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## DHS Audit Guide Addendum

Date: June 21, 2016

To: DHS Audit Guide Users

From: Office of the Inspector General/Internal Audit Section

Re: Audit Thresholds

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The DHS Audit Guide is currently undergoing revision. In the meantime, questions are being raised regarding the inconsistencies between the new thresholds in the updated SSAG Main Document and the current version of the DHS Audit Guide. Effective immediately, please use the following guidance when determining Type A and Type B programs:

For audits with a year end of December 31, 2015 or after, Section 1.2.2 of the DHS Audit Guide is amended to reflect the new Type A and Type B thresholds as follows:

- The threshold for Type A programs is the greater of:
  - \$250,000 or three percent (.03) of total expenditures for state programs from DHS when the total expenditures for state programs for DHS do not exceed \$100 million.
  - \$3 million or three-tenths of one percent (.003) of total expenditures for state programs from DHS when the expenditures for state programs from DHS exceed \$100 million.
- The threshold for Type B programs is the greater of \$62,500 or 25 percent (.25) of the auditee's applicable Type A threshold.

Programs that are state funded that had less than \$25,000 in expenditures should not be treated as state major programs unless they are needed to satisfy the percent-of-coverage threshold for state programs.

If you have any questions, please contact us at [DHSAuditors@dhs.wisconsin.gov](mailto:DHSAuditors@dhs.wisconsin.gov).