Disaster Grants – Assistance Listing #97.036
 - Other considerations and challenges

FORV/S

3

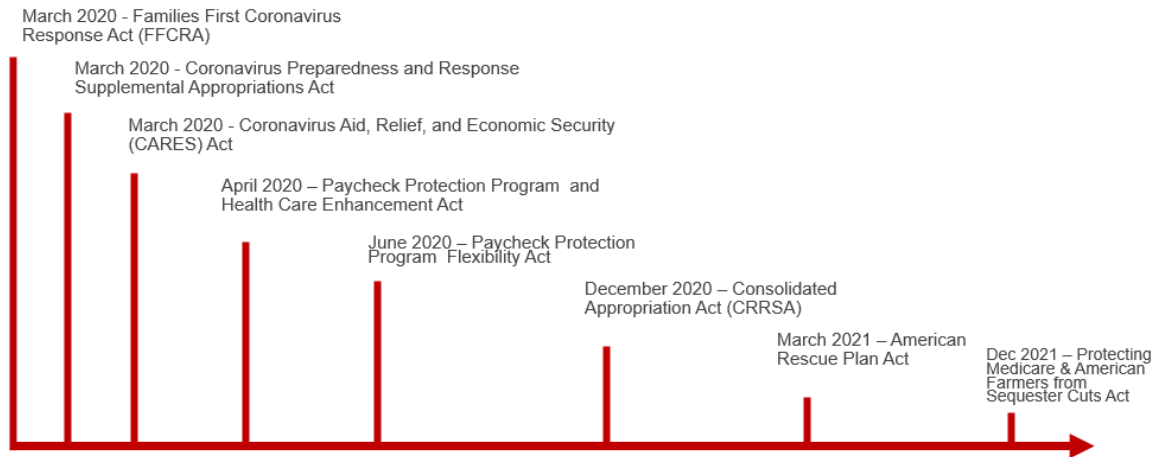
Overview

FORV/S

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

COVID-19 Programs Impacting HC Providers

Legislation



FORV/S

5

COVID-19 Programs Impacting HC Providers

Programs

- HHS – Provider Relief Fund
- HHS – Uninsured Testing Program
- HHS – MCR Accelerated / Adv Pmts
- HHS – Health Center Program
- HHS – Mental & Substance Abuse
- HHS/USDA – Rural Health Clinics
- FCC – Telehealth Program
- Treasury – Coronavirus Relief Fund
- Treasury – COVID S&L Recovery Fund
- SBA – Paycheck Protection Program
- SBA – Economic Injury Disaster Loan
- IRS – Employee Retention Credit

Other

- 20% Increase in IPPS Reimbursement for COVID-19 services
- Deferral of Sequestration
- IRS Payroll tax deferral
- FEMA

FORV/S

6

Single Audit Requirements

- Required when a NFP or governmental entity expends > \$750k in federal awards in its FY*
 - Only include expenditures if award is made prior to FYE – may require judgment
 - See GAQC nonauthoritative practice aid
 - ***Inclusion of Provider Relief Funds is based on timing of reporting through HHS portal such that the first reporting will include greater than 12 months of PRFs**
- Audit in accordance w/GAAS, GAGAS, Uniform Guidance, & OMB *Compliance Supplement*
- Includes:
 - Audit of financial statements & schedule of expenditures of federal awards (SEFA)
 - Audit of compliance w/major program compliance requirements, & related internal control
 - Reporting on controls over financial reporting, and on compliance w/laws, regulations, & contracts
 - Schedule of findings & questioned costs and corrective action plans
- Must be submitted to Federal Audit Clearinghouse 9 months after recipient's FYE
 - **6-month deadline extension for FYEs through 6/30/21**

FORV/S

7

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Single Audit Deadline Extensions

- OMB Memo M-21-20 provided a **six-month extension** for single audits not yet filed as of March 19, 2021 for **fiscal year-ends through June 30, 2021**
- Recipients and subrecipients aren't required to seek approval but should maintain documentation, including reasons for the delayed filing

