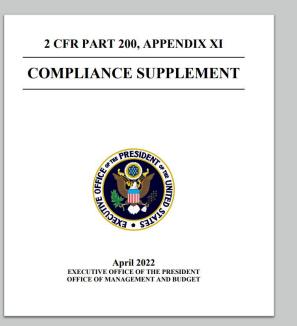


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Compliance Supplement

- https://www.whitehouse.gov/wpcontent/uploads/2022/05/2022-Compliance-Supplement PDF Rev 05.11.22.pdf
- Also available on our website at <u>www.in.gov/sboa</u> on the State Agencies page.



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What is the Purpose of the Compliance Supplement?

To identify compliance requirements that the federal government expects to be considered as part of the audit.

To provide a source of information for auditors

Federal Program Objectives

Applicable Laws and Regulations

Federal Program Procedures

Compliance Requirements

Audit Objectives

Suggested Audit Procedures

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Who writes the compliance supplement?

 Federal agencies are responsible for annually informing OMB of any updates needed to the Supplement and working with OMB to ensure that the Supplement focuses the auditor to test the compliance requirements most likely to cause improper payments, fraud, waste, abuse, or generate audit findings for which the federal awarding agency will take sanctions.

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Shows Audit Expectations of the Federal Government

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Aids in Preparation for Audit

Stated audit objectives

Testing to be performed
Internal Controls
Compliance
Documentation

Provides Opportunities for Efficiency

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10.000-Food and Nutrillon Service Programs-Multiple Program COVID-19 Waivers

Compliance Supplement Part 2 - Matrix

Requirement	A	В	C	E	F	G	Н	I	J	L	M	N
Program Number	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
10.000 (no matrix)												
10.500	Y	Y	N	N	N	Y	Y	N	N	Y	Y	N
10.511	T	Y	Y	N	Y	Y	N	N	N	Y	N	N
10.512	Y	Y	Y	N	Y	Y	N	N	N	Y	N	N
10.514	Y	Y	Y	N	N	N	N	N	N	Y	Y	N
10.515	Y	Y	Y	N	N	N	N	N	N	Y	Y	N
10.516	Y	Y	Y	N	Y	N	N	N	N	Y	Y	N
10 517	v	v	v	N	v	N	N	N	N	v	v	N

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- The Matrix of Compliance Requirements (Matrix) identifies the federal programs and the associated compliance requirements addressed in the Supplement.
- Y = SBOA will audit the requirement
- N = SBOA may not audit the requirement, but agency is still responsible for compliance

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Compliance Supplement Part 3 – Compliance Requirements

Requirement	A	В	C	E	F	G	Н	I	J	L	M	N
	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earnarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions

- ✓ Compliance Requirements
- ✓ Source of Governing Requirements
- ✓ Audit Objectives
- ✓ Suggested Audit Procedures Internal Control
- ✓ Suggested Audit Procedures Compliance

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Part 3 contains twelve sections labelled A through N which correspond to the Matrix Compliance Requirements.

General compliance requirements, not program specific.

Compliance Supplement Part 4

Requirement			C	E	F	G	Н	I	J	L	M	N
Program Number	Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment Real Property Management	Matching, Level of Effort, Earmarking	Period of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions

Part 4 is ordered by ALN program Number.

Part 4 contains program information, compliance requirements, audit objectives, and audit procedures specific to a program.

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Compliance Supplement Other Parts

Part 5 - Cluster of Programs

Part 6 - Internal Control

Part 7 - Guidance for Auditing Programs not included in this Compliance Supplement

Part 8 - Appendices

 Other parts of the Compliance Supplement provide further guidance and audit expectations to external auditors.

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- The Compliance Supplement is a tool you can use to help prepare for the audit, but it does not contain all the compliance requirements applicable to your grants.
- The compliance supplement identifies compliance requirements that will be audited by SBOA as part of the federal audit.
 - · Audit Objectives
 - · Suggested Audit Procedures
- This information will be useful to determine the most efficient and effective way to prepare for an audit.

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