**Form SF-SAC - Data Collection Form for Reporting on Audits of States, Local Governments, Indina Tribes, Institutions of Higher Education and Nonprofit Organization.** (OMB No. 0348-0057)

PUBLIC COMMENTS AND RESPONSES

### Pursuant to the December 9, 2015, *Federal Register* notice, OMB received comments from 18 commenters relating to the proposed revision to the information collection. Letters came from State governments (including State auditors), the American Institute of Certified Public Accountants, certified public accountants (CPAs), Federal agencies and grantee(s). The comments received relating to the information collection and OMB’s responses are summarized below.

**Comment : Part I, Item 5(e) Auditee Contact Fax.** Commenters requested that OMB remove Auditee Fax number from General Information page.

**Response :** Agreed.Change made to Form and instructions.

**Comment : Part I, Item 6(f) Auditor Contact Fax.** Commenters requested that OMB remove Auditor Fax number from General Information page.

**Response :** Agreed.Change made to Form and instructions.

**Comment : Part II, Federal Awards.**  Several commenters suggested OMB designate in the instructions who is responsible to complete this section, the auditee or auditor.

**Response :**Agreed.Change made to instructions.

**Comment : Part II, Federal Awards.**  One commenter questioned whether it would be beneficial to add a field to differentiate between non-cash and other assistance in Part II, Federal Awards.

**Response :**OMB will consider this on the next version of the Form. No change to Form.

**Comment : Part II, Federal Awards.**  One commenter believes the order of CFDA Programs on the Form should be numeric.

**Response :** OMB will consider this on the next version of the Form. No change to Form.

**Comment : Part II, Item 1(a) Federal Awarding Agency Prefix.** Several commenters were not clear which CFDA prefix should consistently be used – the actual CFDA number prefix listed in Appendix 1-A?

**Response :** Instructions have been updated to include the correct URL for the CFDA Catalog. Additionally, prefix 45 was added to Appendix 1-A, and prefixes 04, 05, and 06 have been removed.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** Several commenters questioned the intent for the U and two-digit number.

**Response :**For CFDA Three Digit Extensions that are unknown, OMB is allowing the use of the letter “U” followed by any two digits 0-9 (e.g., U00, U01, U02, U99, etc.) This allows the FAC collection system to calculate the Federal Program Total or Cluster Total. The two digit number can start over for each Federal Agency or continue throughout the remainder of the data collection form.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** Several commenters requested OMB provide supplemental guidance to explain its interpretation of “combine all federal awards from the same agency for the same purpose” and how the auditee is to apply it to the Form SF-SAC.

**Response :** As defined in § 200.42, a Federal program means:

(a) All Federal awards which are assigned a single number in the CFDA,

(b) When no CFDA number is assigned, all Federal awards to non-Federal entities from the same agency made for the same purpose should be combined and considered one program,

(c) Notwithstanding paragraphs (a) and (b) of this definition, a cluster of programs. The types of clusters of programs are: (1) Research and development (R&D); (2) Student financial aid (SFA); and (3) ‘‘Other clusters,’’ as described in the definition of Cluster of Programs.

The Uniform Guidance states the auditee’s SEFA must provide the total Federal awards expended for each Federal program. Our interpretation of “combine all federal awards from the same agency for the same purpose” is to allow the FAC collection system to auto-generate the total Federal awards expended for each Federal program.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** Several commenters expressed concern that the proposed method for completing the CFDA extension column when the three-digit extension is unknown is not practical for large programs, such as Research & Development (R&D).

**Response :** Agreed. Change made to instructions – The form will allow “RD” as a valid three-digit extension if the program is part of the R&D cluster. If “RD” is used as the CFDA Three Digit Extension then the system will not be able to auto-generate the Federal program total, because there will be no way for the system to differentiate between R&D programs where the CFDA extension is unknown. The system will still auto-generate the cluster total.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** One commenter questioned whether awards from the same agency with no extension must be listed on one line?

