

April 7, 2025

Searching the Federal Audit Clearinghouse: A Brief Guide

The Single Audit Act of 1984 (SAA), as amended by P.L. 104-156, was enacted to promote sound financial management, establish uniform requirements for grantee audits, and reduce the audit burden on grantees. SAA requires the Director of the Office of Management and Budget (OMB) to designate a searchable and publicly available federal clearinghouse to receive copies of all audit reports required of federal grantees—the Federal Audit Clearinghouse (FAC). The threshold for audits under the SAA is established by OMB and currently applies to nonfederal entities that expend \$1 million or more in federal awards from all federal sources in a single fiscal year. The audits found in the FAC can assist stakeholders in conducting oversight of federal grant funds, including identifying trends in financial mismanagement, assessing financial management activities of grant recipients, and tracking types of grant management deficiencies.

How to search the Federal Audit Clearinghouse (FAC)

- 1 Go to www.fac.gov.
- 2 Click the “Search for audits” textbox.
- 3 Fill out search criteria.
- 4 Select the relevant audit.
- 5 Download and review the audit files.

Fields include:

- Unique Employer Identifier (UEI) or Employer Identification Number (EIN)
- Entity, Auditee, or Auditor name
- FAC acceptance date, state, entity type, and report ID

About the audit files

Each audit result comes with two files for download: **Single audit report** and **SF-SAC**.

↓ **Single audit report** is a PDF file that contains information about the applicant/recipient.

↓ **SF-SAC** is an Excel file that contains financial information including amounts obligated, expended, and awarded. SF-SAC files often include the the tabs below. However, even if present, tabs may not contain any information in some audits.

finding	findingtext	federalaward	captext
Y/N coded audit results applicable to different findings types.	Text summary of findings.	Refers to applicable federal award granted.	Details corrective action plan.

FAC data issues

Issues with FAC data range from being difficult to access to being incomplete or innacurate.



Data Accessibility

- Audits are only available by audit year in search function.
- Audits cannot be searched by award number.
- Audits of subgrantees are included in primary grantee audits.
- Data cannot be viewed directly on the website and is only available in downloadable files.



Data Quality

- Reporting is of a “snapshot” nature, irregular, and often delayed.
- Audit status and other information may be inaccurate or outdated.
- Excel files may be incomplete.
- Structure and terms lack standardization and are unclear.

Considerations for Interpreting FAC Search Results

A grant audit is a review of financial records and systems for an individual grant award. A single audit is a review of the financial processes and policies used to manage all grants rather than a detailed audit of individual awards. Single audits are done in lieu of award-specific audits and allow grantees to meet the audit requirements of each grant award by doing just one audit (thus a single audit) rather than multiple individual award audits.

The Government Accountability Office (GAO) establishes the requirements for conducting and submitting the audits to the FAC. When an audit is required under the SAA, grantees must initiate and submit an audit to the FAC each fiscal year. According to GAO, audit reports submitted to the FAC must include the following types of findings:

- 1) significant deficiencies and material weaknesses in internal control over major programs; 2) material noncompliance with federal statutes, regulations, or the terms and conditions of federal awards related to a major program; and, 3) known questioned costs greater than \$25,000 (GAO-25-107291).

In addition to data issues discussed above, considerations when reviewing audits may include the types of single audit findings and the status of corrective action plans.

Single Audit Findings

Single audit reports compile information about the grant recipient's internal controls for financial reporting and the compliance of the grantee with grant award terms and conditions. Grant recipients provide resources to conduct the audit and develop corrective action plans. Federal awarding agencies provide resources to review the audits and corrective action plans, and monitor ongoing compliance. There are two categories of audit findings: *financial findings* and *compliance findings*.

Financial findings evaluate the accounting controls and procedures used by the grantee to prepare and update financial accounting records such as cash management system operations, invoicing, and account reconciliation procedures. Financial findings may also include identification of specific costs the auditors believe may not align with the eligible use of the grant funds. These costs are identified within the audit as "questioned costs."

Compliance findings evaluate the extent to which the grantee is in compliance with federal statutory, regulatory, and grant program guidance as set forth in the terms and conditions of the grant award.

After reviewing the financial- and compliance-related policies and procedures of the grantee, the grantee's auditor categorizes the grantee as compliant or designates them as noncompliant in one of three categories: control deficiency, significant deficiency, or material weakness. The GAO Financial Audit Manual defines these categories as follows:

Control Deficiency A condition when the design or operation of a control does not allow management

or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

Significant Deficiency A deficiency, or a combination of deficiencies, in internal control over financial reporting, that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Material Weakness A deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Once the auditors compile audit findings, the grantee creates a plan to address the audit deficiencies. This plan is called a "corrective action plan."

Status of Corrective Action Plans

OMB guidance states that grantee corrective action plans must address each audit finding included in the auditor's report and must be a document separate from the auditor's findings. The corrective action plan must also provide the name(s) and contact person(s) responsible for the corrective action, corrective action to be taken, and anticipated completion date. When the grantee does not agree with the audit findings or believes corrective action is not required, they must include a detailed explanation in the corrective action plan. The federal agency will decide whether corrective action is still needed.

Pursuant to OMB guidance (2 C.F.R. §200.513(c)), federal agencies are advised to monitor the status of resolution of corrective action plans and ensure that all corrective actions have been completed prior to awarding additional grant funds to the grantee. A recent GAO report identified several cases where federal agencies did not ensure that the corrective action plans had been resolved prior to awarding additional grants to the same grantee. In some cases, the same material weakness was repeatedly identified in audits of the same grantee for over a decade (GAO-25-107291).

In response to the report findings, GAO issued recommendations for ensuring the resolution of corrective action plans. These include recommendations that federal agencies update single audit resolution procedures, ensure agencies implement a strategy to issue timely management decisions, and develop procedures to impose penalties or other ways to obtain compliance with corrective action plans in a timely manner (GAO-25-107291).

Also notable, the FAC search results do not provide a status of the resolution of corrective action plans, making it difficult to determine whether or not the grantee has ensured they can be in compliance with future grant awards.

Natalie Paris, Analyst in American Federalism and Emergency Management Policy
Daniela E. Lacalle, Research Assistant

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