A-133 Audit

Purpose and Background Information

The purpose of this document is to provide an overview of the A-133 process and to provide guidance on expenditure reporting requirements for Federal funding received by UW-System campuses. The A-133 Single Audit Schedules are prepared annually for the 13 four-year campuses, including UW-Madison, UW-Milwaukee, and UW-Extension. UW-System Administration is also included in the audit.

A-133 Single Audit Schedules are intended to provide a summary of expenditures for federally funded awards. The expenses are then audited by a Federal, State or local government entity. The auditing agency must meet the general standards specified in Generally Accepted Government Auditing Standards (GAGAS). In the case of UW-System, audit schedules are prepared for each UW campus and submitted to the Legislative Audit Bureau (LAB) to review for compliance with Federal regulations set forth by OMB Circular A-133. LAB is the State government entity responsible for auditing the State of Wisconsin’s Federal expenditures for all Wisconsin State Agencies for any given fiscal year. All UW campuses are considered Wisconsin State agencies.

The A-133 Circular contains provisions which Federal agencies shall apply to any non-Federal entity receiving direct Federal funding or indirect Federal funding (sub-recipients). The policy ensures consistent and uniform standards are established among Federal agencies for the audit of non-Federal entities receiving and spending Federal awards.

Overview of Campus Responsibilities

- Accurate data entry of award and expenditure transactions throughout each fiscal year
- Continuous monitoring and updating award information for accuracy throughout each fiscal year
- Continuous monitoring and updating expenditure activity for accuracy through each fiscal year
- Reviewing, correcting and providing information for any erroneous or incomplete data provided on the Expenditure sheets sent for review by UW-System
- Approval of Expenditure sheet (see Appendix A – Campus Check List)
- Reviewing, correcting and providing information for any erroneous or incomplete information on the A133 Single Audit Schedule, draft sent for review by UW-System
- Approval of A-133 Single Audit Schedule (see Appendix A – Campus Check List)
- Notify and inform UW System personnel of any revisions or corrections to the Expenditure sheet or the A-133 Schedule
Overview of UW-System Responsibilities

- Query award and expenditure data for current fiscal year or collect data from campuses not using Project Lite or Grants (see Appendix F for the Award Template and Appendix G for the Expenditure Template)
- Compile award and expenditure data into expenditure sheets
- Review expenditure sheets for completeness and accuracy
- Submit expenditure sheets to campuses for final review and approval
- Prepare A-133 Single Audit Schedules
- Review A-133 Single Audit Schedules for completeness and accuracy
- Submit A-133 Single Audit Schedule to campuses for final review and approval
- Coordinate submission of each A-133 Single Audit Schedule for each UW campus to the Legislative Audit Bureau for audit
- Answer and resolve LAB’s questions concerning the audit schedules
- File EZ Audit for Federal Student Aid (FSA)

These responsibilities are diagrammed in Appendix E

Components of A-133 Schedules

Each schedule may contain up to 3 primary categories, which are vital to the review completed by LAB. The categories correspond to the Regent Categories of UW System campuses. They are categorized as such: (1) Research and Development Cluster; (2) Student Financial Aid (aka SFA Cluster); (3) Individual Programs and Other Clusters.

- **Regent Category #1 (Research & Development):** The R&D category is defined by OMB Circular A-133, as “all research activities, both basic and applied and all development activities that are supported at universities, colleges, and nonprofit institutions (any non-Federal entity)”. Research is defined as a “systematic study directed toward fuller scientific knowledge or understanding of the subject studied. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function”. Development is defined as the “systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes”. (www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf, pg. 7).
  - **NOTE:** Fund 142 (Hatch) is included in the Research category and is listed under CFDA #10.203.

- **Regent Category #2 (Student Aid):** The Student Financial Aid (SFA Cluster) category is defined by OMB Circular A-133, as “programs of general student assistance, such as those authorized by Title IV of the Higher Education Act of 1965, as amended, (20 U.S.C. 1070 et seq.) which is administered by the U.S. Department of Education, and similar programs provided by other Federal agencies. It does NOT include programs which provide fellowships...
or similar Federal awards to students on a competitive basis, or for specified studies or research”. (www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf, pg. 8). Scholarship and fellowship programs are NOT considered to be student aid and therefore are reported under category #3 (Individual Cluster Programs) on the A-133 schedule. Refer to the Student Financial Aid Cluster chart (Table 1) on the following page for the fund number, Federal Program Name, and the corresponding CFDA number.