Fiscal Year-End	Original Deadline	Extended Deadline
6/30/2020	3/31/2021	9/30/2021
9/30/2020	6/30/2021	12/31/2021
12/31/2020	9/30/2021	3/31/2022
3/31/2021	12/31/2021	6/30/2022
6/30/2021	3/31/2022	9/30/2022

FORV/S

8

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Single Audit Considerations

- Consolidated vs. series of subsidiary audits
 - Single Audit must cover the entire operations of the auditee
 - Option to do a series of audits by department, agency, or other subsidiary unit
 - If series of audits elected, each audit must encompass the FS & SEFA for each subsidiary entity for the same fiscal period
- Program-specific audit
 - Option if recipient only expended federal funds from a **single program**
 - Avoids financial statement audit requirement, other requirements remain

FORV/S

9

Single Audit Considerations

- 2021 OMB *Compliance Supplement* released in August 2021
 - Applicable to fiscal years beginning between 7/1/20 and 6/30/21
 - Addendum issued December 3, 2021 for ARPA program guidance
 - Technical Update issued in April 2022 impacting PRF and CSLFRF
- COVID-related programs are identified as higher-risk programs in Appendix IV
 - Includes Provider Relief Fund, Coronavirus Relief Fund, and Uninsured Testing Program
 - If Type A program, then automatically considered “high risk” and major program
 - If Type B program, then part of risk assessment for major program determination
- COVID-related programs and funding must be separately identified on the SEFA

FORV/S

10

Single Audit Considerations

- 2022 OMB *Compliance Supplement* released in May 2022
 - Applicable to fiscal years beginning after 6/30/2021
- List of Changes in the 2022 Supplement are included in Part 8, Appendix V
 - Several updated links and program procedures for various programs including the 93.461 Uninsured Testing and 93.498 Provider Relief Fund (PRF)
 - Part 8, Appendix VII
 - Expanded information on COVID-19 including definition of COVID-19 funding to include the following programs:
 - Coronavirus Preparedness and Response Supplemental Appropriations Act
 - Families First Coronavirus Response Act
 - Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
 - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
 - American Rescue Plan Act (ARP)

FORV/S

11

Polling Question 1

- How much does an entity expend to be required to have a single audit?
 - a) \$500,000
 - b) \$750,000
 - c) \$1,000,000

FORV/S

12

FORV/S

13

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

The Meaning of COVID-19 Funding in Year Three

In year one of the pandemic the meaning of “COVID-19 funding” was more intuitive (primarily from CARES Act)

In years two and three of the pandemic, it includes all new programs and existing programs (subject to Single Audit) from the following:

- Coronavirus Preparedness & Response Supplemental Appropriations Act
- Families First Coronavirus Response Act
- Coronavirus Aid, Relief, & Economic Security Act
- Coronavirus Response & Relief Supplemental Appropriations Act
- American Rescue Plan Act

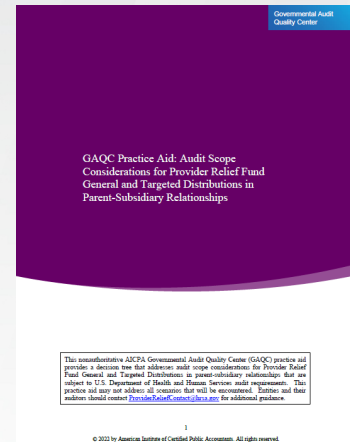
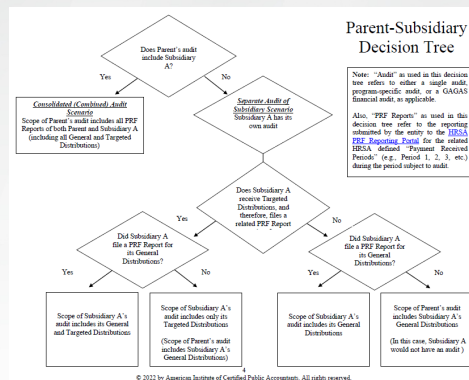
FORV/S

14

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Single Audit Considerations

- **Provider Relief Fund Practice aid released by AICPA**
 - Considerations for determining the entity to be audited in a parent/subsidiary relationship.



