

Form 106

Instruction to Audit Bidders

- Audits must be conducted in accordance with General Accepted Government Auditing Standards (GAGAS) and the **new Super Circular** (2 CFR 200 Subpart F Audit) – Uniform Administrative Requirements – Cost Principals and Audit Requirements -The new Super Circular (2 CFR 200) requires entities that expend **\$750,000** or more during the entity’s fiscal year in federal funds (from all sources) to have a single audit conducted for that fiscal year. Auditor’s responsibilities are described in Subpart E Cost Principles of 2 CFR 200.
- Auditors are subject to external quality control reviews as specified in Generally Accepted Government Auditing Standards (GAGAS).
- Audit staff must have demonstrated professional proficiency through continued education and training as specified by GAGAS.
- Auditors must adhere to the American Institute of Certified Public Accountants (AICPA) and State Accountancy Board codes of professional conduct.
- Auditors must prepare working papers in accordance with GAGAS.
- Audits must be conducted by Independent Licensed Certified Public Accounting firms.
- If the auditing firm assists the city or county with their financial statements, the same person may NOT do the audit. Auditor must be truly “Independent”.
- A peer review should be included with the Request for Qualifications (RFQ). (AEDC is unable to accept a “failed” peer review firm.)
- The audit must be prepared in a timely manner to allow submittal of the audit to the AEDC no later than June 30 following the end of the audited calendar year or within six months after the end of the Sub-Grantee’s fiscal year, whichever occurs last.
- SAM.Gov regulations apply to Audit procurements. No debarred or suspended contractors will be awarded a contract.
- Grantees and auditors are required to execute a written contract for audit services in a form specified or approved by the AEDC.
- Auditors should be familiar with requirements of the grant agreement and compliance areas applicable to the AEDC grant.
- Auditors should follow up on known material findings and recommendations from prior year audits.
- Questions regarding the audit requirements may be directed to AEDC.