

2023 SINGLE AUDITS OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as an audit program to update the audit documentation of an engagement started in a previous version of this product.

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The **2023 Knowledge-Based Single Audits** have been updated to help auditors conduct efficient and effective audit engagements in accordance with U.S. GAAS and to take into account the latest literature, standards, and guidance, including:

The tools in the 2023 edition of **Knowledge-Based AuditsTM of Single Audits** have been updated to help auditors conduct efficient and effective audit engagements in accordance with U.S. GAAS and take into account the latest literature, standards, and guidance, including the following standards:

- SAS No. 142, Audit Evidence (effective for periods ending on or after December 15, 2022);
- SAS No. 143, Auditing Accounting Estimates and Related Disclosures (effective for periods ending on or after December 15, 2023);
- SAS No. 144, Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained from External Information Sources (effective for periods ending on or after December 15, 2023);
- SAS No. 145, Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement (effective for periods ending on or after December 15, 2023);
- SAS No. 146, Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards
- SAS No. 147, Inquiries of the Predecessor Auditor Regarding Fraud and Noncompliance With Laws and Regulations
- SAS No. 148, *Amendment to AU-C Section 935* (effective for compliance audits for fiscal periods ending on or after December 15, 2023, consistent with the effective date of SAS No. 145)
- AICPA Ethics Interpretation, Staff Augmentation Arrangements (ET sec. 1.275.007); and
- 2023 OMB Compliance Supplement.

The following standards have not been fully incorporated but are discussed in practice alerts:

- SAS No. 146, *Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards* (effective December 15, 2025);
- SQMS No. 1, *A Firm's System of Quality Management* (effective December 15, 2025);
- SQMS No. 2, *Engagement Quality Reviews* (effective December 15, 2025); and
- SAS No. 149, *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)*.

The AICPA's Auditing Standards Board's (ASB) Risk Assessment Standards and AU-C Section 935, Compliance Audits, as applied to the conduct of a single audit pursuant to the requirements of the Uniform Guidance, are supported with practice aids and tools to make the most of the latest technology to address audit requirements and the processes auditors will need to implement in auditing compliance over federal awards. The knowledge-based audit (KBA) methodology will assist auditors of single audits by:

- Facilitating compliance with U.S. GAAS, GAGAS including the Technical Updates in April 2021, the 2023 Compliance Supplement, and the Uniform Guidance;
- Encouraging more effective compliance audits through customized programs and comprehensive practice aids;

- Helping auditors to focus on and respond to identified risks of noncompliance; and
- Enhancing audit documentation.

The 2023 tools include links to detailed analysis related to the steps and processes discussed in the workpapers. Many new tips and examples have been incorporated. Also included are revised financial statement disclosures checklists that provide a centralized resource of the required and recommended U.S. GAAP disclosures and key presentation items currently in effect, using the style referencing under the FASB Accounting Standards Codification™.

The 2023 edition of *Knowledge-Based Single Audits* includes the following updates:

Knowledge-Based Audit Documents (KBAs)

