

Attachment III: Summary of Comments and Responses, 87 FR 78684

	Comment Summary	Response
1	If importing from SAM.gov, we ask that you implement adequate access controls to prevent unauthorized users from changing data in submissions to the Federal Audit Clearinghouse.	GSA will keep both sets of data: that which is imported from SAM.gov and that which is entered by the respondent.
2	In keeping with established practices, we recommend Microsoft Excel files continue to serve as the format for templates.	This is our intended practice.
3	Please provide clarity in the Federal Audit Clearinghouse on what UEI numbers are required. This is especially important in the case of submissions for states which cover multiple grantees.	If multiple UIEs need to be referenced, there is an "additional UIEs" section which can be completed, for those additional UIEs.
4	Consider allowing the submission of findings not necessarily tied to a single federal program. For example, cases in which state legislatures inappropriately sweep funds from multiple federal programs.	We will consider this change in a future year.
5	Consider including a method for properly accounting for situations in which refunds of prior year expenditures cause pass through expenditures to exceed total expenditures.	We will consider this change in a future year.
6	Consider including a method for reporting pass through expenditures when total expenditures for the program are negative due to refunds of prior year expenditures.	We will consider this change in a future year.
7	When transmitting data from SAM.gov, it would be helpful to have a contact who can provide assistance if the data is not transmitted correctly. o While the appropriate individual to verify that items are imported correctly would be the "Auditee Contact" from Part I: General Information, currently only the contact email address is captured, and the individual may no longer be with the entity. While the proposed change indicates that the UEI will be collected for the 2016-2021 audits and that the goal is to import the auditee name and address directly from SAM.gov; we are unsure if this includes the primary contact information.	FAC can only import data "as is" from SAM.gov.
8	To facilitate single audit review, the GSA should consider creating an API, so that federal agencies and non-federal entities would be able to routinely and automatically import audit data into their systems. The ability to import audit data would enable agencies and entities to have current data readily available for review. This function would enhance the utility of the information in the Federal Audit Clearinghouse.	This has been done.
9	to make information about an organization easily retrievable, we recommend that a dedicated hyperlink be created for each entity subject to the single audit. An example of this idea is the recipient profile in USAspending.gov. This would increase the utility of the information in the FAC by providing a direct link to audit results for individual organizations.	This may not be a part of the initial release, but we are exploring ways in which to best provide access to this information in searches/queries.

10	<p>A final recommendation to increase the utility and clarity of the information in the FAC would be to provide a breakdown of audit findings. We recommend including a few different data points for each audit finding. First, each audit finding should be associated with the Unique Entity Identifier (UEI) of the organization subject to the single audit. Second, each audit finding should, as applicable, be associated with the UEI for the entity under the umbrella of the organization subject to single audit (e.g., an individual university that is part of a university system or an individual agency associated with a state government entity). Third, the funding source (and, if applicable, the UEI) associated with the audit finding(s) should be identified. Having access to this information would help to reduce the burden associated with subrecipient risk assessment, particularly in determining the necessity of management decisions.</p>	We will consider this change in a future year.
11	<p>New data elements and terminologies. COGR has closely followed government-wide efforts to implement new data elements and terminologies over the past decade. We support the “consistency principle” behind this effort. However, in practice, there are still challenges as agencies sometimes implement data elements, terminologies, and corresponding reporting requirements that do not follow the “consistency principle.” Consequently, our institutions suffer with new administrative burden and the related cost of compliance repercussions.</p>	This comment does not appear to be directed at the FAC specifically, but requires OMB/cross-governemtn guidance and standards.
12	<p>Technology platforms and GUI interface. Both a seamless transition to GSA and the creation of a GUI that allows for efficient data uploading (as opposed to the upload of data via the current templates) will be positive outcomes. However, in past situations when agencies have implemented new technologies, this promise has not always been realized. And when this is the case, our institutions again suffer with new administrative burden and the related cost of compliance repercussions.</p>	The GSA product team includes designers who regularly engage with users to evaluate and improve usability.
13	<p>Maintaining the current scope of the FAC and the Single Audit process. COGR’s understanding is that the implementation of the FAC by the GSA is restricted to the traditional functions of the FAC and single audit process--i.e., submission of and access to the single audit. It is important to maintain the traditional functions. However, if there is any intention to expand the scope of the FAC and the single audit process, this would be a significant concern that we would want to address with the GSA.</p>	FAC will not be changing its scope without consultation with the Single Audit community and approval from OMB.
14	<p>as the implementation of the FAC unfolds, it will be helpful for our community (Counsel on Governmental Relations) to have access to key GSA personnel to share observations and potential concerns that might take place during this time period.</p>	The GSA product team includes designers who regularly engage with users to evaluate and improve usability.

