



JUNE 2023

State Single Audit Guide

DEPARTMENT OF ADMINISTRATION APPENDIX

*EFFECTIVE FOR SINGLE AUDITS HAVING FISCAL YEARS
BEGINNING AFTER JUNE 30, 2023*

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1.0 General Audit Requirements

This document is part of the State Single Audit Guide (“Guide”), and should be used only in the context of the Guide as a whole. The Guide is comprised of the Main Document and state awarding agency appendices. The Main Document and available state awarding agency appendices are available at: [https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-\(SSAG\).aspx](https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-(SSAG).aspx).

1.1 Audit Authority

Non-Federal entities, not including a State of Wisconsin agency, that expended \$750,000 or more in federal awards during their fiscal year must have a single audit or program-specific audit conducted for that year in accordance with Uniform Guidance, as applicable. Additionally, these agencies may be required to have an audit in accordance with Section 1.4 of the Guide - Main Document. Entities not subject to the state single audit requirements of Section 1.4 of the Guide - Main Document may be subject to additional audit requirements as established by state statute or administrative code.

1.2 Type of Audit Required

An entity that meets the applicability of Section 1.4 of the Guide - Main Document is required to have a state single audit conducted. See an example figure in Section 1.4 of the Guide - Main Document to determine the type of audit required.

1.3 Audit Waivers

Any state funded program originating from the Department of Administration that does not exceed \$25,000 during the audited year need not be included in the testing for compliance with State laws and regulations.

1.4 Programs Subject to Audit

The programs subject to audit are outlined within the State and Federal Program Listings at: [https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-\(SSAG\).aspx](https://doa.wi.gov/Pages/State-Single-Audit-Guidelines-(SSAG).aspx).

DOA has designated Low Income Weatherization, (all funding sources including, DOE-81.042, EAP - 93.568 and Public Benefits - 505.371) as a “Major” State program, provided funding for the fiscal year exceeds \$100,000.

The Department of Administration has not designated any Type A programs. However, any DOA program which satisfies the requirements set forth in section 3.4 of the Main Document of the State Single Audit Guidelines should be included in the testing for compliance with State laws and regulations.

1.5 Contact Information

Questions or comments on this appendix or state programs administered by this agency should be directed to:

Anthony Pilsner
Audit Coordinator
DOABFMSingleAuditCoordinator@wisconsin.gov
608-266-8413

2.0 Program-Specific Requirements

2.1 Low Income Weatherization

The Weatherization program may be funded by multiple sources (81.042, 93.568, Public Benefits, Exxon Oil, etc.), which are indicated on the contract between the Weatherization Service Provider and the Wisconsin Department of Administration (DOA).

PROGRAM OBJECTIVES

The objective of the Weatherization program is to reduce energy consumption in households least able to handle the increase in the cost of energy. The Weatherization Program provides materials and a labor service to insulate these low-income households. The priority target groups are the elderly and the handicapped and households with a child under six years of age. The service is a one-time assistance that provides long term benefits.

PROGRAM PROCEDURES

Funds for operation of the program are obtained for non-profit agencies, municipal governments or units there-of, and tribes, based upon an annual contract between each weatherization service provider and DOA. The Weatherization Contract and the Weatherization Manual issued by the DOA Bureau of Energy Assistance set forth the requirements under which these funds may be provided to be expended by the weatherization service providers.

COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

- Types of Services Allowed and Unallowed
 - The program requirements are set forth in the DOA Weatherization Manual, and in the Contract for Low Income Weatherization between each weatherization service provider and DOA.
 - The contract and manual should be reviewed prior to beginning the audit.
- Eligibility
 - Determine whether eligibility requirements set forth in the Weatherization Manual are being followed.
- Matching, Level of Effort, and/or Earmarking
 - None.
- Reporting
 - Each service provider is required to submit to the DOA the following monthly reports:
 - Monthly Electronic Financial Report
 - Monthly Electronic Production Activities
- Special Tests and Provisions
 1. Determine whether expenditures are properly classified in accordance with the final budget shown in the contract and with the allowable costs as set forth in the Weatherization Manual.
 2. Determine whether administrative expenses were limited to the appropriate percent of expended dollars as stated in the Weatherization Manual.

