

## Summary of Comments and Responses

### **General Comments:**

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**Comment:** One commenter inquired as to when the 2019 Form will be available for submission.

**Response:** The FAC anticipates that the 2019 Form will be available for submission in early 2019.

**Comment:** One commenter indicated that the "Estimated Total Annual Cost to Public" from the presubmission notice was misleading as it did not account for respondents' time for entering and reviewing the new elements and establishing internal quality control procedures.

**Response:** As indicated in the Federal Register notice, "this is not the cost of respondents' time, but the indirect costs respondents may incur for such things as purchases of specialized software or hardware needed to report, or expenditures for accounting or records maintenance services required specifically by the collection." The issue indicated by the commenter is accounted for in the burden hour estimate from the presubmission notice. This item on the presubmission notice was addressing any additional external resources that the FAC requires its respondents to obtain in order to submit the data (e.g., specialty software to maintain and transmit the data to the Census Bureau). The FAC developed the IDES system internally to allow respondents to transfer the data without any additional cost to the respondent.

**Comment:** Two commenters suggested the FAC utilize improved technology to read source documents and transfer data automatically to reduce burden.

**Response:** Agreed. The FAC is in support of utilizing new technologies to allow the IDES to read information from the uploaded Single Audit report. The FAC hopes to be able to implement these technological benefits in future revisions, but they are not feasible at this time due to constraints on resources (such as budget, staff, etc.).

**Comment:** One commenter suggested that the IDES pre-populate general information from the previous year.

**Response:** The FAC will consider this suggestion for a future revision.

**Comment:** One commenter suggested that the FAC keep the auto-generated fields up-to-date.

**Response:** The FAC will continue to do its best to keep these fields up-to-date.

**Comment:** One commenter suggested that automatic notifications be sent to pass-through entities when their subrecipients submit their reporting packages.

**Response:** The FAC does not have contact information for the pass-through entities to be able to provide notification. However, the FAC will look into adding functionality to IMS that will allow pass-through entities and Federal agencies to set up a saved search criteria to receive notifications for submissions matching those criteria.

**Comment:** One commenter suggested that the FAC develop a staging area where audits could be reviewed/approved for quality before getting submitted.

**Response:** There is an option within IDES to view/print both the form and audit prior to certification for review. Additionally, the FAC staff at the National Processing Center (NPC) review the submitted audit report to ensure that it contains all required elements in the Uniform Guidance before it can be accepted as complete by the FAC.

**Comment:** One commenter pointed out that some of the information on the FAC Homepage may be outdated, specifically the Resources and Ask a Question pages.

**Response:** Agreed. The FAC will look into updating the homepage.

**Comment:** One commenter noted in the instruction that repeat findings should be indicated if they were a finding in the immediate prior year, and suggested that given the intent of the Uniform Guidance to reduce the number of Type A programs reviewed each year and spread them over 3 years, Type A programs may be a major program one year and then not major again until the 3rd succeeding year. If this Type A program has an internal control deficiency that stays in the Summary Schedule of Prior Audit Findings as uncorrected in the two years that the program is not major, it seems misleading in the 3rd year where it is major to say the control deficiency is not a repeat finding if the deficiency still exists. They asked if this criteria should be revisited, especially for control deficiencies, given the impact of the Uniform Guidance on majors.

**Response:** The FAC consulted OMB and determined that OMB will need to revise the Uniform Guidance requirement, therefore the FAC will leave this question as is until such change is made.

**Comment:** One commenter suggested that the FAC allow for a search on EIN and name of subrecipient. They also suggested that there be a query option allowing for print-out of all the state pass-through awards, direct pass-through awards, and indirect pass-through awards. They request that all queries have the EIN and corresponding name (as there are instances where the EINs are incorrect and/or the name does not match).

**Response:** The FAC dissemination website, IMS, allows users to query the system by a variety of fields, including searching for an auditee by the EIN and/or the auditee name. Users are also able to search based on the additional award identification, the pass-through entity name and identifying number that is collected on indirect awards, etc. The IMS can be found at <https://harvester.census.gov/facdissem/main.aspx>. The EIN and corresponding names are entered by the auditee, and the FAC does not alter that information before publicly releasing it. The FAC anticipates that when the 2019 form is released for submission, the IDES will also have a new edit check that checks the EIN and Auditee Name entered against previous submissions, as well as the System for Award Management (SAM) database to reduce keying errors (resource dependent).