**Response :**No. Each award from the same agency with unknown CFDA Three Digit Extension will be listed on separate lines. For CFDA Three Digit Extensions that are unknown, OMB is allowing the use of the letter “U” followed by any two digits 0-9 (e.g., U00, U01, U02, U99, etc.) or “RD” for Research & Development programs.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** One commenter recommended the description of programs with no CFDA number be expanded to specifically state that the same two digit number be used when there are multiple unknown CFDA extension lines within the same cluster.

**Response :**Disagreed. No change to Form and instructions. If multiple unknown CFDA extension lines exist within the same cluster and are not from the same Federal program, then a different two digit number should be used for each unknown program.

**Comment : Part II, Item 1(b) CFDA Three Digit Extension.** One commenter stated there are many programs in the SEFA with an extension that exceeds three digits. Does this requirement also apply to the presentation in the SEFA which could potentially result in new major federal programs similar to clusters (either Type A or high risk Type B)?

**Response :**All CFDA numbers have a three digit extension. The Uniform Guidance requires the SEFA must provide the total Federal Awards expended for each Federal program, including those that include non-cash assistance and the CFDA number or other identifying number if the CFDA extension is unavailable. The intent for requiring the U and the two digit number is to allow the FAC collection system to auto-generate the Federal program total.

**Comment : Part II, Item 1(c) Additional Award Identification.** One commenter requested clarification whether an identifying number assigned by the Pass-through entity would it go in “Additional Award Identification or in Identifying Number Assigned by Pass-through Entity.”

**Response :** Change made to Form and instructions. The Additional Award Identification item should contain information that helps identify the award as to where the identifying number assigned by the Pass-through entity item contains information to help identify the Pass-through entity that passed through the award to the subrecipient.

**Comment : Part II, Item 1(c) Additional Award Identification.** Several commenters suggested Additional Award Identification field be required when Part II, Item b, CFDA Three-Digit Extension is unknown.

**Response :** Agreed. Change made to Form and instructions.

**Comment : Part II, Item 1(d) Name of Federal Program.** Several commenters requested “Name of Federal Program” be deleted as it is redundant since Name of Federal Program is directly linked to CFDA Number that is being provided.

**Response :**Disagreed. No change to Form. However, to reduce respondent burden, the FAC will auto-populate Name of Federal Program once Federal Awarding Agency Prefix and CFDA Three Digit Extension has been entered.

**Comment : Part II, Item 1(d) Name of Federal Program.** One commenter requests OMB remove the character limitation for this field. This will prevent the need to modify program names from how they will appear in the SEFA.

**Response :** Agreed. Change made to Form. We have increased the character limit for this field to 250 characters which will cover the largest Federal program name in the CFDA.

**Comment : Item 1(f) Cluster Identification.**  One commenter recommended revising the “What’s New” section of the instructions for state clusters with the following edit: “For other clusters, ~~this item~~ **the auditee** will enter ~~collect~~ the cluster identification number provided in Appendix II.”

**Response :** Agreed. Change made to Form and instructions –The Form has been changed to collect the cluster name instead of the cluster identification number.

**Comment : Part II, Item 1(f) Cluster Identification.** Several commenters were unclear how useful the proposed cluster identification number will be to the general user of the data collection form of those programs identified in Appendix II as “other clusters.”

**Response :**Agreed. Change made to Form and instructions –The Form has been changed to collect the cluster name instead of the cluster identification number.

**Comment : Part II, Item 1(f) Cluster Identification.** One commenter noted Appendix II and the examples listed in the Form instructions show clusters IDs with 7 digits, however in Footnote 4 of the Federal Awards page, indicated that all cluster IDs should be 5 digits.

**Response :** Agreed. Change made to Form and instructions –The Form has been changed to collect the cluster name instead of the cluster identification number.

**Comment : Part II, Item 1(f) Cluster Identification.** Several commenters expressed concern regarding “other clusters.” Appendix II will need to be updated to coincide with the annual issuance of the OMB Compliance Supplement. If this update is not made on a timely basis each year, there will be problems completing the Form accurately for other clusters and potentially result in erroneous major program determinations.