3. Determine whether inventories are properly maintained and safeguarded.
4. Determine whether materials installed were properly valued.
5. Verify that the monthly WISWAP Job Details Report is accurate and that both the electronic financial and production data tie to agency records.
6. Review basis of Cost Allocation Plan for reasonableness.
7. Determine whether Job Cost Reduction Funds, as reported on the WISWAP Measure Costs report, match the WISWAP Financial Report and agency records.
8. Review agency procurement procedures to ensure that they meet state requirements as well as those noted in the Low Income Weatherization Manual. Track a procurement over \$25,000 through the agency's system to evaluate compliance with the guidelines noted above. This test should cover a review of agency efforts to include Minority Business Enterprises on the solicitation list. In addition, the auditor should consider compliance with the required structure of the bid.
9. Review disbursement records to determine if grantee is consistently paying vendors within 30 days of receipt of an invoice for services provided.
10. Verify that the direct labor rate calculation is reasonable and being accurately applied.

ADDITIONAL SUPPLEMENTAL SCHEDULES

The Main Document of the State Single Audit Guidelines, Section 4.3 allows funding agencies to require additional supplemental schedules to suit their information needs, and funding agencies may specify the format content for such schedules. See Section 2.1.1, below, for the supplemental schedule required when the auditee receives funding from the Department of Administration for the Home Energy Plus Furnace Program.

2.1.1 Schedule of HE+ Furnace Activity by Contract

<Name of organization>
 Schedule of Emergency Furnace Activity by Contract
 For the year ended <date>

<u>Contract #</u>	<u>Prior Audit Period Cash Received</u>	<u>Current Audit Period Cash Received</u>	<u>True up Received (Paid)</u>	<u>Net Contract to date Cash Received</u>	<u>Contract to Date Expenses</u>
AD.xxxxxx.xx	xxx,xxx	xxx,xxx	xx,xxx	x,xxx,xxx	x,xxx,xxx
AD.xxxxxx.xx	xx,xxx	xxx,xxx	x,xxx	xxx,xxx	xxx,xxx
Totals	\$xxx,xxx	\$xxx,xxx	\$xx,xxx	\$x,xxx,xxx	\$x,xxx,xxx

2.2 Wisconsin Home Energy Assistance Program (WHEAP) Utility Public Benefits

The WHEAP contract may be funded by multiple sources (LIHEAP 93.568 and Public Benefits 505.371) which are indicated on the contract between the WHEAP Agency (County or Tribe) and the Wisconsin Department of Administration (DOA).

PROGRAM OBJECTIVES

The objectives of the WHEAP program are to assist eligible households with heating and electric bills, increase their energy self-sufficiency, and reduce their vulnerability resulting from energy needs.

PROGRAM PROCEDURES

Funds for operation of the program are allocated to municipal governments or units there-of, and tribes, based upon an annual contract between each WHEAP Agency and DOA. The WHEAP Contract and the WHEAP Program and Operations Manual issued by the DOA Division of Energy Services set forth the requirements under which these funds may be expended by the WHEAP Agency.

COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

- Types of Services Allowed and Unallowed
 - The program requirements are set forth in the DOA WHEAP Program and Operations Manual, and in the Contract for WHEAP between the WHEAP Agency and DOA.
 - The contract and manual should be reviewed prior to beginning the audit.
- Eligibility
 - Determine whether eligibility requirements set forth in the WHEAP Program and Operations Manual are being followed.
- Matching, Level of Effort, and/or Earmarking
 - None.
- Reporting
 - Each service provider is required to submit to the DOA the following monthly reports:
 - Monthly Claim Reimbursement
- Special Tests and Provisions
 1. Determine whether expenditures are properly classified in accordance with the final budget shown in the contract and with the allowable costs as set forth in the WHEAP Program and Operations Manual.
 2. Review basis of Cost Allocation Plan for reasonableness.
 3. Review disbursement records to determine if grantee is consistently paying vendors within 30 days of receipt of an invoice for services provided.