**Comment:** One commenter suggested that the FAC provide standardized definitions and requirements related to the information.

**Response:** The Uniform Guidance provides the standard definitions used by the FAC on Form SF-SAC and all instruction documents. It also provides a summary of requirements for each of the elements that must be included in the reporting package.

**Comment:** One commenter mentioned that the currently approved version of the Form SF-SAC instructions indicate that it is for all fiscal periods beginning on or after December 26, 2014, with no ending dates indicated. This is confusing with the proposed changes as the new instructions indicate it is for fiscal periods ending in 2019-2021.

**Response:** The FAC will make the instructions clearer for the currently approved version.

**Comment:** One commenter agreed that the FAC should implement the option for entities to voluntarily notify the FAC that they did not meet the single audit reporting threshold.

**Response:** The FAC plans to implement this function as soon as resources become available.

**Comment:** One commenter questioned whether access would be restricted to certain parts of the form (e.g., Part II: FEDERAL AWARDS).

**Response:** The FAC will not be restricting access to certain parts of the form at this time.

**Comment:** One commenter suggested a question be added asking for the cost of the audit.

**Response:** The FAC will consider adding this question on a future revision to the form.

**Comment:** One commenter expressed concern about the IDES system only allowing one user inside a submission at a time, as it would be easier to have multiple people working on the information at the same time.

**Response:** The IDES restricts access so that only one user can be in a submission at a time, but there will be Excel worksheet templates to upload multiple CAP texts and finding texts at a time. The worksheets are worked on outside of the IDES system, and can therefore be worked on by multiple users at the same time.

**Comment:** One commenter indicated that the data collection form should collect information from the entity's primary financial statements to calculate the ratio of current assets/current liabilities, calculate the ratio of Federal awards expended/total expenses, and analyze trends between similar entities and trends for the same entity between years.

**Response:** The FAC will consider this suggestion for a future revision.

**Comment:** One commenter suggested that more questions be added to help identify the type of entity more accurately.

**Response:** The FAC will consider this suggestion for a future revision. In the meantime, the FAC will work to clarify this question in order to help respondents identify their type of entity.

#### **Duplication of Effort:**

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**Comment:** Several commenters expressed concern that the addition of the text of the audit findings, text of the corrective action plan, and notes to the SEFA would result in an unnecessary duplication of effort and an additional administrative burden.

**Response:** These new data elements were requested to be added by Federal agency representatives to aid them in their post-audit review. Having this information on the form allows them to query the FAC database, filter the information, and see the corresponding finding information to know whether they need to download the reporting package to perform additional review. These three new data elements are all required by the Uniform Guidance to be included in the reporting package. The FAC is expecting that the inclusion of these items on the Form SF-SAC will standardize and streamline submitted data. This will help auditees and auditors, as well as the Federal awarding agencies, pass-through entities, subrecipients, the public, etc., in reviewing the data.

The FAC has created the option to enter the Federal Award information and Notes to the SEFA prior to the fiscal period end date and the audit work being conducted. Users can then export an editable, system-generated SEFA and Notes from the Internet Data Entry System (IDES) to include in the reporting package. The IDES will also offer a worksheet-type function (similar to the Federal Awards and Audit Findings sections) for the text of the audit findings and corrective action plans that will allow users to download/upload an Excel template document to complete these portions of the form.

In the future, the FAC is working towards creating an optional system-generated Schedule of Findings and Questioned Costs (SFQC), similar to the SEFA and Notes to the SEFA, that could be exportable and included in the PDF audit report to reduce burden. In the meantime, the FAC will be incorporating the worksheet-type function for the Audit Findings section of the form.

**Comment:** One commenter expressed concern that reporting to the FAC is a duplication of effort due to similar and additional requirements set by other agencies unaffiliated with the FAC.

**Response:** The FAC operates under the policies and requirements put in place by the DATA Act, Single Audit Act and Amendments, and the Uniform Guidance which state that the FAC (designated by OMB) is the repository of record where non-Federal entities are required to transmit the reporting packages.

#### **Burden Hours:**

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**Comment:** Many commenters indicated that the estimated number of burden hours is significantly understated.