**Response :** Agreed. Change made to Form and instructions – The Form has been changed to collect the cluster name instead of the cluster identification number. If new clusters are added to the Compliance Supplement, the FAC can add the new clusters to the system.

**Comment : Part II, Item 1(g) Federal Program Total or Cluster Total.** Commenters suggest clarifying the Form instructions “For awards that are part of a Cluster Individual CFDA lines which have CFDA number.”

**Response :** Agreed. Change made to instructions.

**Comment : Part II, Item 1(g) Federal Program Total or Cluster Total.** Several commenters noted inconsistencies between Footnote 5 of the Federal Awards page and its instructions. The instructions include the use of the word “Enter”, while Footnote 5 implies the system will automatically sum the CFDA Numbers.

**Response :** Agreed. Change made to Form and instructions. The system will auto-generate the Federal program total or cluster total.

**Comment : Part II, Item 1(g) Federal Program Total or Cluster Total.** Several commenters noted that the current instructions indicate that for clusters, the cluster total will be entered as the program total. It is not clear what happens if you have a cluster with multiple programs. Additionally, commenters are unclear whether the total will only be shown on the row for the last program included in the total or on every row that is included.

**Response :** Agreed. Change made to Form and instructions. FAC will auto-generate the Federal program total and the cluster total and the totals will be listed on every row that is included.

**Comment : Part II, Item 1(g) Federal Program Total or Cluster Total.** Several commenters request automating the “Federal Program or Cluster Total” column or have the Form auto-populate a “Totals” part of the form that contains this information.

**Response :**Agreed. Change made to Form and instructions. FAC will auto-generate the Federal program total and the cluster total and the totals will be listed on every row that is included.

**Comment : Part II, Item 1(i) End of Audit Period Outstanding Loan Balance.** One commenter does not see the added benefit of reporting loan and non-loan amounts on separate lines when Item 1(i) will show the outstanding loan balance that is included in Item 1(e) Amount Expended.

**Response :**Agreed. Change made to Form and instructions. The FAC does not intend for reporting loan and non-loan amounts on separate lines.

**Comment : Part II, Item 1(i) End of Audit Period Outstanding Loan Balance.** Several commenters suggested rewording the Form instructions for “Outstanding Loan Balance.” The amount of loan/loan guarantees included in the amount entered in Item 9(e) is the value of new loans made or received during the audit period, and the balance of loans from previous audit periods, for which the Federal government imposes continuing compliance requirements. Commenters suggested replacing the last sentence from the Form instructions with the following: “The outstanding loan balance outstanding at the end of the audit period is the amount disclosed in the footnotes to the SEFA as required by 200.510 (b)(5).”

**Response :**Agreed. Change made to instructions.

**Comment : Part II, Item 1(j).**  For Part II, Item 1(j) instructions, one commenter suggested the following edit for clarity: “When an award … (i.e., received ~~by~~ **as** a subrecipient from a pass-through entity)…”

**Response :**Agreed. Change made to instructions.

**Comment : Part II, Item 1(k) Name of Pass-through Entity.** One commenter suggested rewording the instructions to “not being directed in Part II, Part 1(j)” rather than Item 1(l).

**Response :** Agreed. Change made to instructions.

**Comment : Part II, Item 1(l) Identifying Number Assigned by Pass-through Entity.** Several commenters recommended this item includes an option for “N/A” as not every pass-through award contains an identifying number assigned by the pass-through entity. The Form instructions should also be expanded to describe the appropriate action to take when there is no pass-through identifying number.

**Response :** Agreed. Change made to Form and instructions. The form will allow “N/A” to be a valid response. Change made to Form and Form instructions “If Column J is “N” list identifying number assigned by the Pass-through Entity, if assigned.

**Comment : Part II, Item 1(l) Identifying Number Assigned by Pass-through Entity.** One commenter suggested “various” as a valid response. There are many situations where one program has multiple pass-through award numbers.

