COMPTROLLER’S MEMORANDUM NO. 2009-17

TO: Heads of Departments and Agencies

FROM: Russ K. Saito, State Comptroller

SUBJECT: Single Audit Act of 1984

This memorandum supersedes Special Distribution Memorandum No. 1985-4, dated February 5, 1985, regarding the State’s election in accordance with federal regulations to conduct Single Audits that cover only each department, agency or establishment which received, expended or otherwise administered federal financial assistance during the fiscal year and not on the entire state government’s operations.

The Single audit Act of 1984 (Public Law 98-502) was enacted by Congress on October 4, 1984.

Under the Act, each state and local government which receives a total amount of federal financial assistance equal to or in excess of $100,000 (Currently $500,000) in any fiscal year must have an audit conducted for such fiscal year. The audit must be conducted by an independent auditor in accordance with generally accepted governmental auditing standards. Each audit conducted must cover the entire state or local government’s operations, except that, at the option of each government, such audit may cover only each department, agency or establishment which received, expended or otherwise administered federal financial assistance during the fiscal year. In addition, such audits may exclude public hospitals and public colleges and universities.

The new audit requirements were effective for fiscal years which began after December 31, 1984.

The State elects to change its policy regarding the scope of audit for the State’s Single Audit, effective for the fiscal year ending June 30, 2010 and thereafter, the State’s Single Audit will only cover the entire state government’s operations.

If you have any questions regarding the above, please call me at 586-0400, or Wayne L. Chu, Audit Division at 586-0360.

RUSS K. SAITO
State Comptroller