**Response:** Based on the comments received, the FAC will increase the number of burden hours to complete the data collection form to an estimated average of 100 hours for large non-Federal entities and 21 hours for all other non-Federal entities. These amounts reflect estimates of reporting burden on both auditees and auditors individually, meaning that reporting burden is 100 or 21 hours for auditees and 100 or 21 hours for auditors. The burden hours include the time required to review instructions, obtain the needed data, and complete and review the information.

#### **General Comments on the Instructions:**

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**Comment:** Two commenters noted the instructions document uses "mark", "select", and "check". They suggested that the FAC should consider being consistent.

**Response:** Agreed. The FAC will update the instructions to use consistent language.

**Comment:** One commenter suggested that the FAC clarify in the instructions that if a voluntary audit is conducted (when the entity did not spend \$750,000 or more in Federal awards), they do not use Form SF-SAC.

**Response:** Disagreed. Prior to starting a submission, the IDES asks if the auditee expended \$750,000 or more in their fiscal period. If the entity answers "No", they are not able to begin a Form SF-SAC. The IDES also edit checks the total amount of expenditures for the Federal awards entered into the form to ensure that they met the minimum threshold before they can finalize and submit the form.

**Comment:** One commenter questioned who has to take receipt of the auditor's report in regards to submitting the data collection form and reporting package within 30 days.

**Response:** The auditee takes receipt of the auditor's report. Per 2 CFR 200.512(d), "the auditee must electronically submit to the FAC the data collection form ... and the reporting package...", and 2 CFR 200.512(a) says "the audit shall be completed and the data collection form and reporting package shall be electronically submitted within 30 days after receipt of the auditor's report(s) or nine months after the end of the audit period." This means the auditee is responsible for submitting the data collection form and reporting package after receipt of the report.

**Comment:** One commenter suggested that the "Form Due Date" section of the instructions use the exact wording from the Uniform Guidance.

**Response:** Agreed. The FAC will make this change.

### **General Comment on the Audit Upload:**

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**Comment:** Two commenters suggested that the corrective action plan be uploaded as a separate PDF than the audit report.

**Response:** The reporting package includes the corrective action plan (2 CFR 200.512(c)), and only one copy of the reporting package is to be submitted to the FAC. As these are requirements set forth in the Uniform Guidance, the requirements would need to be changed before the FAC could make this change.

### **Part I, Item 1:**

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**Comment:** One commenter was confused by the restriction that the year of the fiscal period start and end dates cannot be edited within the IDES after starting a submission.

**Response:** The IDES does not allow users to edit the four-digit year of the fiscal period start and end dates. This restriction is set in place because the system automatically directs users to the appropriate version of the Form SF-SAC based on the fiscal period entered. The system does not currently have the ability to transfer information from one form layout to another, therefore the year of the fiscal period cannot be changed once a submission has been started and the user must start a new submission with the correct fiscal period. This is not a new requirement and has been in place for several years. The FAC added this note to the instructions in hopes of preventing keying error when starting a submission.

### **Part I, Item 1(a):**

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**Comment:** One commenter requested the FAC remove the Fiscal period start date in Part I, Item 1a.

**Response:** Disagreed. The Uniform Guidance is effective for fiscal periods beginning on or after December 26, 2014 and therefore the FAC must collect this item in order to know which form to provide users when they are completing a submission. This item also helps during review of a submission in instances such as biennial audits or stub-audits in conjunction with Part I, Item 3.

### **Part I, Items 1(d) and (f):**

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**Comment:** It was suggested that the instructions for the auditee DUNS number be clarified for when there is no DUNS number. It was also suggested that within the IDES system, users be allowed to enter secondary DUNS numbers in Part I, Item 4f even when there is no primary DUNS number (for example, when a state does not apply for federal awards, but rather the individual departments/components of the state apply for and receive federal awards - the state doesn't have a DUNS number but the departments/components do).

**Response:** Agreed. The FAC will make these changes.

### **Part II, Item 1:**

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**Comment:** One commenter suggested that the Form SF-SAC continue to allow pasting of CFDA numbers, amounts, and cluster names, but also allow for an export of valid CFDA numbers, sorting/addition/deletion of rows, and filtering of columns.