**Response :**Agreed. Change made to Form and instructions. “Various” will not be a valid response. In a situation where one program has multiple pass-through award numbers, the form will accept multiple identifying numbers assigned by the multiple pass-through entities.

**Comment : Part II, Item 1(n) Total Amount Passed Through.** One commenter suggested rewording this sentence “amount entered in Part II, Item 1(e)” rather than in Item 1(g) as it currently states.

**Response :**Agreed. Change made to Form and instructions. The intention for this item is to collect the total amount passed-through to subrecipients from the Federal program, not just for this individual line.

**Comment : Part II, Item 1(n) Total Amount Passed Through.** Several commenters requested clarification for R&D - whether the total amount is entered or whether an amount for each individual R&D line is required.

**Response :**Agreed. Change made to Form and instructions. The intention for this item is to collect the total amount passed-through to subrecipients from the Federal program, not just for this individual line.

**Comment : Part II, Item 1(n) Total Amount Passed Through.** One commenter recommended that the amount provided to subrecipients be identified for each line item, instead of each Federal program. Identifying the total amount provided to subrecipents “from each federal program” could result in the subrecipeint amount being more than the total amount expended for that line item causing confusion for form users.

**Response :** Disagreed. No change to Form. Uniform Guidance requires the total amount provided to subrecipients from each Federal program. The total amount provided to subrecipients from each Federal program cannot be greater than the Federal program total in Part II, Item 1(g).

**Comment : Part III, Information from the Schedule of Findings and Questioned Costs.** Several commenters suggested specific instructions who is responsible to complete this section, the auditee or auditor.

**Response :**Agreed. Change made to instructions.

**Comment : Part III, Item 1(c) Number of Audit Findings.** Several commenters requested clarification for the number of audit findings to be entered if an auditor has a finding that relates to an entire program or cluster? Many are concerned that auditors will not know which specific pass-through entity number the finding relates to. It was recommended that the instructions be updated to make this clear.

**Response :** Agreed. Change made to instructions.

**Comment : Part III, Item 2(a)(i) Financial Statement Information.** Several commenters expressed concern that they can foresee auditors mistakenly checking the box that indicates a special purpose framework and attempting to indicate the type of opinion for that reporting in 2(a)(i). Additionally, commenters suggested adding an edit check such that items 2(a)(ii), (iii) and (iv) are only available to be checked if the item in 2(a)(i) regarding a special purpose framework is checked.

**Response :** The collection system will not allow users to enter invalid combinations in Part III, Item 2.

**Comment : Part III, Item 2(a)(i) Financial Statement Information.** Several commenters recommended FAC allow “Unmodified Opinion” to be marked even when other types of opinions are issued (qualified, adverse, disclaimer).

**Response :**Agreed. Change made to Form and instructions.

**Comment : Part III, Item 2(a)(iii) Financial Statement Information.** One commenter requests clarification that this question also refers to tribal law as well as state law, since tribes are not subject to State jurisdiction. If it is intended here that both are included, they suggest the wording be revised.

**Response :**Agreed. Change made to Form and instructions.

**Comment : Part III, Item 2(a)(iv) Financial Statement Information.** One commenter requests detail wording be provided in the Form instructions for this item. They assume this instruction is intended to have auditors use the same provision for identifying opinions as they would do in the financial statements were prepared in accordance with GAAP.

**Response :**More detailed instructions will be available on the FAC website.

**Comment : Part III, Item 3(a) Federal Programs.** One commenter expressed concern the way this question is worded is requiring auditors to infer additional information that is not required to be contained within the auditor’s report. It is correct that audit standards require auditors to disclose entities that are not covered by the audit, however standards do not require auditors to disclose the amount, if any, of federal funds expended by entities note covered by the audit.

**Response :** No change to Form and instructions. The only change to this question from previous versions of the Form SF-SAC was to raise the amount expended to the new threshold of $750,000 (previous threshold was $500,000).