FORV/S

15

For-Profit Entity Considerations

- 45 CFR 75.216 & 75.501: Commercial organizations that receive HHS awards of \$750,000
 - Clarification made that the \$750,000 threshold is measured as expenditures similar to Single Audits
 - Expenditures related to PRF include lost revenues

FORV/S

16

PRF For-profit Entity Considerations

Three options

- GAGAS Financial Audit –
 - Opinion on the Schedule in accordance with GAGAS
 - Report on internal control over financial reporting and compliance and other matters
 - Must include all **expenditures*** of HHS awards in FY* (e.g., HRSA PRF, NIH grants, etc.)
- Single Audit –
 - Conducted in accordance with 45 CFR Section 75 Subpart F
 - Audit of financial statements and major program compliance
- Program-Specific Audit
 - Audit of an entity's compliance with direct and material compliance requirements as they relate to an individual federal program
 - Allowed under the Single Audit Act and the UG, but only in a certain circumstances
 - Auditee expends federal awards under only one federal program (excluding R&D)
 - The federal program's laws and regulations do not require a financial statement audit of the auditee

FORV/S

17

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office.

PRF For-profit Entity Considerations

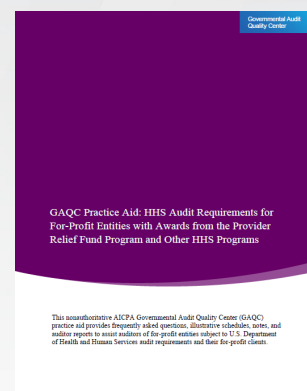
- **Provider Relief Fund Practice aid released by AICPA**
 - Comprehensive audit guidance for for-profit entities receiving Provider Relief Funds and other HHS awards

Provider

Schedule of (insert caption describing account used by the recipient in the financial statements, such as revenue, other revenue, grant income, etc.) of U.S. Department of Health and Human Services (HHS) Awards

For the HHS Provider Relief Fund Periods of Availability which ended in the year ended December 31, 2021, and for other HHS Awards for the year ended December 31, 2021

Federal Department/Program Title/Grant Name	Assistance Listing Number	Amounts recognized in accordance with GAAP for the Year ended December 31, 2020	Amounts recognized in accordance with GAAP for the Year ended December 31, 2021
Department of Health and Human Services Health Resources and Services Administration			
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution - Period 1	93.498	\$ 1,000,000	\$ -
COVID-19 Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution - Period 2	93.498	1,000,000	300,000
COVID-19 HRSA COVID-19 Claims Reimbursement for the Uninsured Program and the COVID-19 Coverage Assistance Fund Testing for the Uninsured	93.461	N/A	130,000
Total Department of Health and Human Services		\$ 2,000,000	\$ 430,000



FORV/S

18

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office.

Provider Relief Fund and American Rescue Plan Rural Distribution AL #93.498

FORV/S

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

PRF & ARP Rural Distribution – AL # 93.498

- \$178 billion PRF fund + \$8.5 billion ARP funding administered by HHS / HRSA
- Provides relief funds to hospitals and other healthcare providers
- Entities receiving the funding are governmental, NFPs, and for-profits
- Supports healthcare related expenses or lost revenues attributable to COVID 19
- Several distributions
 - General distributions
 - Targeted distributions
- HHS PRF guidance changed numerous times during 2020 and 2021

FORV/S

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

20

PRF – Many Clarifications, FAQs and Other Guidance

- No substantive changes regarding allowable expenditures
 - Costs incurred to prevent, prepare for, and respond to CV-19 and lost revenues attributable to CV-19
 - UG cost principles don't apply - Reasonable and necessary? See T&Cs and PRF FAQs
- Lost revenue determination based on quarterly calculations
 - Three options for lost revenues
 - (i) actual vs. actual (2019 quarters vs. 2020, 2021, and 2022 quarters)
 - (ii) budget vs. actual (only budget approved before 3/27/20 for entire period)
 - (iii) any other reasonable method (subject to higher risk of HRSA audit)
 - Only accumulates quarters in which there is lost revenue
 - i.e., any quarterly revenue increases = \$0