**Response:** The FAC will continue to allow pasting of data, such as CFDA numbers, amounts, and cluster names. The FAC is looking into adding additional export options on IMS to allow for specified data downloads (i.e. exporting CFDA numbers, etc.). The FAC also hopes to allow for sorting, adding, and deleting of awards in both the IDES and in the Excel worksheet upload, but this is dependent on availability of resources (budget, staff, etc.).

**Comment:** Commenters suggested the column headers for Part II, Item 1 not be sideways on the form, and that the column headers print on all pages when multiple pages of Federal awards are entered on the form.

**Response:** Unfortunately, there is not enough space on this section of the form to allow for the column headers to be horizontal. The FAC will print the column headers on all pages when multiple pages of Federal awards are entered.

**Comment:** Two commenters suggested the FAC update the reference to cfda.gov to be the correct link of beta.SAM.gov in Part II, Item 1.

**Response:** Agreed. The FAC will make this change.

**Comment:** One commenter suggested the FAC update the intro wording to Part II, Item 1 in the instructions regarding loan and non-loan programs to convey that this is actually regarding loan and non-loan components within the same program.

**Response:** Agreed. The FAC will make this change.

#### **Part II, Item 1(h):**

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**Comment:** One commenter suggested moving Part II, Item 1h to be next to Part II, Item 1f. They also suggested color coding fields that are grouped together. Another suggestion was to add "from" and "to" to the appropriate pass-through columns to provide clarity.

**Response:** Disagreed. The Federal Program Total and Cluster Total fields should be next to each other. The FAC has put a bold, dark line on the new revision of the form around fields that are related to help identify that they are related fields. The instructions for the Pass-through Name, Identifying Number, Passed Through to Subrecipients and Amount Passed Through fields describe which fields are for awards passed from versus awards passed to. The FAC has also added headers above these fields respectively to provide further clarity.

#### **Part II, Item 1(j):**

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**Comment:** One commenter suggested clarifying whether an option of "N/A" will still be allowed to be entered into Part II, Item 1j.

**Response:** Agreed. Part II, Item 1j will still allow for "N/A" to be entered. The FAC will clarify the form and instructions.

#### **Part II, Items 1(k) and (n):**

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**Comment:** One commenter suggested that the examples given in the instructions for Part II, Item 1k be added to Part II, Item 1n.

**Response:** Agreed. The FAC will make this change.

#### **Part II, Item 1(o):**

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**Comment:** One commenter mentioned that the Uniform Guidance indicates that the amount passed through to subrecipients is only required to be totaled by program, not by individual award.

**Response:** This item has not changed from the previous version of the form; however, the instruction was added to clarify the intent of this question. The FAC has received consistent feedback from Federal agencies that this amount should be totaled for each award on the Form SF-SAC.

## **Part II, Items 1 and 2:**

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**Comment:** One commenter suggested that the FAC allow for a system-generated export of the Federal award information to be included in the reporting package as the SEFA.

**Response:** Agreed. The FAC has created the option to enter the Federal Award information and Notes to the SEFA prior to the fiscal period end date and the audit work being conducted. Users can then export an editable, system-generated SEFA and Notes from the IDES to include in the reporting package.

## **Part II, Item 1 and Part III, Item 1:**

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**Comment:** One commenter recommended that Part III, Item 1 be a separate upload than Part II, Item 1 to separate auditee and auditor sections.

**Response:** The IDES allows users to enter Part III, Item 1 at a different time than Part II, Item 1. The Federal award information may be entered first by the auditee, and the auditor can then download that information to enter the major program, type of audit report, and finding information separately.

## **Part II, Item 2:**

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**Comment:** Two commenters questioned what should be done when there are charts/tables in the text of the Notes to the SEFA.

**Response:** The FAC will update the instructions to indicate that "See the Notes to the SEFA for chart/table" should be put in place of any charts or tables.

**Comment:** Two commenters suggested the instructions to Part II, Item 2 be clarified to indicate that all notes should be entered, instead of indicating that additional notes can be added as needed.

**Response:** Agreed. The FAC will make this change.

**Comment:** One commenter suggested the instructions be clarified regarding Part II, Item 2 for the following concerns: there is no standard formatting or numbering in regards to the Notes to the SEFA so the numbering on the form and in the reporting package (or references within the finding text) may not be the same, the term "exactly" in the instructions is misleading as Note 2 forces the wording, and the loan balances outstanding at the end of the audit period is required in the notes but is not indicated as being required in the form or instructions. They also questioned if there are any character limits on the notes and how charts/tables should be handled.

