Schedule of Expenditures of Federal Awards (SEFA) Guidance

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 (Uniform Guidance), requires recipients and subrecipients of federal awards to prepare a Schedule of Expenditures of Federal Awards (SEFA) for the period covered by their financial statements. **NOTE:** Revisions to the Uniform Guidance were issued on April 22, 2024. **Revisions to the administrative requirements (Subparts A-D) and cost principles (Subpart E) are effective for new federal awards executed by a federal agency on or after October 1, 2024.** Revisions will not be applicable to federal awards issued prior to October 1, 2024 unless the federal agency early implemented. Look to the terms and conditions of the award or consult the federal awarding agency for questions about the applicability of the revisions. **Revisions to the audit requirements (Subpart F), including the increased single audit threshold of $1 million, are applicable to audits of fiscal years beginning on or after October 1, 2024 (fiscal year end September 30, 2025 and later).** No early implementation is allowed for the revisions to the audit requirements. Click here for the Uniform Guidance (for awards issued prior to 10/1/2024) and click here for the revised Uniform Guidance (for awards issued on or after 10/1/2024).

The purpose of this Schedule is to summarize federal award expenditures as a basis for planning and conducting the single audit. It also serves to provide assurance to those agencies that award federal financial assistance that their programs were included in the audit. It is important to prepare this schedule carefully to ensure that it is accurate and complete. Any program or award omitted from this schedule will be considered **unaudited** under Uniform Guidance.

Electronic filing is available for districts and is required. The SEFA must be submitted via the Online Filing system on the State Auditor's website at: portal.sao.wa.gov/saoportal/
Please do not submit the SEFA to the Office of Superintendent of Public Instruction.

If the district expends $750,000 or more in federal awards in a year, a single audit is required by Uniform Guidance (2 CFR 200, Subpart F – Audit Requirements). Districts that need a single audit must prepare financial statements with the SEFA included as supplementary information. If the district received and spent federal funds under only ***one*** program, and the federal program's statutes, regulations, or the terms and conditions of the federal award do not require a financial statement audit, the auditor may be able to conduct a *program specific* audit in which the SEFA is the only financial statement. Districts must contact their local audit team to arrange for the audit and must submit the completed audit reporting package to the Federal Audit Clearinghouse within 30 calendar days after receiving the audit report (report issuance date) or within nine months following the end of the audit period, ***whichever is earlier***.

DETERMINING FEDERAL AWARDS EXPENDED

Include on this schedule all expenditures of federal awards for the year that were received **directly** from a federal agency and **indirectly** (pass-through) from a state agency, local government, or other nongovernmental entity.

Uniform Guidance (2 CFR §200.510(b)) describes the requirements for preparing the Schedule. The SEFA must be prepared for the same period and reporting entity and using the same underlying accounting records and financial statements, except for specific potential variances as described below.

Report award-related expenditures in the year they take place, ***even if the district will not be reimbursed by the awarding agency until the following year***. For most programs, do not report amounts on this schedule based on the date(s) that funds are received from the awarding agency (e.g., the date the district submitted a reimbursement request or received a reimbursement payment). See information on **fixed amount awards** below.

Federal awards expended include the following (2 CFR §200.1 Definitions *Expenditures* and §200.502 Basis for determining Federal awards expended):

- Direct costs of expenditure transactions associated with grants, cooperative agreements, direct appropriations, and other federal financial assistance.
- Indirect costs.
- Disbursement of federal award funds to subrecipients *(see additional information below regarding disbursements to subrecipients)*.
- Use of loan proceeds under loan and loan guarantee programs *(refer to loan valuation guidance below)*.
- Receipt of property (e.g. equipment and supplies), including some surplus property.
- Receipt or use of program income *(refer to program income guidance below)*.
- Receipt of non-cash assistance such as food commodities and vaccines.
- Disbursement of amounts entitling a non-federal entity to an interest subsidy.
- Insurance contracts in force during the period under audit.

Guidance for Specific Types of Costs

Fixed Amount Awards

Fixed amount awards are a type of grant or cooperative agreement pursuant to which the Federal agency or pass-through entity provides a specific amount of funding without regard to actual costs incurred under the Federal award. For example, a fixed amount is paid for a specified deliverable met or milestone achieved. This type of Federal award reduces some of the administrative burden and record keeping requirements for both the recipient or subrecipient and the Federal agency or pass-through entity. Accountability is based primarily on performance and results. With fixed amount awards, the amount reported on the SEFA is the amount that was earned (amount to be paid per the terms and conditions) in the period it was earned, for example when the deliverable was met or milestone achieved.