FORV/S

21

PRF - June 2021 PPNRR & July 2021 HHS Portal

- Targeted distributions required to be reported by the original recipient
 - Parent / affiliates that received transfers of targeted distributions must allocate expenses / lost revenues used to support the original recipient's targeted distribution
- Consolidated vs. separate standalone TIN reporting
 - A parent may report on its subsidiaries' general distribution payments
 - Or subsidiary TINs can report on a standalone basis
 - TINS with targeted distributions required to separately report on those distributions
- Introduces periods of availability, deadlines for usage of funds, & reporting periods

FORV/S

22

Provider Relief Funds – HHS Reporting Periods

	Reporting Period	Payment Rec'd Dates	Period of Availability	Reporting Period
	Period 1	April 10, 2020 – June 30, 2020	January 1, 2020 – June 30, 2021	July 1, 2021 – September 30, 2021
	Period 2	July 1, 2020 – December 31, 2020	January 1, 2020 – December 31, 2021	January 1, 2022 – March 31, 2022
	Period 3	January 1, 2021 – June 30, 2021	January 1, 2020 – June 30, 2022	July 1, 2022 – September 30, 2022
	Period 4	July 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2022	January 1, 2023 – March 31, 2023
	Period 5	January 1, 2022 – June 30, 2022	January 1, 2020 – June 30, 2023	July 1, 2023 – September 30, 2023
	Period 6 ?	July 1, 2022 - ?	January 1, 2020 - ?	?

FORV/S

23

PRF – August 2021 OMB *Compliance Supplement*

- Designated as a “Higher risk” program
- Single audit timing – 2021 Compliance Supplement supersedes 2020 CS Addendum
 - Originally indicated PRF would be reported in SEFAs beg. w/FYEs 12/31/20 & thereafter
 - Now PRF is only reported in SEFAs beg. w/FYEs 6/30/21 and thereafter
 - Follows HHS portal reporting
- SEFA will report PRF distributions expended (including lost revenues), up to amount received during applicable reporting period
 - SEFA includes amounts reported in portal for periods of availability ending within fiscal year
- Donated PPE is excluded from the SEFA and disclosed as unaudited

FORV/S

24

PRF – August 2021 OMB Compliance Supplement

- Identifies applicable compliance requirements
 - A/B – Allowable activities / costs
 - L – Reporting
 - ~~N – Special tests / provisions~~
 - Removed via Technical Update issued in April 2022 – but still a requirement for providers to follow!
- Identifies key line items in HHS PRF portal submission for auditor testing of reporting compliance requirement
 - Total nursing home infection control expenses and total other PRF expenses
 - Total quarterly actual and budgeted patient care revenues - 2019, 2020, and 2021
 - Alternative method of calculating patient care revenues – audit back to narrative and support
 - Not responsible for determining reasonableness of alternative methodology
- Emphasizes applicability of 2 CFR 200.514 for defining the entity to be audited
 - Recipients should disclose which providers (by TIN) are included in the audit

FORV/S

25

PRF & ARP Rural Distribution – May 2022 Compliance Supplement

- Program title updated to “Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution”
- Out-of-Network Patient Out-of-Pocket Expenses special test was removed
- Guidance added for updates related to the ARP Act
 - Clarified that for ARP rural distributions funds may only be used to reimburse the providers associated with the applicable subsidiary or billing TIN and cannot be transferred to another entity
- Guidance added relevant to the fourth phase of the PRF General Distribution
- Numerous Web links added and revised in Other Program Information section

FORV/S

26

PRF – Expenses and Lost Revenues

- Amounts reported in SEFA (and related audits) should follow HHS PRF portal reporting
- Auditors are not expected to test the funding reported as lost revenues to determine if it was expended only for federally defined allowable activities
- The Uniform Guidance cost principles do not apply to PRF, however auditors must test that charges to the PRF must be necessary, reasonable and conform to the limitations and exclusions of the terms and conditions of the award
- ~~Auditors required to test to ensure out-of-network patient out-of-pocket expenses billed for presumptive or actual cases of COVID-19 are not greater than what the patient would have otherwise been required to pay~~