**Response:** The FAC will clarify the instructions. If there are multiple notes covering the significant accounting policies, all applicable notes should be copied and pasted into Part II, Item 2, Note 1. The automatic numbering of the additional notes may differ from the note number in the reporting package. For the additional notes, a title is required to be entered and the note number from the reporting package should be copied over with the note title. The FAC will update the instructions regarding entering the text "exactly" as it appears in the reporting package to exempt Part II, Item 2, Note 2 and charts/tables. If there are any charts or tables within the text of the note, "See the Notes to the SEFA for chart/table" should be entered in place of the chart/table. The loan balances outstanding at the end of the audit period will be auto-generated in Note 3 from the information entered into Part II, Item 1 (specifically columns a, b, d, and j).

This information will be editable. There are character limits on Note 1 and all additional notes (notes 3, 4, etc.), but there is not a limit to the number of additional notes that can be entered.

### **Part II, Item 2 (Note 2):**

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**Comment:** One commenter indicated that the "both" option for Part II, Item II Note 2 could be confusing in situations where auditees do not have the option to make an election to use the de minimis rate. They suggested using "other" and clarifying the instructions.

**Response:** The FAC will keep the field as "both", but will remove "elected to" from this item.

**Comment:** Two commenters suggested that Part II, Item II, Note 2 be reworded to remove "elected to".

**Response:** Agreed. The FAC will make this change.

### **Part II, Item 2, Part III, Item 5, and Part IV:**

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**Comment:** Several commenters inquired if there are character limits on the proposed new text entry items (Notes to the SEFA, Text of the Audit Findings, Text of the Corrective Action Plan).

**Response:** Yes, each of the proposed new text entry items will have character limits on them. The FAC will update the form to include those limits. The IDES will also display the character limits and give a countdown of the remaining characters available as information is typed into the fields.

**Comment:** One commenter indicated that Notes 1 and 3, the text of the audit findings, and the text of the CAP are not required, would not have consistent language, and would cause issues when running metrics.

**Response:** Note 1 is required to be included in the Notes to the SEFA by 2 CFR 200.516(b)(6). This is a freeform text field that users will use to copy and paste the text of their significant accounting policies.

The Additional Notes section (Note 3+) is used to collect additional notes that are sequentially numbered. In addition to Federal agencies requesting these be included on the form, the FAC has also created the option to enter the Federal Award information and Notes to the SEFA prior to the fiscal period end date and the audit work being conducted. Users can then export an editable, system-generated SEFA and Notes from the IDES to include in the audit report.

The text of the audit findings is required to be included in the Schedule of Findings and Questioned Costs by 2 CFR 200.516(b). The text of the CAP is required by 2 CFR 200.511(c). These are freeform text fields that users will use to copy and paste the text of each finding and the text of the CAP for each finding.

Federal agencies will use these fields to decide if further evaluation is needed after their initial searches.

### **Part III, Item 1:**

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**Comment:** Two commenters pointed out a typo in the column header for Part III, Item 1.

**Response:** Agreed. The FAC will make this change.

### **Part III, Item 1(b):**

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**Comment:** One commenter recommended that the IDES be revised to allow for entry of a "Qualified" opinion for programs in a cluster even if there is no finding specific to that program.



**Response:** Agreed. The FAC will change the edit for this item to allow users to enter a "Qualified" opinion on a program that does not have a finding and is part of a cluster, as long as at least one program within that same cluster has a finding.

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**Part III, Item 1(c):**

**Comment:** Two commenters indicated that the instructions for Part III, Item 1c are unclear and may indicate that not all federal programs within a cluster will be "tagged" with a finding if there is a finding on the cluster.

**Response:** The FAC will clarify the instructions. There are instances in which there is a finding on the cluster of programs, but it does not apply to all CFDA numbers within the cluster.

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**Part III, Item 2(a):**

**Comment:** Two commenters suggested adding "-GAAP" to the end of each opinion type in Part III, Item 2(a).

**Response:** Disagreed. The question indicates that it is referring to the generally accepted accounting principles (GAAP).

