

Federal Audit Requirements

Single Audit Act and OMB Circular A-133

Did your City receive federal financial assistance or federal cost reimbursement within the past or current fiscal year? If so, you may be subject to federal audit requirements imposed by the Single Audit Act Amendments of 1996 (*signed into law by President Clinton on July 5, 1996*) and the implementing regulations contained in OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

The most common types of projects that are subject to the A-133 audit requirements include:

Local let highway construction projects

Enhancement projects

Rural public transportation operating assistance grants

Your project agreement with NDOR should indicate whether federal funds are involved and if they are subject to the A-133 audit requirements. If you need additional information or have any questions about funding or audit requirements, please contact NDOR's Highway Audit Manager at (402) 479-4558 in Lincoln. Please have the NDOR project number available when you call.

An A-133 Audit Report must include a "***Supplemental Schedule of Expenditures of Federal Awards***". For your applicable Nebraska Department of Roads' project expenditures, the information presented below should be included in the Federal Awards Schedule.

A. Local let highway construction projects and enhancement projects:

Federal Grantor: U.S. Department of Transportation – Federal Highway Administration
Pass Through Grantor: Nebraska Department of Roads
Federal CFDA Number: 20.205 Highway Planning and Construction
Federal Program Title: Federal-Aid Highway Program

B. Public transportation operating assistance grants:

Federal Grantor: U.S. Department of Transportation – Federal Transit Administration
Pass Through Grantor: Nebraska Department of Roads
Federal CFDA Number: 20.509 Formula Grants for Other Than Urbanized Areas
Federal Program Title: Nonurbanized Area Formula Program

According to the law, an audit is required if your City expends \$300,000 or more in Federal Awards in a fiscal year. Please discuss your "federal awards" situation with your CPA firm as you assess your organization's annual audit needs.

If an A-133 audit report is issued for your organization and federal funds are provided through the Nebraska Department of Roads, which are included within the scope of the audit, please send a copy of that report and any applicable management letters to:

Nebraska Department of Roads
Highway Audit Manager
Controller Division
1500 Hwy 2
PO Box 94759
Lincoln NE 68509-4759