FORV/S

27

Provider Relief Funds – Updated FAQs / Guidance

- When should PRF expenditures / lost revenues be reported on a SEFA?
 - Include PRF expd's and/or lost revenues on SEFAs for FYEs ending on/after 6/30/21
 - Refer to OMB *Compliance Supplement*
- How will an entity determine expenditures / lost revenues to report on its SEFA?
 - SEFA reporting is linked to its report submissions to the HHS PRF portal
 - Include those periods of availability that end within the entity's fiscal year
- Only include expenditures / lost revenues up to amounts received during applicable PRF reporting periods
 - Based on what is reported through the HHS portal
 - Cannot accelerate reporting

FORV/S

28

Provider Relief Funds – Updated FAQs / Guidance

- You are allowed to change methodology for calculating lost revenues in subsequent reporting periods
- However**, the new methodology must then be used to recalculate lost revenues for the **entire** period of availability
 - May impact and supersede previously reported unreimbursed lost revenues
 - Justification for the change is required
- Audit implications?
- HRSA has started process of auditing PRF submissions – did your organization receive a letter?

FORV/S

29

Provider Relief Funds – Timing of SEFA Reporting

Single Audit - Timing of Inclusion of PRF on SEFA

- Include amounts on SEFA based on HHS portal reporting periods
- Cannot accelerate timing of reporting and audit, even if already fully expended
- Include qualifying expenses and lost revenues, only up to amount received during applicable reporting period
- Because of the timing differences of reporting and year ends a disclosure to reconcile the reporting periods may be included in the SEFA.

Fiscal Year End	What to include on SEFA (Provider Relief Funds - CFDA 93.49 only)
Prior to 6/30/21	N/A - no PRF included on SEFA
6/30/21 through 12/30/21	Funds reported in HHS Portal in Period 1
12/31/21 through 6/29/22	Cumulative amounts reported in HHS Portal for Periods 1 & 2
6/30/22 through 12/30/22	Cumulative amounts reported in HHS Portal for Periods 2 & 3
12/31/22 through 6/29/23	Cumulative amounts reported in HHS Portal for Periods 3 & 4
6/30/23 through 12/30/23	Cumulative amounts reported in HHS Portal for Periods 4 & 5
12/31/2022	Funds reported in HHS Portal for Period 5

FORV/S

30

PRF Reporting - Another way to look at it

	Payment Received Period (Payments Exceeding \$10k in Aggregate Received)	Period of Availability	PRF Portal Reporting Time Period	Fiscal Year Ends (FYE) to include each PRF Period on the Schedule of Expenditures for Federal Awards (SEFA) Reporting
Period 1	Apr 10, 2020 – Jun 30, 2020	Jan 1, 2020 – Jun 30, 2021	Jul 1, 2021 – Sep 30, 2021	FYE of Jun 30, 2021 – Dec 30, 2021
Period 2	Jul 1, 2020 – Dec 31, 2020	Jan 1, 2020 – Dec 31, 2021	Jan 1, 2022 – Mar 31, 2022	FYE of Dec 31, 2021 – FYE Jun 29, 2022
Period 3	Jan 1, 2021 – Jun 30, 2021	Jan 1, 2020 – Jun 30, 2022	Jul 1, 2022 – Sep 30, 2022	FYE of Jun 30, 2022 – Dec 30, 2022
Period 4	Jul 1, 2021 – Dec 31, 2021	Jan 1, 2020 – Dec 31, 2022	Jan 1, 2023 – Mar 31, 2023	FYE of Dec 31, 2022 – FYE Jun 29, 2023
Period 5	Jan 1, 2022 – Jun 30, 2022	Jan 1, 2020 – Jun 30, 2023	Jul 1, 2023 – Sep 30, 2023	FYE of Jun 30, 2023, guidance will be included in 2023 Compliance Supplement