COVID-19 Expenditures

To maximize the transparency and accountability of COVID-19 expenditures, governments must separately identify COVID-19 expenditures on the SEFA. This includes the new COVID-19 only programs. This may be accomplished by identifying COVID-19 expenditures on a separate line by Assistance Listing Number (ALN) number with "COVID-19" as a prefix to the program name; (see SEFA example below.)

Equipment and Supplies (Non-Cash Assistance)

The receipt of federally funded equipment, materials or supplies – whether received directly from a federal agency or received indirectly from another – is considered a non-cash award that must be reported on the SEFA. The recipient must report the fair market value at the time of receipt, or the assessed value provided by the awarding agency of the non-cash item(s) on the SEFA. *Regardless of the basis of accounting used by the recipient, non-cash awards are reported in the fiscal year they are received.*

Other Non-cash Assistance

Food stamps, food commodities, vaccines, donated property (including surplus), and other non-cash assistance must be valued at fair market value at the time of receipt, or the assessed value provided by the awarding agency. The notes to the schedule of expenditures of federal awards should disclose the nature of the amounts reported. *Regardless of the basis of accounting used by the recipient, non-cash awards are reported in the fiscal year they are received.*

Matching/Cost Sharing

The amount of state and/or local funding contributed by the district in the form of matching funds or in-kind match required by the awarding agency should not be reported on the SEFA. If program regulations allow another federal award to be used as match, those expenditures would be reported on the SEFA (rare).

Program Income

Many awardees earn program income while administering federal programs or projects. For most programs, the receipt or use of program income is reported on the SEFA in the period the expenditure occurs in accordance with the basis of accounting. However, federal agencies differ on the treatment of program income on the SEFA. Therefore, it is recommended that the district consult with the awarding agency about how it requires the program income to be reported if not clear in the terms and conditions of the award or awarding agency guidance. A note disclosure regarding the inclusion of expenditures from program income is recommended.

Note: if the district has received written approval to use program income as match/cost sharing, it is not reported on the SEFA.

FEMA Disaster Grants – Public Assistance – ALN 97.036

> ***Note:*** *Information subject to change pending release of the 2025 Compliance Supplement which has not been released as of publication of these instructions.*

Public Assistance (PA) awards are made based upon a **Project** (previously referred to as a Project Worksheet) and are classified by FEMA as either a "small" or "large" project according to the cost of the eligible work for the project. The thresholds for project costs can be found in the Compliance Supplement Part 4.

Some grantees might experience a long delay from the time they incur costs to recover from a disaster and the date they actually are approved to receive federal disaster relief funding. In the Compliance Supplement to the Uniform Guidance (2 CFR Part 200 Appendix XI), FEMA has stated that for purposes of recording expenditures of federal PA awards (ALN 97.036 – IV. Other Information) on the Schedule of Expenditures of Federal Awards (SEFA):

> *"Non-Federal entities must record expenditures on the SEFA when: (1) FEMA has approved the non-Federal entity's Project, and (2) the non-Federal entity has incurred the* eligible *expenditures. Federal awards expended in years subsequent to the fiscal year in which the Project is approved are to be recorded on the non-Federal entity's SEFA in those subsequent years.*
>
> *For example,*
> 1. *If FEMA approves the Project in the non-Federal entity's fiscal year 2024 and eligible expenditures are incurred in the non-Federal entity's fiscal year 2025, the non-Federal entity records the eligible expenditures in its fiscal year 2025 SEFA.*
> 2. *If the non-Federal entity incurs eligible expenditures in its fiscal year 2024 and FEMA approves the non-Federal entity's Project in the non-Federal entity's fiscal year 2025, the non-Federal entity records the eligible expenditures in its fiscal year 2025 SEFA with a footnote that discloses the amount included on the SEFA that was incurred in a prior year."*

Note on SEFA Reporting for FEMA Small Projects

FEMA administers funding for Large and Small Projects differently. For Large Projects that are not capped, FEMA adjusts any estimated costs to the actual incurred amount so that the final approved funding is based on actual costs. For Small Projects, **FEMA does not adjust estimated costs to the actual incurred amount.** FEMA determines whether a project is large or small based on the final approved amount of eligible costs after any cost adjustments, including insurance reductions. **Therefore, for small projects, report expenditures on the SEFA up to the amount FEMA approved (the award amount). If fewer expenditures were incurred than the award amount, report the remainder of the award amount.**

Impact Aid – ALN 84.041

SEFA reporting for Impact Aid (ALN 84.041) depends on the section. Funding provided under sections 7002 (federal property payments) and 7003(b) (basic support payments) are considered general aid and have no restrictions on their expenditure. They are not subject to the Uniform

Guidance Cost Principles. ED explicitly states in the Compliance Supplement that the auditor is not expected to perform any tests with respect to the expenditures of these funds. Therefore, the aid received under sections 7002 and 7003(b) should be reported in the year it was received.