15	<p>The proposal provides an estimate of the number of hours that will be needed by respondents (both auditors and auditees) to complete the DCF which is unchanged from the previous 2018 FAC annual reporting burden estimate. While the changes to the Form appear minor, the FR notice states that the method of collection to upload the majority of data will now occur via templates rather than graphical user interface (GUI), subject to creation of a GUI for additional data submission options before expiration of this proposed clearance. Further, it states that the collection items are not changing, just the means of collection. Without more detail about this change and what information it applies to, it is challenging for us to determine whether the burden hour estimates provided are reasonable. For example, many smaller auditees are not likely familiar with the current template upload process used today by some larger recipients for a portion of the DCF. Further, auditors submit their information directly into the current FAC system and it is unclear how their inputting process will change, if at all. In particular, it is unclear to us how the laborious process of cutting and pasting audit findings may change and whether the new templates will have similar constraints as the current FAC regarding tables and charts. Regardless, we encourage GSA to test the upload process with both small and large auditors and auditees and to provide detailed instructions and support for this change.</p>	<p>FAC made a good faith estimate on the burden hours, and do not think these hours will be increased with the template uploads. The GSA product team includes designers who regularly engage with users to evaluate and improve usability.</p>
16	<p>The number of respondents used in the estimate also remains unchanged at 80,000. We question why this number has not been increased due to the numerous additional single audits resulting from pandemic funding, as well as required submission of U.S. Department of Treasury Coronavirus State and Local Government Fiscal Recovery Fund (SLFRF) Alternative Compliance Examination Engagements. The current number of submissions in the FAC for fiscal year 2021 is over 43,000 and that does not include any of the Treasury engagements as fiscal year 2021 reporting was made directly to Treasury. Fiscal year 2022 FAC submissions are not complete enough for us to evaluate, but we would expect they would at least be in the same range as 2021, if not significantly more. While the spending of pandemic funding will wane over the next several years, there is a significant new influx of funding expected from the Infrastructure Investment and Jobs Act that should keep the number of single audits higher than usual. Finally, it is our understanding that some agencies are wanting to explore the FAC collection of audits of for-profit entities expending federal financial assistance. If that is a possibility, the number of respondents used in the FR notice estimate would be even more understated. GSA and OMB should consider all of these factors in determining whether the respondent number in the estimate should be increased.</p>	<p>At the point at which the 60 day federal register notice was published in fall 2022, FAC did not have a complete FY21 dataset to work from. Now that we do, we have increased the burden to 90K respondents. It should be noted that we anticipate the increased volume of respondents to be temporary due to coronavirus funding, but to remain high over the course of this PRA clearance (3 years), then to be re-evaluated (probably lowered) in future PRA cycles.</p>
17	<p>Finally, we are unclear about the approach taken to perform the burden estimate and what type of evidence and outreach the FAC takes to determine its reasonableness. For example, we had questioned the hours estimate in the prior 2018 Information Collection due to the new requirement for audit finding text to be collected. There was apparently no change made to the estimate based on our prior comment considering that the current hours estimate is the same as the 2018 estimate. Since then, we question whether an effort has been made to poll a sampling of both large and small auditees and auditors to determine the actual time it takes them to complete the submission. If not, this task should be undertaken in the future.</p>	<p>For the initial launch of the new GSA FAC, we focused on minimizing disruption to the internal processes and workflows that grantees and auditors have historically used for submitting their single audits, as well as improving and simplifying the submission interface where possible. For future updates and changes, the design/UX team will be researching and testing with existing users to improve the process for auditors and auditees which will also inform future burden estimates.</p>