<table>
<thead>
<tr>
<th>FUND</th>
<th>FEDERAL PROGRAM NAME</th>
<th>ACRONYM</th>
<th>CFDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>Federal Family Education Loans</td>
<td>FFEL</td>
<td>84.032</td>
</tr>
<tr>
<td>140</td>
<td>Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students</td>
<td>HPSL</td>
<td>93.342</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>145</td>
<td>Federal Work-Study Program</td>
<td>FWS</td>
<td>84.033</td>
</tr>
<tr>
<td>146</td>
<td>Federal Supplement Educational Opportunity Grants</td>
<td>FSEOG</td>
<td>84.007</td>
</tr>
<tr>
<td>147</td>
<td>Federal Perkins Loan Program</td>
<td></td>
<td>84.038</td>
</tr>
<tr>
<td>148</td>
<td>Federal Pell Grant Program</td>
<td></td>
<td>84.063</td>
</tr>
<tr>
<td>148</td>
<td>Academic Competitiveness Grants</td>
<td>ACG</td>
<td>84.375</td>
</tr>
<tr>
<td>148</td>
<td>National Science and Mathematics Access to Retain Talent (SMART) Grants</td>
<td>SMART</td>
<td>84.376</td>
</tr>
<tr>
<td>149</td>
<td>Federal Direct Student Loans</td>
<td></td>
<td>84.268</td>
</tr>
<tr>
<td>151</td>
<td>Nursing Student Loans</td>
<td></td>
<td>93.364</td>
</tr>
<tr>
<td>152</td>
<td>Scholarships for Health Professions Students from Disadvantaged Backgrounds</td>
<td></td>
<td>93.925</td>
</tr>
<tr>
<td>N/A</td>
<td>Administrative Cost Allowance</td>
<td></td>
<td>84.SFA</td>
</tr>
</tbody>
</table>

- **Regent Category #3 (Individual Programs and Other Cluster):** The Individual Programs and Other Cluster category contains Federal programs listed under the UW Regent categories:
  - Public Service (Extension)
  - Instruction
  - Libraries
  - Miscellaneous
  - Physical Plant
  - Fund 143 – Smith Lever, listed under CFDA #10.500 from UW-Extension (appears on UW-Madison’s schedule only)
  - Fund 199 – Veterinary Diagnostics Lab under Other Identifying Number 10.Fund199 (appears on UW-Madison’s schedule only)
After each project has been categorized as a 1, 2 or 3, Federal programs and their corresponding expenditures must be grouped under the Federal Agency name, such as the U.S. Department of Transportation, National Aeronautics and Space Administration (NASA), U.S. Department of Education, U.S. Department of Health and Human Services, etc. Furthermore, under each Federal Agency, the programs and expenditures must be grouped into two sections as direct or sub-grants if applicable. Under each of these sections, the programs are listed in numerical order by CFDA number. For programs that do not have a CFDA number, the Other Identifying Number along with the Program Name must be used. These programs are listed after those projects which have a CFDA number. (See Appendix B for an example of the A-133 Schedule and how it is organized.)

A-133 Preparation
There are two phases in preparing the A-133 Single Audit Schedules. The first phase is to prepare an expenditure sheet for each campus. The second phase is to prepare the Single Audit Schedule for each campus. Depending on the systems used by each of the campuses, directions in gathering information may differ. The next two sections describe the process which the campuses must follow, depending on whether they use SFS or a different grants management system to administer extramural support.

Campuses Using SFS Project Lite or Grants

Expenditure Sheet
There are two primary steps in gathering A-133 information for campuses using SFS Project Lite and Grants. The first step is to gather award information for projects with expenditures occurring for the fiscal year of audit. This information is queried by UW-System Administration via Hyperion. The Projects and Regent Summary tables in Hyperion are used to query the award information.

The second step is to gather a summarized level of expenditure transactions for each project, occurring during the fiscal year of audit. Expenditure data is queried by UW-System Administration via SFS PeopleSoft Reporting Tools. There are several additional, SFS queries that are pulled to identify Sub-recipients, Fixed Fee / Price Contracts, and Inter-Institutional expenditures for each federal program.

After the series of reports are queried and merged together, a summarized report called the ‘A-133 Expenditure’ file is created. The file is submitted to the campuses for review and approval. Campuses should review the expenditure spreadsheet to ensure all required data is complete and accurate. If information is inaccurate or missing, the campus must notify UW System Administration and inform them of any corrections that need to be incorporated on the expenditure sheet.

- Note: Fixed price agreements, allowances, fringe clearing accounts, suspense and overhead clearing accounts and are considered reconciling items. These expenses are not reported on the A-133 Single Audit Schedule, however, still need to be identified as reconciling items. Campuses should review and approve these items as well.