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|--|--|----------------------|--|---------------------------------|--|
| KBA-101S Overall Uniform Guidance Compliance Audit Strategy | | | | | |
| Modify | Updated practice points to reflect 2023 OMB Compliance supplement language | Instructions | New or Revised Guidance | 2023 OMB Compliance Supplement | |
| Modify | Added practice alert regarding SAS No. 149, <i>Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)</i> | Instructions | New or Revised Guidance | SAS No. 149 | |
| Modify | Minor wording changes | Instructions, Tables | | | |
| KBA-302S Understanding the Entity’s Federal Program Environment | | | | | |
| Modify | Updated practice points to reflect 2023 OMB Compliance supplement language | Instructions | New or Revised Guidance | 2023 OMB Compliance Supplement | |
| Modify | Modified instructions to incorporate SAS No. 142-148 requirements | Instructions | New or Revised Guidance | SAS No. 142 through SAS No. 148 | |
| KBA-303S Inquiries of Management and Others Within the Entity About the Risks of Fraud in a Uniform Guidance Compliance Audit | | | | | |
| Modify | Minor wording changes | Procedures | | | |
| KBA-400S Identification of Applicable Compliance Requirements | | | This workpaper will become OBSOLETE on roll forward due to content changes. The user will need to insert KBA-400s for each major program or cluster noted in KBA-101S. Please publish KBA-400s from your engagement binder prior to roll forward | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|--|---|----------------------|-------------------------|--------------------------------|--|
| Modify | Updated “applicable” with “direct and material” | Table | Improved Workflow | | |
| Modify | Updated instructions to reflect the requirements of 2023 Compliance Supplement | Instructions | New or Revised Guidance | 2023 Compliance Supplement | |
| Modify | <p>Replaced compliance requirements table to address each major program in detail (Subject to Audit – per matrix and Direct and Material)</p> <p>Flow to KBA-502S will only happen if both columns (Subject to Audit and Direct and Material) are marked as Yes.</p> <p>This workpaper is now a multiple instance and user should insert one for each major program or cluster and perform the compliance requirement for each.</p> | Table | Improved Workflow | | |
| KBA-401S Understanding Entity-Level Controls over Compliance – KBA-414S Understanding Compliance Requirement-Level Controls: Special Tests and Provisions | | | | | |
| Modify | Modified instructions to incorporate SAS No. 145 requirements | Instructions | New or Revised Guidance | SAS No. 145 | |
| Modify | Minor wording changes | Instructions, Tables | | | |
| KBA-502S Summary of Assessments of Risks of Noncompliance | | | | | |
| Modify | Modified instructions to reflect 2023 OMB Compliance Supplement updates | Instructions | New or Revised Guidance | 2023 OMB Compliance Supplement | |
| Modify | Modified instructions to incorporate SAS No. 148 requirements | Instructions | New or Revised Guidance | SAS No. 148 | |
| KBA-503S Basis for Assessment of Inherent Risk of Noncompliance | | | | | |
| Modify | Modified instructions to reflect 2023 OMB Compliance Supplement updates | Instructions | New or Revised Guidance | 2023 OMB Compliance Supplement | |
| KBA-901S Schedule of Expenditures of Federal Awards Presentation and Disclosure Checklist | | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|---|---|--------------------------|-------------------------|---------------------------------|--|
| Modify | Added practice point regarding the Federal Audit Clearinghouse moving from Census to General Service Administration (GSA) | Instructions, Procedures | | | |
| KBA-902S Uniform Guidance Compliance Audit Review and Approval Checklist | | | | | |
| Modify | Added practice point regarding the Federal Audit Clearinghouse moving from Census to General Service Administration (GSA) | Instructions, Procedures | | | |
| Modify | Updated terminology to reflect SAS No. 142-148 requirements; Minor wording changes | Instructions, Procedures | New or Revised Guidance | SAS No. 142 through SAS No. 148 | |
| KBA-903S Uniform Guidance Compliance Audit Documentation Checklist | | | | | |
| Modify | Added practice point regarding the Federal Audit Clearinghouse moving from Census to General Service Administration (GSA) | Instructions, Procedures | | | |

Audit Programs (AUDs)