**Comment : Part III, Item 3(c) Federal Programs.**  One commenter suggested the following revision: “Mark either “Yes” or “No” to indicate….as a low-risk auditee under §200.520 at the beginning of the audit period.”

**Response :** Agreed. Change made to instructions.

**Comment : Part III, Item 3(d) Federal Programs.** One commenter suggested editing the instructions for this item - “is a revision to only collect data on prior audit findings shown in the Summary Schedule of Prior Audit Findings as data on current year audit findings is collected in ~~Part III, Item 1, Federal Award Audit Findings~~ Information from the Schedule of Findings and Questioned Costs (or Part III, Item 4, Federal Award Audit Findings).

**Response :** Agreed. Change made to instructions.

**Comment : Part III, Item 3(d) Federal Programs.** One commenter noted Page 9 of 15 is missing a heading title. Add title “APPENDIX 1-A” to this appendix.

**Response :**Agreed. Change made to instructions.

**Comment : Part III, Item 4 Federal Award Audit Findings.** A commenter requested clarification on this information **-** It looks like this form is set up to pull in each item that has a number greater than 0 for number of audit findings – so if the same finding relates to several lines (due to several grant years from the same CFDA number or cluster), it will show up multiple times in this section.

**Response :**  The Federal Award Audit Findings page will work the same way as the page does in the 2013-2015 Form SF-SAC. If an auditor has a finding on a program or cluster, they will put ‘1’ on each line in that program or cluster. If the same finding relates to several lines (due to several grant years from the same CFDA number or cluster), then multiple lines will show up on the Federal Award Audit Findings page for that line. This will allow the auditor to list questioned costs by award year.

**Comment : Part III, Item 4(f) Type(s) of Compliance Requirements.** One commenter suggested that it would be beneficial to allow more than one compliance requirement, since the results of the auditor’s test work indicate lack of compliance with other requirements.

**Response :** Agreed. Change made to Form and instructions to allow for multiple compliance requirements.

**Comment : Part III, Item 4(f) Type(s) of Compliance Requirements.** Commenters discovered inconsistencies between the Form and the Instructions. Footnote 1 states “Enter the letter(s) of all types of compliance requirements that apply to audit findings.”, however in the What’s New section of the Instructions, it states report the “primary type of compliance requirement”

**Response :** Agreed. Change made to Form and instructions to allow for multiple compliance requirements.

**Comment : Part III, Item 4(f) Type(s) of Compliance Requirements.** Several commenters requested examples of the types of findings that would be classified under the “P” – Other compliance requirement type.

**Response :** Although FAC cannot provide examples at this point in time, we will allow “P” to be reported on the form.

**Comment : Part III, Item 4(g) Modified Opinion.** The footnote for this item refers to a chart in “Item 8” within the instructions. The correct chart being referenced is in Part III, Item 4(k).

**Response :**Agreed. Change made to Form.

**Comment : Part III, Item 4(m) Repeat Audit Findings from Prior Year.** One commenter stated in their audit findings they have been reporting if the finding was a repeat from prior years or if similar aspects to prior years. How exact/similar should a finding be between prior year and current year to answer ‘Y’ here? Example: In prior year, a finding was identified as a control weakness and a noncompliance for eligibility. However, in current year, no noncompliance is identified but a control issue still exists related to the same compliance requirement. Should the answer be ‘yes’ since it has some of the same aspects of prior year?

**Response :** Auditors should exercise professional judgement on this issue. If a condition still exists where it is a material weakness, significant deficiency or material noncompliance or combination of both control and compliance, the finding should be identified as repeated until the underlying issues are resolved. The designation of the current year finding as a control findings as either a significant deficiency or material weakness will provide clarity as to which part of the finding is repeated.

**Comment : Part IV, Auditee Certification Statement.** Several commenters were unclear how the programming for the data collection system will work as it relates to the two different version of the auditee certification – Indian Tribe statement and Non-Indian Tribe statement.

