

## **Appendix VI**

### **Department of Homeland Security Programs and the Compliance Supplement**

The Department of Homeland Security (DHS) was created on January 23, 2002 by the Homeland Security Act of 2002. On March 1, 2003, several programs, functions, and transactions were transferred from a number of Federal agencies to DHS. A “cross-walk” of grant and other financial assistance programs from the legacy agency to DHS, with their associated *Catalog of Federal Domestic Assistance* (CFDA) numbers, is available at <http://www.dhs.gov/openforbusiness> under “GRANTS.”

Two of the transferred grant programs, administered by the Emergency Preparedness and Response Directorate’s Federal Emergency Management Agency (FEMA), that were in the Supplement in prior years are included in Part 4 under the applicable DHS CFDA number for the program (with a reference to the previous FEMA CFDA number). Those programs are 97.036, Public Assistance Grants, and 97.039, Hazard Mitigation Grant. There is additional information under section IV, “Other Information” in the program supplement for each of these programs that addresses the effect of the change on the single audit.

When these and other awards under both the DHS CFDA number and the legacy agency’s corresponding CFDA number (as noted in the crosswalk) are present, they should be combined when determining Type A programs. If the program was a major program under the legacy CFDA number in either of the previous two years, the provision in the risk-based approach for prior audits is considered to have been met. On the Schedule of Expenditures of Federal Awards, both the DHS CFDA number and the legacy agency’s corresponding CFDA number should be presented separately.

Several additional programs, sponsored by the Office of Domestic Preparedness, will be considered for inclusion in the 2005 Supplement. These programs are listed on the DHS web site (see above) under State Domestic Preparedness programs and are currently administered under CFDA numbers 97.004, State Domestic Preparedness Equipment Support Program (renamed the State Homeland Security Grant Program), and 97.008, Urban Areas Security Initiative. (Note: DHS will be obtaining a new CFDA number for the State Homeland Security Grant Program.) In the interim, if an auditor finds that a recipient’s expenditures under one or both of these programs require that the program be tested as a major program, the program should be audited using Part 7 of this Supplement.

As specified in Appendix V of this Supplement, other parts of this Supplement, including the appendices that address agency-specific information, have been updated to reflect the creation of DHS.