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**Part III, Item 2(a)(i):**

**Comment:** One commenter suggested adding "used" to the end of Part III, Item 2(a)(i).

**Response:** Agreed. The FAC will make this change.

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**Part III, Item 2(a)(ii):**

**Comment:** Two commenters suggested that the auditee should answer Part III, Item 2(a)(ii).

**Response:** Disagreed. The response to Part III, Item 2(a)(ii) will affect whether an entity can qualify as a low-risk auditee in the two subsequent audit periods (2 CFR 200.520(b)).

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**Part III, Items 2(c), (d), and (e):**

**Comment:** Two commenters suggested that Part III, Item 2(c), (d), and (e) be reworded to specify that it is in relation to financial reporting.

**Response:** Disagreed. These items are under the Financial Statements section and have not changed from previous years.

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**Part III, Item 2(f):**

**Comment:** One commenter indicated that the question regarding written communications to the auditee would be good information to provide, but to be of value the specific areas of concern would need to be shown.

**Response:** This item was requested by Federal agencies to assist in identification of any written communications to the auditee. The purpose of its inclusion is to reduce burden for both the Federal agencies and respondents by eliminating additional efforts currently required to collect this information. This balances the burden between the Federal agencies and respondents, and requiring that additional detail be provided would add unnecessary burden on the respondent. The Federal agencies may request the additional information if needed per 2 CFR 200.512(e).

**Comment:** Multiple commenters requested that Part III, Item 2f be removed. They suggested that if the item is kept, additional clarification is needed regarding the types of correspondence intended and whether GAGAS findings would warrant a "Yes" response. The location of this item on the form was questioned. There was also concern expressed regarding the possible increase of requests for the management letters by Federal agencies if this item is kept. Concern was also expressed that requiring respondents to provide a copy of the communication, and the FAC making it publicly available, would have a negative impact on respondents.

**Response:** The FAC consulted OMB and determined that this item will be retained. The FAC will clarify the instructions to indicate that the communications include all written documents, such as management letters, memorandums, PowerPoints, etc., but does not include oral presentations/correspondence. The FAC will also clarify that GAGAS findings would not warrant a "Yes" response, as they are already reported in the auditor's report and this question is asking whether the auditors issued any written communications outside the audit report. Federal agencies indicated that these communications contain both financial observations and compliance observations, but financial observations are more common. The FAC will keep the question where it is, but will clarify the instructions. The FAC is aware that some agencies currently ask for copies in accordance with 2 CFR 200.512(e), and some do not. It is anticipated that they will continue to either ask or not ask for copies in the same manner as they do now. In the instructions to the form for this item, the FAC indicated that the written communications would not be collected, and therefore would not be publicly available. This is only a yes or no question about whether or not there were any written communications issued. Respondents will not be providing these written communications to the FAC.

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#### **Part III, Item 3(a):**

**Comment:** Multiple commenters indicated that the auditor answering Part III, Item 3a may be different from the auditor who conducted the audits of the departments, agencies, or other organizational units. A wording change was also provided. It was also suggested that this field should be answered by the auditee, not the auditor, and moved to Part I, Item 2 where the auditee would state that they are meeting the Single Audit requirement through a series of audits as allowed by 2 CFR 200.514(a).

**Response:** This item has not changed from previous versions of the form. The FAC will keep this item as is but may consider revising this item in the future.

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#### **Part III, Item 3(b):**

**Comment:** One commenter questioned whether the amount reported in Part III, Item 3(b) would be the "lesser of" the two amounts calculated.

**Response:** Under the Uniform Guidance, there is only one value calculated for determining Type A/B programs as illustrated in the table in 2 CFR 200.518(b)(1).

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#### **Part III, Item 3(c):**

**Comment:** One commenter suggested that "at the beginning of the audit period" be removed from Part III, Item 3c.

**Response:** Disagreed. This statement was previously part of the instructions for this question. To provide clarity, the FAC added it to the question.

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#### **Part III, Item 3(d):**

**Comment:** Multiple commenters indicated that the Summary Schedule of Prior Audit Findings is the auditee's responsibility, and Part III, Item 3d should be completed by the auditee.

**Response:** This item has not changed from previous versions of the form; however, the FAC will update the instructions to indicate that Part III is completed by both the auditee and auditor.

#### **Part III, Item 4:**

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**Comment:** Two commenters suggested changing the wording for Part III, Item 4 from “...findings on the financial statements” to “...findings related to the financial statements.”