18	End Collection of the DUNS Number. We support this proposed change as the DUNS number is being replaced with the Unique Entity Identifier (UEI).	Thank you.
19	Collect Auditee's Unique Entity Identifier for 2016-2021 Fiscal Periods. While we support this proposed change, we are concerned about its impact on tracking prior year submissions. Does GSA or OMB plan to retroactively insert the UEI into previously filed DCFs for 2016-2021 fiscal periods? With the elimination of the DUNS number, it would be difficult to match prior year submissions for the same entity without keeping the DUNS number in the 2016-2021 submissions or inserting the UEI into the previously submitted DCFs for 2016-2021.	GSA will not retroactively insert the UEI into prior audit submissions, however all new audit submissions into the GSA system will require the UEI, including late submissions from prior years.
20	Import the Auditee Name and Address Directly from Sam.gov. We support this change as we believe it will provide consistency across DCF submissions from different years from the same auditee. We also believe GSA should explore pre-populating other information about the auditor and auditee. For example, the audit firm's name could be pre-populated based on the Tax Identification Number (TIN) entered. This could provide a validation that the correct TIN was entered and prevent multiple variations of the audit firm's name in the FAC. Additionally, personal information of the auditee and auditor could be pre-populated based on the login information of each individual. For example, once an individual selects their e-mail address as the auditee or auditor certifier, their contact information could be pre-populated.	We will consider this change in a future year.
21	Update Terminology. We agree with GSA making terminology changes to comply with the GREAT Act. However, during our review of the Instructions we noted several terminology changes that were not made which are described in our comments below.	See below for more specific comments and responses on this point.
22	Clarify On-Screen and/or Form Instructions. We agree with these proposed changes and have provided several suggestions for improvements in our comments below. As we are not able to access the GSA system, we are unable to comment on any on-screen clarifications that are being considered.	See below for more specific comments and responses on this point.

23	<p>Auditor Reports Referred to Not Aligned to Actual Reports Issued. This section in the existing Form can be confusing for auditors to complete because it refers to the auditor reporting by various sections of the Uniform Guidance rather than by the standard report titles that most auditors issue. Those reports are based on illustrations in the AICPA Audit Guide, Government Auditing Standards and Single Audits, and are referred to in practice as follows:</p> <ul style="list-style-type: none"> ☐ Report on Financial Statements ☐ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards ☐ Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance ☐ Reporting on the Schedule of Expenditures of Federal Awards (this reporting may be included in either the report on the financial statements, the Uniform Guidance report, or in a separate stand-alone report) ☐ Schedule of Findings and Questioned Costs <p>We recommend that GSA revise the checklist to refer to the report titles above instead of various components of those reports which is the approach taken now.</p>	These changes may be considered in a future year.
24	<p>Key Code Applicability. The key for the checklist states in a Note that the codes do not apply to a program-specific audit. We recommend that this statement be expanded to also state that the codes do not apply to the SLFRF Alternative Compliance Examination Engagement.</p>	This change has been made.
25	<p>Part I, General Information. There were two versions Part 1 of the Form provided to us for review and we noted that is also the case for the 2022 PDF version of the Form posted to the current FAC Web site. The second page of Part 1 is very similar to the first page but includes an "International Address" section for the auditor. There is no mention of this nuance in the Instructions. If this almost identical page is retained, we suggest the Instructions be expanded to explain when this page would be used.</p>	The second version of the "Part I: General Information" page is merely to demonstrate the appearance of the international address fields in the auditor section c. This has been clarified in the instructions.
26	<p>Part II, Federal Awards. The footnotes on this page were cut off on the version of the Form provided to us for review. However, there appears to be the same number of footnotes noted in the text on this page as in the 2022 Form. We assume the existing footnotes will be retained with needed updates for terminology made. In our review of the existing Form footnotes, they use Catalog of Domestic Assistance (or CFDA) which should be revised to Assistance Listing. They also reference beta.sam.gov which has been replaced with sam.gov.</p>	These changes have been made.
27	<p>Part II, Item 2, Notes to the Schedule of Expenditures of Federal Awards. We suggest that text or a footnote be added near the title to the page that explains that if the notes to be input contain any charts or tables within the text, that "See the Notes to the SEFA for chart/table" should be included in place of the chart or table. We recognize this information is already in the Instructions, but we believe it would be more user friendly to also indicate on the Form. Separately, we see that the Form includes several character limitations for the note titles and text boxes. However, these limitations are never mentioned in the Instructions or what should be done if the actual titles or text exceed the limitations. We suggest this be added to the Instructions.</p>	Character limitations have been added to the form instructions, and the charts/tables warning will be added to the system if time allows within our roadmap.