FORV/S

31

Polling Question 2

- Was the Provider Relief Fund designated as a “higher risk” program?
 - a) Yes
 - b) No
 - c) Unsure

FORV/S

32



Testing for the Uninsured Program – AL #93.461

- Administered by HRSA
- Provides claims reimbursement to eligible health care providers for:
 - Conducting COVID-19 testing for the uninsured
 - Treating uninsured individuals with a COVID-19 diagnosis, and
 - Administering FDA authorized or licensed COVID-19 vaccines to uninsured individuals
- Unlike PRF, it is required to be reported on the SEFAs of all FYEs
 - Report billed net revenue under the program on accrual basis during FY
- Note – this program often administered via billing office / revenue cycle – don't miss it!
 - Funding has dried up as of Spring 2022...

FORV/S

35

Uninsured Testing Program – *Compliance Supplement*

- Identifies applicable compliance requirements
 - A/B – Allowable activities / costs
 - L – Reporting
 - N – Special tests / provisions
 - No “balance billing” or charging cost sharing for services and treatments funded by the program
- UG cost principles do not apply, however auditors must test that charges are necessary, reasonable and conform to the limitations and exclusions of the terms and conditions of the award

FORV/S

36

Polling Question 3

- When are the expenditures for the Uninsured Program required to be reported on your SEFA?
 - a) In the year the expenditures are incurred (consistent with your fiscal year end)
 - b) In the year subsequent to when expenditures are incurred (next fiscal year end)
 - c) Unsure

FORV/S

37

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

FORV/S

38

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Other COVID-19 Programs and Considerations

FORV/S

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Coronavirus Relief Fund – AL #21.019

- Department of Treasury program - \$150B distributed to state & local governments, much of which was passed through to subrecipients & beneficiaries
- The purpose of the CRF is to provide direct payments to state & local governments to cover:
 - Necessary expenditures incurred due to COVID-19 public health emergency
 - Costs that were not accounted for in recipients' budgets as of March 27, 2020; and
 - Costs that were incurred during the period 3/1/20 through 12/31/21 (as amended)
- Awards subject to single audit requirement for nonprofit and governmental recipients and subrecipients – **but not “beneficiaries”**...

FORV/S

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

CRF – Subrecipient vs. Beneficiary

- Confusion due to Treasury CRF guidance which defined the terms “subrecipient” and “beneficiary” for CRF portal reporting different than the UG
 - “Prime recipient” must comply with both UG & Treasury OIG reporting requirements
 - “Beneficiary” can be an individual or an organization
 - Subawards are silent about whether the entity receiving the funds is a subrecipient, beneficiary, or contractor
 - Subaward originally states that the entity is a subrecipient and then the PTE informs the entity (sometimes much later) that it really is a beneficiary (or vice versa)
 - Subaward states that the entity is a subrecipient, but the entity believes it is really a beneficiary based on facts and circumstances
 - These situations can have significant implications for single audits
 - Go to pass-through entity to make determination, if possible
 - If no guidance from PTE, then evaluate substance – documentation is critical

FORV/S

41

Polling Question 4

- Are COVID-19 expenditures required to be separately identified on the SEFA and Data Collection Form (DCF)?
 - a) Yes
 - b) No
 - c) Unsure

FORV/S

42

FORV/S

43

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Donated Personal Protective Equipment (PPE)

- PPE purchased with federal assistance funds were donated to various entities for the COVID-19 response
- Donated PPE often provided without any compliance requirements or assistance listing information from the donors
- Entities should report the FMV value of contributed PPE at the time of receipt as a disclosure to the SEFA (marked “unaudited”)
- When a recipient uses federal awards to purchase PPE, the related expenditures should be reported as part of that program’s expenditures on the SEFA

