




## **POLICY FLASH 2016-16**

**DATE:** March 15, 2016

**TO:** Procurement Directors  
Heads of Contracting Activities

  
**FROM:** Acting Chief  
Contract and Financial Assistance Policy Division  
Office of Policy  
Office of Acquisition Management

**SUBJECT:** Clarifying Guidance for Audits of “For-Profit” Financial Assistance Awards

**SUMMARY:** The purpose of this policy flash is to provide clarifying guidance relating to the requirement of rendering an opinion on the Schedule of Expenditures as set forth in DOE Regulation 2 CFR 910.514.

DOE Regulation 2 CFR 910.514 requires the auditor to render an opinion on the Schedule of Expenditures of DOE Awards in relation to the financial statements (if available) in accordance with U.S. Generally Accepted Government Auditing Standards (GAGAS). The intent of this regulation is not to require auditors to report on the Schedule of Expenditures of DOE Awards in relation to the financial statements as a whole in accordance with GAGAS if the auditors did not perform the financial statement audit of the grantee in accordance with GAGAS. If the auditor performs a financial statement audit of the grantee under the auditing standards of either the AICPA or the PCAOB, the auditor will report on the Schedule of Expenditures of DOE Awards in relation to the financial statements as a whole under either AICPA or PCAOB standards, as applicable.

This Flash will be available online at the following  
website: <https://cms.doe.gov/management/listings/policy-flashes>.

Questions concerning this policy flash should be directed to Robert  
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