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|--|--------------------------|-------------------------|---|-----------------------------|
| AUD-101S Overall Audit Program | | | | | |
| Modify | Updated practice points, instructions and procedures to reflect 2023 OMB Compliance supplement language and current auditing standards | Instructions, Procedures | New or Revised Guidance | 2023 OMB Compliance Supplement; SAS No. 142 through SAS No. 148 | |
| Modify | Minor wording changes | Instructions, Procedures | | | |
| AUD-601S Audit Program: Testing and Evaluating The Work of The Internal Audit Function | | | | | |
| Modify | Updated terminology and procedures to reflect SAS No. 145 requirements | Instructions, Procedures | New or Revised Guidance | SAS No. 145 | |
| AUD-602S Audit Program: Involvement of a Component Auditor | | | | | |
| Modify | Added practice alert regarding SAS No. 149, <i>Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)</i> | Instructions | New or Revised Guidance | SAS No. 149 | |
| AUD-604S Audit Program: Using the Work of a Management’s Specialist | | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|--|--------------------------|-------------------------|---|-----------------------------|
| Modify | Updated purpose and instructions | Instructions | Clarification | | |
| AUD-701S Audit Program: Designing Tests of Controls over Compliance | | | | | |
| Modify | Moved compliance requirements table to KBA-400S so no flow of the data in KBA-400S will be in this workpaper | Procedures | Improved Workflow | | |
| Modify | Updated to reflect SAS No. 142 terminology | Procedures | New or Revised Guidance | SAS No. 142 | |
| AUD-801S Audit Program: Activities Allowed or Unallowed – AUD-817S Audit Program: Schedule of Expenditures of Federal Awards | | | | | |
| Modify | Updated instructions and procedures to reflect the requirements of 2023 Compliance Supplement and current CFR sections | Instructions, Procedures | New or Revised Guidance | 2023 Compliance Supplement; 2 CFR Section 200 | |
| Modify | Deleted “Specific Risks of Material Noncompliance” table | Procedures | Improved Workflow | | |
| Modify | Minor wording changes | Instructions, Procedures | | | |
| AUD-901S Audit Program: Subsequent Events | | | | | |
| Modify | Updated instructions to reflect SAS No. 148 requirements | Procedures | New or Revised Guidance | SAS No. 148 | |

Practice Aids (AIDs) have been modified and updated, where applicable, in accordance with current guidance with additional tips, references, and examples.

- **AIDs 601S Considering the Use of the Work of the Internal Audit Function, 602S Understanding and Preliminary Assessment of the Entity’s Internal Audit Function** Updated instructions and procedures related to internal audit function.
- **AID-847S Service Organization Report Results Analysis** Updated instructions and procedures related to service organizations.

Auditor’s Reports (RPTs) have been modified and updated, where applicable, in accordance with current guidance.

Correspondence Documents (CORs) have been modified and updated, where applicable, in accordance with current guidance.

- **CORs 901S Management Representation Letter: Government Entity Single Audit, 902S Management Representation Letter: Not-for-Profit Entity Single Audit** Updated language regarding estimates and system of internal control.

Resource Documents (RESS) have been modified and updated, where applicable, in accordance with current guidance.

- **RES-001S Knowledge-Based Audit Methodology Overview for Single Audits** Added practice points on new and proposed standards. Language updated throughout for the requirements of SASs 147-148.
- **RES-002S Index of Audit Programs, Forms, and Other Practice Aids** Updated as needed.
- **RES-003S Government Auditing Standards and Single Audits** through **RES-024S Corrective Action Plan** Language and illustrative examples updated throughout to support the updates to the AUD and KBA documents noted above.

In addition, forms and practice aids throughout have been updated to include new examples and tips and, where applicable, to take into account:

New literature, standards, and developments, reflected in the following current audit and accounting guidance:

Statements on Auditing Standards (SASs):

- SAS No. 142, Audit Evidence (effective for periods ending on or after December 15, 2022);
- SAS No. 143, Auditing Accounting Estimates and Related Disclosures (effective for periods ending on or after December 15, 2023);
- SAS No. 144, Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained from External Information Sources (effective for periods ending on or after December 15, 2023);
- SAS No. 145, Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement (effective for periods ending on or after December 15, 2023);
- SAS No. 146, Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards
- SAS No. 147, Inquiries of the Predecessor Auditor Regarding Fraud and Noncompliance With Laws and Regulations
- SAS No. 148, *Amendment to AU-C Section 935* (effective for compliance audits for fiscal periods ending on or after December 15, 2023, consistent with the effective date of SAS No. 145)
- AICPA Ethics Interpretation, Staff Augmentation Arrangements (ET sec. 1.275.007); and
- 2023 OMB Compliance Supplement.

The following standards have not been fully incorporated but are discussed in practice alerts:

- SAS No. 146, *Quality Management for an Engagement Conducted in Accordance with Generally Accepted Auditing Standards* (effective December 15, 2025);
- SQMS No. 1, *A Firm's System of Quality Management* (effective December 15, 2025);
- SQMS No. 2, *Engagement Quality Reviews* (effective December 15, 2025); and
- SAS No. 149, *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors and Audits of Referred-to Auditors)*.

Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements conducted using this product.

RELATED, FOUNDATIONS AND ASSOCIATION WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles.

Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> | <i>Association Workpaper</i> |
|-----------------|---|-----------------------------|------------------------------|
| KBA s | KNOWLEDGE-BASED AUDIT DOCUMENTS | | |
| KBA-101S | Overall Uniform Guidance Compliance Audit Strategy | X | |
| KBA-102S | Uniform Guidance Compliance Audit Significant Matters | X | |
| KBA-103S | Summary and Evaluation of Noncompliance | X | X |
| KBA-104S | Evaluating and Communicating Deficiencies in Internal Control over Compliance | X | |
| KBA-301S | Determination of Materiality at the Major Program and Compliance Requirement Levels | | |
| KBA-302S | Understanding the Entity's Program Environment | | |
| KBA-303S | Inquiries of Management and Others within the Entity about the Risks of Fraud in a Uniform Guidance Compliance Audit | | |
| KBA-400S | Identification of Applicable Compliance Requirements | X | |
| KBA-401S | Understanding Entity-Level Controls over Compliance | | |
| KBA-402S | Understanding Compliance Requirement-Level Controls: Activities Allowed and Unallowed and Allowable Costs/Cost Principles | | X |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> | <i>Association Workpaper</i> |
|-----------------|--|---------------------------------|----------------------------------|
| KBA-403S | Understanding Compliance Requirement-Level Controls: Cash Management | | X |
| KBA-404S | [Not in Use] | | |
| KBA-405S | Understanding Compliance Requirement-Level Controls: Eligibility | | X |
| KBA-406S | Understanding Compliance Requirement-Level Controls: Equipment and Real Property Management | | X |
| KBA-407S | Understanding Compliance Requirement-Level Controls: Matching, Level of Effort, and Earmarking | | X |
| KBA-408S | Understanding Compliance Requirement-Level Controls: Period of Performance of Federal Funds | | X |
| KBA-409S | Understanding Compliance Requirement-Level Controls: Procurement and Suspension and Debarment | | X |
| KBA-410S | Understanding Compliance Requirement-Level Controls: Program Income | | X |
| KBA-411S | [Not in Use] | | |
| KBA-412S | Understanding Compliance Requirement-Level Controls: Reporting | | X |
| KBA-413S | Understanding Compliance Requirement-Level Controls: Subrecipient Monitoring | | X |
| KBA-414S | Understanding Compliance Requirement-Level Controls: Special Tests and Provisions | | X |
| KBA-501S | Team Discussion of the Risks of Material Noncompliance | | |
| KBA-502S | Summary of Assessments of Risks of Noncompliance | X | X |
| KBA-503S | Basis for Assessment of Inherent Risk of Noncompliance | | |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> | <i>Association Workpaper</i> |
|-----------------|---|---------------------------------|----------------------------------|
| KBA-902S | Uniform Guidance Compliance Audit Review and Approval Checklist | | |
| KBA-903S | Uniform Guidance Compliance Audit Documentation Checklist | | |
| AUDs | AUDIT PROGRAMS | | |
| AUD-100S | Engagement-Level Tailoring Questions | X | |
| AUD-101S | Overall Audit Program: Uniform Guidance Audit of Federal Awards | X | |
| AUD-601S | Audit Program: Testing and Evaluating Internal Auditors' Work | | |
| AUD-602S | Audit Program: Involvement of a Component Auditor | | X |
| AUD-603S | Audit Program: Using the Work of an Auditor's Specialist | | X |
| AUD-604S | Audit Program: Using the Work of a Management's Specialist | | X |
| AUD-701S | Audit Program: Designing Tests of Controls over Compliance | | |
| AUD-801S | Audit Program: Activities Allowed or Unallowed | | X |
| AUD-802S | Audit Program: Allowable Costs and Cost Principles (States, Local and Tribal Governments) | | X |
| AUD-803S | Audit Program: Allowable Costs and Cost Principles (Institutions of Higher Education) | | X |
| AUD-804S | Audit Program: Allowable Costs and Cost Principles (Non-Profit Organizations) | | X |
| AUD-805S | Audit Program: Cash Management | | X |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> | <i>Association Workpaper</i> |
|-----------------|---|---------------------------------|----------------------------------|
| AUD-806S | [Not in Use] | | |
| AUD-807S | Audit Program: Eligibility | | X |
| AUD-808S | Audit Program: Equipment and Real Property Management | | X |
| AUD-809S | Audit Program: Matching, Level of Effort, Earmarking | | X |
| AUD-810S | Audit Program: Period of Performance of Federal Funds | | X |
| AUD-811S | Audit Program: Procurement and Suspension and Debarment | | X |
| AUD-812S | Audit Program: Program Income | | X |
| AUD-813S | [Not in Use] | | |
| AUD-814S | Audit Program: Reporting | | X |
| AUD-815S | Audit Program: Subrecipient Monitoring | | X |
| AUD-816S | Audit Program: Special Tests and Provisions | | X |
| AUD-817S | Audit Program: Schedule of Expenditures of Federal Awards | | |
| AUD-901S | Audit Program: Subsequent Events | | |
| AIDs | PRACTICE AIDs | | |
| AID-401S | Understanding General Controls over Compliance for Information Technology | | |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> | <i>Association Workpaper</i> |
|-----------------|---|---------------------------------|----------------------------------|
| AID-402S | Understanding Controls over Compliance Maintained by a Service Organization | | X |
| AID-601S | Considering Reliance on the Work of Internal Auditors | | |
| AID-701S | Audit Sampling Worksheet for Tests of Controls over Compliance | | |
| AID-901S | Differences of Professional Opinion: Uniform Guidance Compliance Audit | | |