**Response:** Agreed. The FAC will make this change.

**Comment:** Two commenters suggested a question be added to Part III, Item 4 asking for the amount of known questioned costs.

**Response:** Federal agency representatives indicated that this amount, when reported out of context, could be misleading. The FAC will consider adding this question on a future revision to the form.

#### **Part III, Item 4(f):**

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**Comment:** Two commenters suggested adding an (s) to both “Type” and “Requirement” in the underlined sentence of the instructions for Part III, Item 4f.

**Response:** Agreed. The FAC will make this change.

#### **Part III, Item 4(h):**

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**Comment:** One commenter suggested changing the wording of the instructions to Part III, Item 4h to be “...to indicate whether the auditor identified the audit finding in the Report on Compliance for Each Major Federal Program as a compliance audit finding in the Other Matters section of the report.”

**Response:** Agreed. The FAC will make this change.

#### **Part III, Item 4(l):**

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**Comment:** One commenter suggested putting "known or likely" before Questioned Costs in Part III, Item 4l.

**Response:** Disagreed. This item has not changed from previous versions of the form.

#### **Part III, Item 5:**

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**Comment:** One commenter indicated that a clarification is needed stating that if a finding relates to more than one major program, the text of the audit finding must only be entered once.

**Response:** Agreed. The FAC will clarify the instructions.

**Comment:** One commenter questioned how findings that are summarized should be handled in Part III, Item 5, when the full finding is addressed in another finding in detail.

**Response:** These summarized findings should be handled the same way as non-summarized findings. The text of the finding should be copied as it appears in the Schedule of Findings and Questioned Costs.

### **Part III, Item 5(b):**

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**Comment:** One commenter suggested having a table in the form to function as the header to each finding text entered into Part III, Item 5b.

**Response:** The FAC will consider having this as read-only informational text within the IDES system, but it will not be displayed on the form due to database constraints. Respondents should enter the finding header as it exists in their Schedule of Findings and Questioned Costs.

### **Part III, Item 5 and Part IV:**

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**Comment:** One commenter indicated that removing charts or tables from the text of the audit findings and corrective action plans and replacing them with "See ... for chart/table" would be inefficient and would cause the finding to be incomplete and lose meaning.

**Response:** The FAC understands the burden for removing the charts or tables. Unfortunately, they cannot be copied and pasted into the system as the internet browser controls what can and cannot be copied and pasted. Charts and tables will also not be able to be stored correctly in the FAC database. The FAC consulted Federal agency representatives when writing the instructions for these items and it was decided that "See ... for chart/table" should be entered in their place as charts/tables tend to be infrequent and can be found in the reporting package.

**Comment:** Commenters questioned how much formatting will transfer when the text is copied and pasted for Part III, Item 5 and Part IV, and if information could be copied from the auditor's Excel templates into the form.

**Response:** The FAC is unsure of the amount of formatting that can be transferred when copying and pasting as it is controlled by the web browser and database restrictions; however, formatting such as paragraph breaks should be maintained. The types of formatting that most likely will not transfer over are bolding, italicizing, underlining, and color.

The FAC will have an Excel template upload option (similar to the Federal Awards and Audit Findings sections) that will allow users to copy and paste the finding text from multiple findings and upload once. If auditor's use their own Excel templates to create the findings, they should be able to easily copy from their Excel document into the FAC's Excel template or into the IDES fields.

The FAC anticipates that it will conduct trainings/webinars upon release of the 2019 form to demonstrate the new fields and how they will work in the IDES.

**Comment:** One commenter expressed concern that agencies be notified that the text input in Part III, Item 5 may not convey the full meaning of the finding and the text input in Part IV may not convey the CAP as intended due to formatting restrictions.

**Response:** The FAC will add instructions in both the form instructions and on the IDES and IMS systems notifying all parties that due to formatting restrictions, the text of the findings and text of the CAP may not convey the full meaning of the finding or CAP and that the user should refer to the audit report to view the texts as they were intended by the auditor and auditee.

**Comment:** Commenters questioned whether there would be an Excel worksheet template to download and then upload multiple texts at once in both Part III, Item 5 and Part IV. They also questioned how to handle footnotes within the findings text.

