

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 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 the State received 44 audit findings, which was significantly higher than our latest 2010 report of 18 findings, an achievement recognized by U.S. OMB and the U.S. GAO.

The State’s audit findings consistently fall 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. GGO developed training in 2006 to specifically target these findings. While the State saw a very slight increase in audit findings in 2010 from 14 to 18 due to the significant increase in federal grant funds managed by the state, single audit findings for Maryland remain well below 2006 and prior year findings. The State hopes to continue this trend by working closely with our higher education community and state agencies.

The positive trends and statistics detailed above not only demonstrate fiscal responsibility, but also provide Maryland with a competitive edge when competing for federal discretionary grant funded programs.

View the State of [Maryland’s Single Audit](#).