Summary of Components:
- Award Data
- All Expenditures in funds 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 151, 152 and 199.
- Inter Institutional Expenditures (account code 3910)
- Sub-recipient Expenditures (account codes 3840 & 3845)
- Fixed Price Agreements (aka Fixed Fees)
A-133 Single Audit Schedule

Preparing the audit schedule is the final phase of the process. After the expenditure sheet has been reviewed and approved by campuses, the data is entered into the A-133 Single Audit Schedule by UW-System. Once the schedule is completed, it is sent to the campus for review and approval. This is the last opportunity for review, however, it is critical that campuses review the information for accuracy and notify UW System if there are any concerns or discrepancies on the schedule. All revisions must be made before sending the schedule onto LAB.

Campuses Not Using SFS Project Lite or Grants

Expenditure Sheet

If a campus does not use SFS Project Lite or Grants for electronic management of their grants, the campus is responsible for gathering and entering award data into the Award Information template and expenditure data into the Expenditure Template. (See Appendix F for an example of the Award template. See Appendix G for the Expenditure Template.) Both templates can be found at http://www.wisconsin.edu/fadmin/gasb3435.htm. Once the templates are completed by campuses, they must be submitted to UW-System as they are a reporting requirement for fiscal year end reporting. The due date for both reports is typically during the last week of July.

UW-System will gather a summarized level of expenditure transactions for each project, occurring during the fiscal year of audit. Expenditure data is queried by UW-System Administration via SFS PeopleSoft Reporting Tools. There are several additional, SFS queries that are pulled to identify Sub-recipients, Fixed Fee / Price Contracts, and Inter-Institutional expenditures for each project.

After the series of reports are queried and merged together, a summarized report called the ‘A-133 Expenditure’ file is created. The file is submitted to the campuses for review and approval. Campuses should review the expenditure spreadsheet to ensure all required data is complete and accurate. If information is inaccurate or missing, the campus must notify UW System Administration and inform them of any corrections that need to be incorporated on the expenditure sheet.

- Note: Fixed price agreements, allowances, fringe clearing accounts, suspense accounts and overhead clearing accounts are considered reconciling items. These expenses are not reported on the A-133 Single Audit Schedule, however, still need to be identified as a recon item.

Summary of Components:

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A-133 Single Audit Schedule

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Common Errors Found on the Expenditures Sheets and/or A-133 Single Audit Schedules

Common errors that LAB has noted from year to year are identified in the following list. For an example of A-133 Single Audit Schedule common errors and solutions, please see Appendix C. For an example of A-133 Expenditure Sheet common errors and solutions, please see Appendix D.

- Not identifying ARRA Awards on the grant schedules
- Missing CFDA number or Other identifying number on the Expenditure Sheet or on the Single Audit Schedule
- Incomplete Federal Program Title
- Errors in expense calculations
- Misclassification of Grant expenditures
  - Listed as sub-grants rather than direct grants or vice versa
  - Listed under the wrong Cluster
    - Research & Development
    - Student Aid
    - Individual Programs and Other Cluster
- Missing Federal Agency code
- Department of Education should be listed as DED, rather than DOE, which is the code for Department of Energy (see Federal Agency Codes in Table 2 on next page)
### Common Federal Agency Codes (Table 2)