**Response :** In the FAC system, when the auditee lands on the certification page, they will have the opportunity to check a box indicating that they qualify as an Indian Tribe or Tribal Organization (as defined in the Indian Self-Determination, Education and Assistance Act (ISDEAA), 25 U.S.C 450b(I)) and opt not to authorize the FAC to make the reporting package publically available. Once this checkbox has been selected, they will only be able to check off the certification statement boxes that apply.

**Comment : Part IV, Auditee Certification Statement *“ensured that the Form SF-SAC and reporting package does not include Business Identifiable Information..”*** Several commenters requeste additional information regarding BII and situations when to checker to check the box stating that the Form and reporting package does not contain BII.

**Response :**Business Identifiable Information (BII) consists of (a) information that is defined in the Freedom of Infor-mation Act (FOIA) as “trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential.” (5 U.S.C.552(b)(4)). Examples of BII include: Financial information provided in response to requests for economic census data, business plans and marketing data provided to participate in trade development events, commercial and financial information collected as part of export enforcement actions, proprietary information provided in support of a grant application or related to a federal acquisition action, financial records collected as part of an investigation. The FAC will provide additional clarification on what constitutes BII on the certification page and their Frequently Asked Questions.

**Comment : Part IV, Auditee Certification Statement *“complied with the requirements of 2 CFR Part 200 specific to the auditee..”*** Several commenters suggeste adding “Subpart F” to the “2 CFR 200” to the descrition of this box as it is realted to Section 2 CFR 512 (b) requirement an not compliance to the entire compliance areas in 2 CFR 200.

**Response :** Agreed. Change made to Form and instructions. Certification statement changed to read “complied with the requirements of 2 CFR Part 200 Subpart F specific to the auditee;”

**Comment : Part IV, Auditee Certification Statement *“complied with the requirements of 2 CFR Part 200 specific to the auditee..”*** One commenter is unclear whether all boxes are required to be checked for a submission to be accepted. If the answer to this question is “no” than perhaps the instruction for this item should direct the auditee to leave this box unchecked if the auditor reporting includes instances of noncompliance. The other option would be to delete this certification altogether, although we recognize it is included as an auditee certification in 200.512(b).

**Response :** Agreed. Change made to Form and instructions. Certification statement changed to read “complied with the requirements of 2 CFR Part 200 Subpart F specific to the auditee;” All checkboxes are required to be checked for a submission to be accepted.

**Comment : Part IV, Auditee Certification Statement *“ensured the auditor has completed such audit and presented a signed audit report which states that the audit has conducted in accordance with the provisions of Uniform Guidance..”*** Several commenters have requested OMB clarify what audit report is being referred to in this statement. One recommendation is to revise this sentence to the following “Ensured the auditor has completed such audit and issued the signed audit report required by 200.515 which states that the audit has conducted in accordance with the audit requirements of the Uniform Guidance.

**Response :** Agreed. Change made to Form and instructions.

**Comment : Part IV, Auditor Statement.** One commenter has concern regarding the certification statement and recommende revising this statement in terms of the sections displayed on the Form. The commenter requested OMB and FAC to work with AICPA to determine the appropriate sections to be cited in the auditor certification.

**Response :** Agreed. Change made to Form and instructions.

**Comment : Part IV, Auditor Statement.** Several commenters found this section to be confusing. Specifically, Part II Item 2 referenced in this section is missing from the Form. If the auditor enters data for the entire form on behalf of the client, is that problematic based on the language in this section? Additionally, is the reference to the reporting package being available from the auditee still be needed since they will now be made publically available through the clearinghouse? For what period of time will the reporting packages be maintained on the FAC Website?

**Response :** Agreed. Change made to Form and instructions.

**Comment : Part IV, Auditor Statement.** One commenter is not clear whether the auditor or auditee is responsible to complete Part II. Additional guidance is needed on who is responsible for formatting and submitted the information from the Schedule of Expenditures of Federal Awards included in Part II. Further, the auditor certification should be revised so that it is clear that the auditor is certifying that the information in Part II was entered by the auditor based on the information included in the reporting package.

