Dear Colleague:

Our records indicate that your firm performs Single Audit engagements. The purpose of this email is to help ensure your firm and clients are up-to-speed with the significant changes and quality challenges in this area.

Effective for years ending on and after December 31, 2015, audits which were formerly performed under OMB Circular A-133 must be performed under the [*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*](http://www.ecfr.gov/cgi-bin/text-idx?SID=118407220156088112147999d7305d76&mc=true&node=pt2.1.200&rgn=div5) (hereinafter referred to as “Uniform Guidance”). Among the changes are revisions to the major program determination process, threshold changes, and modifications to the compliance requirements subject to audit.

The Uniform Guidance also requires the federal government to conduct a government-wide audit quality study once every 6 years and to make the results public. The first such study will likely occur in 2019 and include audits submitted to the federal government during 2018, including audits performed for client year-ends as early as April 2017.

In light of the significant changes, we strongly suggest that you and your clients consider taking the actions outlined in the attachment to this email.

We also suggest that you consider attending the live CPE course, [Applying the Uniform Guidance for Federal Awards in Your Single Audits](http://www.icpas.org/eventscalendar/EventDetail?id=24260), on December 2, 2016.

We hope you find these tools and resources helpful as you prepare for your upcoming single audit engagements. If you have any questions or need further assistance in implementing the Uniform Guidance, please let me know.

Best regards,

Paul Pierson, CPA

Director, Professional Standards and Peer Review