

FEDERAL AUDITS/SINGLE AUDIT

Entities expending \$500,000 or more of federal grant funds are required, under the U.S. Office of Management and Budget (OMB) Circular A-133 Audit Compliance requirement, to obtain an audit of those funds and the resulting grant funded programs by an outside independent audit firm. This audit, commonly referred to as the “Single Audit,” is conducted on an annual basis in Maryland State government. The Single Audit auditor not only looks at things like waste, fraud, and abuse, but also reviews management practices, program results, and cash on hand. The driving factor is to ensure taxpayer dollars are being spent efficiently and effectively for their intended purpose.

The Maryland Governor’s Grants Office (GGO) uses the results, number of findings and types of findings, as a measure of how well our training programs have improved the overall management of federal grants and to leverage competitive value through fiscal responsibility and transparency. In 2004, when GGO began training state grants and fiscal managers, the State had received 44 audit findings. By Fiscal Year 2011, the state had reduced the number of audit finding to 11, a significant achievement by the state and one formally recognized by U.S. OMB and the U.S. GAO. In Fiscal Year 2013 audit findings remained flat at 15. GGO has been working with these agencies to take corrective action and anticipates future audits to continue to result in decreased findings.

The State’s audit findings in the past consistently fell within three common categories: sub-recipient management, cash management (excess cash on hand), and internal controls. These types of findings also are consistent with national areas of weakness. For FY 13, there were no findings in the category of cash management. GGO continues to present training to state agencies and higher education institutions to specifically target Single Audit findings, thus continuing the Maryland State government’s correction trend.

[View the latest State of Maryland Single Audit Report here.](#)