FORV/S

44

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

FEMA Disaster Assistance – AL #97.036

- Disaster Grants - Public Assistance (Presidentially Declared Disasters are administered by FEMA)
- Non-Federal entities must report expenditures on the SEFA when FEMA has approved the non-federal entity's project and eligible expenditures have been incurred
- Disclose any amounts reported on the SEFA that were incurred in a prior period
- FEMA may replace certain expenditures already charged to another federal program & reported on the prior year SEFA – facts and circumstances
- **NOTE** - Availability of FEMA funds for COVID-19 declarations is sunseting very soon
 - Deadline of 7/1/22 to submit Request for Public Assistance
 - Possible 90 day extension available for certain extenuating circumstances

FORV/S

45

Other considerations / challenges

- Requirement to separately identify COVID-19 expenditures on the SEFA & DCF retained
 - SEFA: on a separate line by AL# with "COVID-19" as a prefix to the program name
 - DCF: on a separate row with "COVID-19" in Part II Item 1c, Additional Award Identification
- OMB Memo 21-20 provided a six-month audit extension for audits not submitted on March 19, 2021, through June 30, 2021, year-ends
 - Audits qualifying for the six-month extension would not be considered late submissions
 - OMB has informed AICPA that there will be no additional Single Audit submission extensions

FORV/S

46

Other considerations / challenges

- Out-of-Period issues
 - PRF amounts reported on the SEFA align with report submissions to the PRF Reporting Portal
 - PRF and FEMA allowing institutions to go back in time to identify allowable costs
- Determining completeness of SEFA – certain COVID funding may be handled by departments unaccustomed to federal funding
- Identification of COVID-19 funding on face of SEFA
- Determining when awards exist

FORV/S

47

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Other considerations / challenges

- The provider of the FAC will change from Census to GSA on October 1, 2022
- Single Audits with a fiscal period ending in 2021 (or earlier) should be submitted to Census FAC
- Census will continue to receive & process Single Audits for a limited period after September 30, 2022, allowing auditees an opportunity to complete remaining in-process submissions
- Single Audits with a fiscal period ending in 2022 will be submitted to the new GSA FAC beginning on October 1, 2022
- 2022 audits not submitted within the earlier of 30 calendar days after the receipt of the auditor's report due to the new GSA FAC portal not being open will not be considered late if submitted within nine months after the end of the audit period
- **Auditors & auditees with earlier 2022 fiscal year end Single Audits should develop policies to ensure submission occurs once the new FAC opens**

FORV/S

48

FORV/S is a trademark of FORV/S, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Employee Retention Credit Accounting and Reporting

- ERC –Employee Retention Credit
 - Accounting treatment is similar to PRF
 - Non-exchange transactions
 - NFP – Conditional Contributions, For Profit – Government Grant or Gain Contingency, GASB Voluntary Nonexchange Transaction
 - Part of payroll tax reconciliations – doesn't belong on SEFA

FORV/S

49

Resources

- 2021 OMB Compliance Supplement (August 2021)
- 2021 OMB Compliance Supplement Technical Update (April 2022)
- 2022 OMB Compliance Supplement (May 2022)
- AICPA GAQC Guidance
 - Guidance on the Reporting of Certain COVID-19 Awards on an Accrual Basis SEFA
 - TQA 9160.36 Reporting on the PRF in the SEFA in Relation to the FS in a Single Audit
 - GAQC Practice Aid: HHS Audit Requirements for For-Profit Entities with Awards from the Provider Relief Fund Program and Other HHS Programs
 - GAQC Practice Aid: Audit Scope Considerations for Provider Relief Fund General and Targeted Distributions in Parent-Subsidiary Relationships

FORV/S

50

Thank you!

forvis.com

The information set forth in this presentation contains the analysis and conclusions of the author(s) based upon his/her/their research and analysis of industry information and legal authorities. Such analysis and conclusions should not be deemed opinions or conclusions by FORVIS or the author(s) as to any individual situation as situations are fact specific. The reader should perform its own analysis and form its own conclusions regarding any specific situation. Further, the author(s) conclusions may be revised without notice with or without changes in industry information and legal authorities. FORVIS has been registered in the U.S. Patent and Trademark Office, which registration is pending.

FORVIS

Assurance / Tax / Advisory