**Response :** Agreed. Change made to Form and instructions.

**Comment : Part IV, Auditor Statement.** One commenter had questions – “is the reference to the reporting package being available from the auditee still needed since they will now be made public? Additionally, for what period of time will the reporting packages be maintained on the FAC Website?

**Response :** Agreed. Change made to Form and instructions.

**Comment : General.** One commenter recommended ordering the Form back to the previous version of the Form.

**Response :** Disagreed. No change to Form and instructions.

**Comment : General.** Several commenters encourages the Federal Audit Clearinghouse to revert back to previous version of the system where certification prompts are sent to certifying users after all levels of review are completed.

**Response :**The FAC will attempt to make the system as user-friendly as possible. The FAC will explore the possibility to allow users to customize the certification prompts that are sent to users. This change will be made when resources are available.

**Comment : General.** One commenter requested OMB replace all instances of “Student Financial Aid” with “Student Financial Assistance” within the Form and instructions.

**Response :** Disagreed. No change to Form and instructions. The Uniform Guidance defines the acronym “SFA” as Student Financial Aid.

**Comment : General.** One commenter noted various capitalization differences in the use of the phrase “single audit.” For consistency, please search and replace “single audit” using the correct variation OMB prefers.

**Response :** Agreed. Change made to Form and instructions.

**Comment : General.** One commenter suggests OMB consider whether the title of the Form and instructions should be revised to “Audits of States, Indian Tribes, Local Governments, Institutions of Higher Education and Nonprofit Organizations.”

**Response :** Agreed. Change made to Form and instructions.New title of Form SF-SAC will be “Audits of States, Local Governments, Indian Tribes, Institutions of Higher Education and Nonprofit Organizations.”

**Comment : General.** Each instance of “should” or “must” within the Form and its instructions should be reviewed to ensure it is consistent with the Uniform Guidance, both in terms of the meaning of the word and when the instructions repeat information that appear in the Uniform Guidance.

**Response :** Agreed. Change made to Form and instructions.

**Comment : General.** Several commenters had several questions regarding non-Federal entities who did not meet the threshold voluntarily notify the FAC that they did not meet the reporting threshold. If this is voluntarily, how will that help the FAC identify entities who have not filed? Will this eventually be required? Will this notification be done via the FAC website? Commenters request the opportunity to review this FAC guidance before it is finalized to ensure it appropriately frames the voluntary nature of this notification

**Response :** The Federal Register Notice indicates that collecting notifications from the auditees when they do not meet the reporting threshold will be voluntarily. In order for the FAC to make this notification mandatory, another Federal Register Notice would need to be issued to obtain OMB clearance for making the collection mandatory. The FAC is tasked with conducting non-response follow up. Knowing ahead of time which auditees did not meet the threshold will reduce the number of non-responses we must follow up with.

**Comment : General.** One commenter noted the Compliance Supplement is on a 12 month ending June 30th cycle, while SF-SAC is on a 12 month ending December 31st cycle. Please consider whether Appendix II for “Other Clusters” needs to have two parts since the SF-SAC will cover two Supplements.

**Response :**Change made to Form and instructions. Clusters will now be identified by Cluster Name instead of the page number from the Compliance Supplement.

**Comment : General.** One commenter recommended that collecting information more clearly identifying a Federal program and cluster of programs, the FAC system should be able to provide warning messages on major program determinations which appear in error.

**Response :** The FAC will continue to add additional system edits as resources and technology allow.

**Comment : General.** One commenter requested OMB add a check box to the Form to identify when a management letter has been issued. The addition of the checkbox would be considered when subsequent modifications were made to the form. In the past there were a number of instances wherein material control deficiencies were included in letters to management that were not reported in the single audit report.

**Response :**Disagreed. No change to Form. OMB will consider this on the next version of the Form.

**Comment : General.**  Several commenters were supportive for capturing the text of findings. Many believe this would be helpful to and would reduce burden for federal programs personnel and pass-through entities that are responsible for resolving findings, without adding significant burden to auditors/auditees. Additionally, it would help resolution officials quickly locate the finding information and input it into their data resolution systems.

