

Snapshot

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SNAPSHOT 2025-17

2025 OMB Compliance Supplement released

The Office of Management and Budget (OMB) issued the *2025 Compliance Supplement – 2 CFR Part 200, Appendix XI* ([2025 Supplement](#)) for single audit engagements. The 2025 Supplement identifies the compliance requirements for auditors to consider when performing single audits under the OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Entities subject to single audits can refer to the 2025 Supplement to familiarize themselves with the types of compliance testing that auditors may perform and reporting submission deadlines. This Snapshot highlights key changes made from the 2024 Compliance Supplement.

Effective date

The 2025 Supplement is effective for audits of fiscal years beginning after June 30, 2024. It supersedes the 2024 Compliance Supplement (dated May 2024).

The OMB posted the 2025 Supplement by section on [whitehouse.gov](https://www.whitehouse.gov).

Key changes from the Draft 2025 Compliance Supplement

Based on Grant Thornton LLP's review of the final 2025 Supplement, there are no substantive changes to the 2025 Supplement from the 2025 Draft Compliance Supplement.

Key 2025 Supplement changes

The 2025 Supplement provides essential guidance for auditors that perform single audits as well as potential insights for auditees. The following list summarizes areas of the 2025 Supplement with key changes:

- [Appendix IV](#), "Higher Risk Designation," identifies programs that are designated as "higher risk" and includes guidance on how the "higher risk" designation impacts the major program determination process. All COVID-19-related programs were removed from the list in the 2025 Supplement, leaving only two programs that continue to be designated as "higher risk."

- [Appendix V](#), “List of Changes for the 2025 Compliance Supplement,” identifies changes that could affect single audit engagements. These changes apply across many of the programs in the 2025 Supplement that affect the scope of the single audit.
- [Appendix VII](#), “Other Audit Advisories,” provides information on the latest OMB announcements that may impact 2025 single audits, including
 - The continuation of the requirement for recipients of federal awards to separately identify COVID-19-related expenditures from non-COVID-19 expenditures on the Schedule of Expenditures of Federal Awards (SEFA)
 - Guidance on determining whether an auditee’s prior-year Data Collection Form was submitted to the Federal Audit Clearinghouse on time for purposes of meeting the low-risk auditee criteria in the current year
 - A new section on the 2024 revisions to the OMB’s *Guidance for Federal Financial*

Assistance, which includes updates to the Uniform Guidance, that discusses effective date considerations

- [Part 3](#), “Compliance Requirements,” is separated into Part 3.1 and Part 3.2, which reflect different requirements depending on whether federal agencies have implemented the 2024 revisions to the OMB’s *Guidance for Federal Financial Assistance* and the Uniform Guidance.
- The Student Financial Assistance cluster revises several compliance requirements, including several requirements in the Eligibility sections, Cash Management, and Special Tests and Provisions.

Other reminders

The terminology change from “Catalog of Federal Domestic Assistance” (CFDA) to “Assistance Listing” (AL) announced in the 2021 Compliance Supplement continues in the 2025 Supplement. The reference to AL is also reflected on the SEFA and the Data Collection Form. The AL is located at www.sam.gov.

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