

GENERAL INFORMATION:

Federal guidelines require state and local governments which **spend \$500,000** or more in federal financial assistance to have an **A-133** Audit.

Local governments that **spend** less than **\$500,000** in federal financial assistance a year shall be exempt from compliance with federal audit requirements; however, SDCL 4-11-4 requires counties to be audited once every two years.

The auditor's report, according to Circular **A-133** is to contain a schedule of federal financial assistance program expenditures. The schedule includes expenditures for each federal financial assistance program as identified in the Catalog of Federal Domestic Assistance (CFDA). Examples of county CFDA numbers and programs are listed in Section II, pages 34 and 35 of this manual as part of the Federal Grants revenue chart of accounts. Therefore, the records maintained by the county should be adequate to provide the required expenditure information for inclusion in the audit report.

A copy of OMB Circular A-133 is enclosed in this section.