**Response :** The FAC current system cannot accommodate the collection of this information at this time due to technology restraints and resources. OMB will consider this change on the next version of the Form. In the meantime, OMB may seek volunteers to pilot the collection of audit finding and corrective action plan text before the next version of the Form SF-SAC. Pilot participation would be on a voluntarily basis and would help the FAC discover and fix issues related to collecting the text of these items.

**Comment : General.**  One commenter suggested adding a checkbox to indicate whether the submission is “Original Submission”, “Revised 2nd Submission” or “Revised 3rd Submission.” This would be helpful information to have when audit submissions were revised due to deficiencies.

**Response :**Disagreed. No change to Form and instructions. The FAC will explore the possibility of generating this information through their collection system.

**Comment : General.**  One commenter recommended a sample form being available for personnel that are responsible for the input. This would provide a good guide to ensure the information is input correctly into the Form.

**Response :**All data collection forms submitted to the FAC are available on their web site and can be used as a sample for personnel that are responsible for the input. A blank copy of the data collection form and instructions will be available on the FAC web site.

**Comment : General.**  One commenter requested OMB consider using V-lookup tables in order to automate information populated into the Form. This would provide a method of reporting accurate information into the Form.

**Response :**The FAC will be releasing a more powerful template which will automatically input items onto the Form. For instance, Federal Program Name will be auto-generated will a valid CFDA number is entered.

**Comment : General.**  One commenter suggested OMB update the instructions to include the correct Federal Audit Clearinghouse website. Instructions read “The FAC IDES Web site is located at: <http://harvester.census.gov/facides/>.” When a user types this address into their web browser, user is re-directed to <https://harvester.census.gov>.

**Response :** Agreed. Change made to instructions.

**Comment : General.**  One commenter recommended making changes to the Introduction to the instructions with the following revision to the first paragraph: *“as defined in …25 U.S.C. 450b(l)****)*** *which opt not to authorize the FAC to make the reporting package publically available) must submit the reporting package to pass-through entities as described in 2 CFR 200.512(b)(2)~~)~~;”*

**Response :** Agreed. Change made to instructions.

**Comment : General.**  One commenter recommended making changes to the Introduction to the instructions with the following revision to the third paragraph:  *“This Form SF-SAC version, dated XX-XX-2016 should be used for audits covering fiscal periods beginning on or after December 26, 2014, the period for which subpart F of the Uniform Guidance is first effective."*

**Response :** Agreed. Change made to instructions.

**Comment : General.**  One commenter recommended making changes to the Introduction to the instructions with the following revision to the fifth paragraph: “for profit” to “for-profit”.

**Response :** Agreed. Change made to instructions.

**Comment : General.**  One commenter suggests revising the reference under the heading “Type of Auditor’s Opinion on the Financial Statements,” to “Part III, Item 2(a)” as it is more specific.

**Response :** Agreed. Change made to instructions.

**Comment : General.**  One commenter recommended adding guidance in the instructions under heading “Audit Period Covered” for audit periods that do not include a full month to explain whether prepares should round up to the month end.

**Response :** Agreed. Change made to instructions.

**Comment : General.**  For Part III, Introduction, one commenter suggested revising “opinion” to a plural tense to address the case of multiple.

**Response :** Agreed. Change made to instructions.

**Comment : General.**  The FR notice asked for feedback on the accuracy of OMB’s burden estimates which indicated it will take 65 hours for large respondents and 20 hours for the remaining small respondents to the complete the Form.

**Response :** Due to new standards and requirements introduced by the Uniform Guidance, the time required to complete the data collection form is estimated to average 100 hours for large auditees and 30 hours for all other auditees. These amounts reflect estimates of reporting burden on both auditees and auditors relating to the Form SF-SAC, including the time to review instructions, obtain the needed data, and complete and review the information.