### Revised Single Audit Requirements

**Policy Change**
The federal financial assistance threshold used to determine if an organization is subject to the requirements of the Single Audit Act has been revised. The new threshold dollar amount is $500,000.

**Effective Date**
The revised audit threshold applies to contractor fiscal years that end after December 31, 2003.

**Example 1):** If a contractor’s fiscal year is February through January, the fiscal year beginning February 1, 2003 and ending January 31, 2004 is subject to the revised audit threshold.

**Example 2):** If a contractor’s fiscal year is January through December, the fiscal year beginning January 1, 2003 and ending December 31, 2003 is still subject to the former $300,000 audit threshold.

**Who Is Subject to the Single Audit Requirements**

You are subject to the single audit requirements IF...

- Your organization expends $500,000 or more in federal financial assistance during any one of its fiscal years that ends after December 31, 2003 (see Example 1 above); OR
- Your organization expended $300,000 or more in federal financial assistance during any one of its fiscal years that ended on or before December 31, 2003 (see Example 2 above).

You are not subject to the single audit requirements IF...

- Your organization expends less than $500,000 in federal financial assistance during any one of its fiscal years that ends after December 31, 2003; OR
- Your organization expended less than $300,000 in federal financial assistance during any one of its fiscal years that ended on or before December 31, 2003.