28	Part II, Item 1, Federal Awards Expended During Fiscal Period, Item f, Cluster Name. GSA should consider having the cluster name pre-populate based on the assistance listing number entered into this section of the Form. Currently, it is completed using a drop-down box.	We will consider this change in a future year.
29	Part III, Information from The Schedule of Findings and Questioned Costs, Item 5, Text of the Audit Findings. We make the same comment here as in the previous comment on Part II, Item 2, about explaining the limitations of the text boxes as it relates to charts and tables and to consider adding information about text limitations to the Instructions for this item.	Character limitations have been added to the form instructions, and the charts/tables warning will be added to the system if time allows within our roadmap.
30	Part IV, Corrective Action Plan. We make the same comment here as in the previous comment on Part II, Item 2, about explaining the limitations of the text boxes as it relates to charts and tables and to consider adding information about text limitations to the Instructions for this item.	Character limitations have been added to the form instructions, and the charts/tables warning will be added to the system if time allows within our roadmap.
31	Page 1, Introduction. We believe the Instructions could be improved by introducing what the SLFRF Alternative Compliance Examination Engagement is in this section. This engagement is referred to various times throughout the Form and Instructions, but many auditees and auditors may be confused about what is being referred to. Further, it is important to explain since a respondent is not able to change the type of engagement once the four questions have been entered at the outset to verify the engagement is subject to the Uniform Guidance and eligible to be entered in the FAC. We recommend that it be explained with the addition of the underlined sentence that follows: "This Form SF-SAC version, dated xx-xx-2023, is to be used for audits covering fiscal periods ending in 2023, 2024, and 2025. It is also to be used to submit Alternative Compliance Examination Engagements of the U.S. Department of Treasury Coronavirus State and Local Government Fiscal Recovery Fund (referred to herein as the SLFRF Alternative Compliance Examination Engagement) for examinations of eligible entities covering fiscal periods ending in 2023, 2024, and 2025 (see the OMB Compliance Supplement section for the SLFRF program to learn more about this engagement and the FAC FAQ at: https://facweb.census.gov/FAQs.aspx#s-q5). This Form SF-SAC is only available for submission on the FAC Website: https://www.fac.gov/ ." Further, we recommend that "SLFRF Alternative Compliance Examination Engagement" be used consistently throughout the Instructions. As it is now, sometimes it is referred to as ACEE, others the Alternative Compliance Examination Engagement, and even others as SLFRF Alternative Compliance Examination Engagement.	These changes have been made.
32	Page 1, What's New. The FR notice identifies several other proposed changes that are not mentioned in this section. We recommend they be added.	Notes have been added to the "What's New" section of the form instructions to address collection of the UEI for all audit years, and the importation of data from SAM.gov.
33	Part I, General Information, Item 2, Type of Uniform Guidance Audit. See our comment on the introduction to the Instructions above. If our related recommendation is not accepted to expand that section to include discussion of the SLFRF Alternative Compliance Examination Engagement, respondents will have no idea what the reference to the alternative is when responding to this question.	This change has been made.
34	Part I, Item 6(g), Secondary Auditor. To avoid confusion about what this question is asking, we suggest that the reference to "multiple auditors" be changed to "multiple audit organizations."	We will consider this change in a future year.