**Response:** The FAC will have an Excel template upload option (similar to the Federal Awards and Audit Findings sections) that will allow users to copy and paste the finding text and/or CAP text for multiple findings and upload once. The FAC will add instructions in both the form instructions and on the IDES and IMS systems notifying all parties that due to formatting restraints, the text of the findings and text of the CAP may not convey the full meaning of the finding or CAP and that the user should refer to the audit report to view the texts as they were intended by the auditor and auditee. The FAC will update the instructions to indicate that users should write "See Schedule of Findings and Questioned Costs for footnote" at the end of the finding text in place of any footnotes. The FAC anticipates that it will conduct trainings/webinars upon release of the 2019 form to demonstrate the new fields and how they will work in the IDES.

**Comment:** Two commenters questioned whether GAGAS/GAS findings text could also be entered into Part III, Item 5 (as it would help aid auditees in their creation of the next year's Summary Schedule of Prior Audit Findings) and whether the CAP for the GAGAS/GAS findings would be entered into Part IV.

**Response:** The Form SF-SAC is only collecting finding information for Federal award audit findings as specified in the Uniform Guidance, which does not include GAGAS/GAS findings. This also means the Form SF-SAC will not collect the CAP text for GAGAS/GAS findings.

#### **Part IV:**

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**Comment:** One commenter suggested the FAC clarify the instructions regarding copying and pasting the text exactly as it appears in the CAP and the additional instruction to put "see CAP for chart/table", as these are conflicting.

**Response:** The FAC will clarify the instructions.

**Comment:** One commenter questioned if the entire text of the CAP should be copied and pasted into Part IV, or just the planned corrective action.

**Response:** The entire CAP text should be entered, including any header information, such as finding title, cfda numbers, questioned costs, etc. The text of the CAP is to be entered per finding.

**Comment:** One commenter questioned if there would be a system-generated export option (like the SEFA and Notes to the SEFA) to export the CAP.

**Response:** The FAC anticipates that there will be an option to export the text of the CAP in the future (similar to the system-generated SEFA and Notes to the SEFA). However, this option will not be available for the 2019 form release due to resource restrictions.

#### **Part IV, Item 2:**

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**Comment:** One commenter suggested updating the wording from "audit report" to "reporting package" in the note for Part IV, Item 2.

**Response:** Agreed. The FAC will make this change.

#### **Part V, Item 1:**

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**Comment:** One commenter suggested the FAC add a certification statement to the auditee certification section regarding their completing the CAP and Summary Schedule of Prior Audit Findings.

**Response:** Disagreed. The auditee certification statement "complied with the requirements of 2 CFR Part 200 Subpart F specific to the auditee" includes the Corrective Action Plan and the Summary Schedule of Prior Audit Findings.

## **Part V, Item 2:**

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**Comment:** One commenter disliked the checkbox breakout of the auditor certification and suggested it be reverted to a paragraph. They also suggested 2 elements of the auditor statement be updated to include Part III, Item 2f. They also expressed concern for the last checkbox about the availability of the report from the auditee. Finally, they suggested the FAC work collaboratively to revise the language of the auditor statement.

**Response:** The breakout of the auditor statement into multiple checkboxes does not mean that each element requires a separate certification. It is still just one certification. The checkboxes are to bring attention to each item individually so the auditor reads and understands each part.

Agreed. The FAC will update the two certification elements to include Part III, Item 2(f).

The final checkbox in the auditor statement was revised to indicate that the audit report "may" be made available from the FAC or the auditee. This was revised for the instance of an Indian tribe choosing to opt out of making the reporting package publicly available, and releases the auditor from stating that it "will" be made available.

The FAC worked with members from the AICPA and NASACT to revise the wording of the auditor statement prior to the 60-day Federal Register notice. The current wording on the draft was a collaborative effort, and was reviewed multiple times prior to the Federal Register notice.

**Comment:** One commenter asked why it is the auditor's responsibility to certify that the information on the form is limited to those prescribed by the Uniform Guidance, and suggested that this wording be adjusted.

**Response:** The Uniform Guidance designates what the auditor must certify (2 CFR 200.512(b)(3)). The FAC will update the wording of the first sentence of Part V, Item 2 to match the Uniform Guidance so it will read "the data elements and information included in this Form SF-SAC are limited to those prescribed by the Office of Management and Budget."