<table>
<thead>
<tr>
<th>FEDERAL AGENCY CODE</th>
<th>FEDERAL AGENCY NAME</th>
<th>CFDA NUMBER (Beginning 2 Digits)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOE*</td>
<td>Department of Energy</td>
<td>81.xxx</td>
</tr>
<tr>
<td>DED</td>
<td>Department of Education</td>
<td>84.xxx</td>
</tr>
<tr>
<td>DHHS</td>
<td>Department of Health &amp; Human Services</td>
<td>93.xxx</td>
</tr>
<tr>
<td>DCS</td>
<td>Department of Child Services</td>
<td>93.xxx</td>
</tr>
<tr>
<td>DHS</td>
<td>Department of Health Services</td>
<td>93.xxx</td>
</tr>
<tr>
<td>NSF</td>
<td>National Science Foundation</td>
<td>47.xxx</td>
</tr>
<tr>
<td>NASA</td>
<td>National Aeronautics &amp; Space Administration</td>
<td>43.xxx</td>
</tr>
<tr>
<td>USDA</td>
<td>United States Department of Agriculture</td>
<td>10.xxx</td>
</tr>
<tr>
<td>EPA</td>
<td>Environmental Protection Administration</td>
<td>66.xxx</td>
</tr>
<tr>
<td>NRC</td>
<td>Nuclear Regulatory Commission</td>
<td>77.xxx</td>
</tr>
<tr>
<td>NEH</td>
<td>National Endowment for the Arts</td>
<td>45.xxx</td>
</tr>
<tr>
<td>HUD</td>
<td>Department of Housing &amp; Urban Development</td>
<td>14.xxx</td>
</tr>
<tr>
<td>DOD</td>
<td>Department of Defense</td>
<td>12.xxx</td>
</tr>
<tr>
<td>DOJ</td>
<td>Department of Justice</td>
<td>16.xxx</td>
</tr>
<tr>
<td>DOI</td>
<td>Department of Interior</td>
<td>15.xxx</td>
</tr>
<tr>
<td>LABOR</td>
<td>Department of Labor</td>
<td>17.xxx</td>
</tr>
<tr>
<td>USAID</td>
<td>Agency for International Development</td>
<td>98.xxx</td>
</tr>
<tr>
<td>DOS</td>
<td>Department of State</td>
<td>19.xxx</td>
</tr>
<tr>
<td>DOT</td>
<td>Department of Transportation</td>
<td>20.xxx</td>
</tr>
<tr>
<td>DOHS</td>
<td>Department of Homeland Security</td>
<td>97.xxx</td>
</tr>
<tr>
<td>CNCS</td>
<td>Corporation for National and Community Service</td>
<td>94.xxx</td>
</tr>
<tr>
<td>COMM</td>
<td>Department of Commerce</td>
<td>11.xxx</td>
</tr>
<tr>
<td>DOVA</td>
<td>Department of Veterans Affairs</td>
<td>64.xxx</td>
</tr>
</tbody>
</table>

*Note: This list provides information for most Federal Agencies commonly used within the UW System, therefore, is not an all-inclusive listing of Federal Agencies.*
APPENDIX A
(Campus Checklist)

The following checklist provides the items of which campuses must review for accuracy and completeness. If errors are found with any of the information, the records must be updated immediately in at least one, if not all three locations. The first update must occur in the campus grants management systems. The second update should be made to the expenditure spreadsheet, and the third update should be made to the A133 Single Audit Schedule if necessary.

The checklist is sent along with the Expenditure sheet and the draft of the A133 Single Audit Schedule to campus individuals who are responsible for preparing, reviewing, and approving the information.

1. CFDA Number
   a. Verify that the CFDA number and Program Title match what is reported on the CFDA website (www.cfda.gov). In addition, the user should check “Archived Programs,” “Added Programs” and “Program Number and Title Changes”.

   NOTE: The CFDA numbers and Program Titles will be downloaded to a worksheet within the Expenditure workbook sent to the campuses for review. A View Lookup formula is used to ensure the correct CFDA number and Program Title are referenced on the Expenditure sheet, however, campus personnel should still verify the information.

   b. If a CFDA number has not been assigned or is consolidated with another CFDA number, the CFDA number is considered to be expired and should be deleted. An ‘Other Identifying Number’ should be used in place of the invalid number. Historical index tab on the CFDA website will tell you when the CFDA number was archived.

2. Programs without CFDA Number
   a. Use another identifying number or Agreement / Award Date. The last known CFDA Program Title should be used.

   b. Review Program Title for completeness – should not be cut off or non-descriptive

3. Sub-grant Programs (a.k.a. Non-Direct, Pass-Thru, Flow-Thru)
   a. Verify Pass-Thru Entity is listed correctly with project description or program title

   b. Verify UW campus pass-thru project or grants are listed as direct programs (not sub-grants) on the A-133 Single Audit Schedule

4. All Programs need to include the following
   a. Appropriate Fund number

   b. Project Number and / or Department ID if a Project Number is not available

   c. Major Identity Number / Regent Category
      i. 1 – Research Cluster
      ii. 2 – Student Financial Aid
      iii. 3 – Individual Cluster

   d. CFDA Number and current CFDA Program Title

   e. If no CFDA Number, Other Identifying Number or Agreement / Award Date is required

   f. Award Number

   g. Federal Agency

   h. Name of Pass-Thru Entity and Identifying Number assigned

5. Student Financial Aid Cluster
6. Verify fund amounts queried in SFS. Any discrepancy found, must be reported to UW-System.

7. Verify data on list of American Recovery and Reinvestment Act (ARRA) awards. These must be identified on the Expenditure sheet and A-133 Single Audit Schedule. It is best to identify the ARRA award in the project title. For example, a project title may look like this “ARRA-Study