35	<p>Part II, Federal Awards. It would be helpful to expand the first paragraph of this section to state specifically what respondents of the SLFRF Alternative Compliance Examination Engagement must complete in Part II. For example, there are several columns that we believe are not applicable (e.g., Cluster Name, Loan/Loan Guarantee (loan), End of Period Loan Balance, and others). Further, we assume the system will be such that inapplicable columns will be grayed out when a respondent is completing the Form. Finally, if our suggested change is made to the introduction to the Instructions (see comment above), the last sentence can be revised to: "See the introduction to these Instructions for more information about the SLFRF Alternative Compliance Examination Engagement."</p>	<p>We expanded the instructions to include a brief reference to respondents opting for SLFRF and referenced where those respondents could find additional information in the 2022 Compliance Supplement.</p>
36	<p>Part II, Federal Awards. We recommend the second paragraph in this section be revised to: "Item 1 includes the required information for each Federal program to be presented in the Schedule of Expenditures of Federal Awards (SEFA), and Item 2 includes notes thereto, both of which are required regardless of whether audit findings are reported."</p>	<p>This change has been made.</p>
37	<p>Part II, Federal Awards, Assistance Listing Numbers. There are still erroneous references in this section and elsewhere in the Instructions to the Catalog of Domestic Assistance, CFDA, and CFDA Catalog, related to Assistance Listing numbers. It seems as if some of the confusion relates to how to refer to where Assistance Listing numbers are housed. We recommend the lead-in to this section be revised to: "Most Federal programs are included in the Assistance Listing found at www.sam.gov (formerly known as the Catalog of Domestic Assistance or CFDA). An Assistance Listing number consists of...to obtain this number. If the Federal program does not have an Assistance Listing number, follow the specific instructions below." Similar changes should be made elsewhere in the Instructions and references to CFDA or any other version of that term should be deleted throughout. For example, instead of using "as shown in the CFDA" it should be revised to "as included in the Assistance Listing."</p>	<p>These changes have been made.</p>
38	<p>Part II, Federal Awards, Item (b), Assistance Listing Three-Digit Extension. Consider revising the paragraph for clarity to add the underlined sentence that follows: "The period from the Assistance Listing number is automatically assumed and must not be entered. The three-digit extension identifies the specific program from the Federal awarding agency. Respondents eligible and opting for the SLFRF Alternative Compliance Examination Engagement will only enter SLFRF program information."</p>	<p>This change has been made.</p>
39	<p>Part II, Federal Awards, Item (e), Amount Expended. Consider adding guidance as to how expenditures are entered when subrecipient payments exceed total expenditures. Currently, there is likely a diversity in practice for how this situation is addressed. For example, some may show expenditures and subrecipient payments as the same on one line and then show negative expenditures on a subsequent line. Others may attempt to address in a different manner.</p>	<p>We will consider this change in a future year.</p>

40	<p>Part III, Information from the Schedule of Findings and Questioned Costs. Similar to our comment above on Part II, it would be helpful to expand the first paragraph of this section to state specifically what respondents of the SLFRF Alternative Compliance Examination Engagement must complete in Part III. For example, we would assume that certain sections would not apply, (e.g., financial statement information, Type A/B threshold, Low-Risk Auditee, etc.). Further, we assume the system will be such that inapplicable columns will be grayed out when a respondent is completing the Form.</p>	<p>We expanded the instructions to include a brief reference to respondents opting for SLFRF and referenced where those respondents could find additional information in the 2022 Compliance Supplement.</p>
41	<p>Part III: Information from the Schedule of Findings and Questioned Costs. Like our comment above on the Single Audit Component Checklist, GSA should consider revising this section to refer to the names of the auditor reports to match how auditors generally refer to them as shown in the AICPA Audit Guide, Government Auditing Standards and Single Audits. This would avoid confusion about where auditors will find the information to input into the DCF. If shortened report names are used by GSA, consider defining them in the beginning of this section.</p>	<p>We will consider this change in a future year.</p>
42	<p>Part V, Certifications, Item 1, Auditee Certification Statements. Due to the concerns that federal agencies have expressed regarding ensuring that auditees understand that they are required to prepare both the Summary Schedule of Prior Audit Findings and the Corrective Action Plan, GSA should consider adding an additional certification on this point.</p>	<p>We feel this is covered adequately by the following existing auditee certification checkboxes: "complied with the requirements of 2 CRF 200 subpart F" and "ensured the auditor completed such audit and issued the signed audit report required by 2 CFR 200.515 which states the audit was conducted in accordance with the audit requirements of UG"</p>