Additional Information for Associated Workpapers

The following tables list the workpapers that require association in this title, along with the information that must be completed before you can insert each workpaper.

| Workpaper Requiring Association | What is it associated with? | | |
|---|--|---|---------------------------------|
| | Workpaper | Table/Question | Association Item (Custom Value) |
| KBA-411 Understanding Ctrl's: Service Org (Custom) | AUD-100 Engagement-Level Tailoring Questions Workpaper | Does the entity use service organizations? Shows the "Document the service organizations used by the entity." table in KBA-101 Overall Audit Strategy. | |
| | KBA-101 Overall Audit Strategy | Document the service organizations used by the entity. | Service Organization |
| AUD-602 Audit Program: Component Auditor Involvement (Custom) | AUD-100 Engagement-Level Tailoring Questions Workpaper | Does the auditor plan to rely on audit evidence provided by a component auditor? is "Yes" Shows the "Document the audit evidence provided by the component auditor(s) that the engagement team will rely on in our engagement." table in KBA- 101 Overall Audit Strategy. | |
| | KBA-101 Overall Audit Strategy | Document the audit evidence provided by the component auditor(s) that the engagement team will rely on in our engagement. | Audit Firm Name |
| AUD-603 Audit Program: Auditor's Specialist (Custom) | AUD-100 Engagement-Level Tailoring Questions Workpaper | Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy. | |
| | KBA-101 Overall Audit Strategy | Document the expected use of a specialist(s) on our audit. Then select Auditor's Specialist from the Type of Specialist Column | Specialist Firm Name |
| AUD-604 Audit Program: Management's Specialist (Custom) | AUD-100 Engagement-Level Tailoring Questions Workpaper | Does the auditor intend to use a specialist on this engagement? is "Yes" Shows the "Document the expected use of a specialist(s) on our audit." table in KBA-101 Overall Audit Strategy. | |
| | KBA-101 Overall Audit Strategy | Document the expected use of a specialist(s) on our audit. Then select Management's Specialist from the Type of Specialist Column. | Specialist Firm Name |
| AUD-800 Audit Program: (Custom) | AUD-100 Engagement-Level Tailoring Questions Workpaper | What financial statement audit areas are applicable to this engagement? "Customize Audit Area" link within the answer selection box. | Custom Audit Area |