Sections 7007(a), 7007(b) (construction) and 7003(d) (federally connected children with disabilities) have restrictions and are subject to the Uniform Guidance Cost Principles. Therefore, aid received under sections 7007(a), 7007(b), and 7003(d) should be reported on the SEFA in the period the allowable expenditures for these awards are incurred.

Disbursements to Subrecipients

Per 2 CFR §200.502, "the determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs. Generally, the activity related to the Federal award pertains to events that require the non-Federal entity to comply with Federal statutes, regulations, and the terms and conditions of Federal awards, such as...the disbursement of funds to subrecipients..." Federal funds are determined to be expended when the organization becomes obligated to the subrecipient for payment. Generally, that is when the pass-through agency has made the determination the costs are allowable, they are charged to the federal award, and the payment is made to (or authorized to be made to) the subrecipient.

Valuation of Federal Loans

Use the following guidelines to calculate the value of *federal awards expended* under loan programs:

(1) Amount of new loans made or received during the fiscal year, plus
(2) Balance of loans from previous years at the beginning of the audit period for which the federal government imposes *continuing compliance requirements (see questions 2 and 6 below regarding continuing compliance requirements)*, plus
(3) Any interest subsidy, cash, or administrative cost allowance received.

See Frequently Asked Questions, beginning on page SEFA 15 below.

SEFA REQUIREMENTS

The following are the detailed SEFA requirements found at 2 CFR 200.510(b). An example of a completed schedule follows the instructions. Instructions for using the online filing template are found below.

1. List the name of the federal agency. If the district receives federal funds as a subrecipient, identify the pass-through agency.

2. List individual federal programs by federal agency. Provide the **official name** of the federal award from the Assistance Listings at SAM.gov (avoid nicknames, abbreviations, or acronyms).

As noted above, COVID-19 expenditures must be reported on a separate line by ALN number with "COVID-19" as a prefix to the program name.

IMPORTANT NOTE: for federal programs included in a **cluster of programs**, provide the **official cluster name** (e.g., Child Nutrition Cluster) regardless of whether the expenditures were incurred under only one program or multiple programs within the cluster, **list individual federal programs** within a cluster of programs (e.g., 10.553 School Breakfast Program, 10.555 National School Lunch Program, 10.556 Special Milk Program for Children, 10.559 Summer Food Service Program for Children and 10.582 Fresh Fruit and Vegetable Program) and provide **a total for the cluster** (see the example SEFA below). A listing of programs included in a cluster can be found in the OMB **Compliance Supplement, Part 5**. Note the Compliance Supplement is updated annually, including the list of clusters found in Part 5. Also, it is important to consult the applicable Compliance Supplement (e.g., for audits of fiscal years beginning after June 30, 2024. When available, consult the 2025 Compliance Supplement, which has not been released as of publication of the instructions.

3. List the ALN for each award. This is a five-digit (XX.XXX) identification number assigned by the federal government and published in Assistance Listings at SAM.gov. This number must be provided for all federal awards received either directly from a federal agency or indirectly through a state agency or local government.

Awarding agencies are required to provide the ALN when making an award; however, if one was not provided, the district should make every effort to research the program before concluding that an ALN does not exist. For example:

- Contact the awarding agency.
- Search for the program on the Assistance Listings at SAM.gov.
- Check with other governments you know that also received the award.
- Submit a question to the SAO Client HelpDesk.

If an ALN does not exist or is unknown, districts must use the following formula for the ALN: enter the Federal Agency's two-digit prefix (see list of agencies on page SEFA 14 below.), followed by the letter "U" (for unknown), followed by a two-digit sequential number starting with "01". For example, if the district has two federal awards from the Department of Defense where the ALN does not exist or is unknown, the district should report these awards using "12.U01" and "12.U02" as the ALN.

NOTE: When the ALN is unknown, the Other Award Number is required by Uniform Guidance (2 CFR 200.510(b)(3)), even if it is a direct award.

WARNING ERROR CAUTION: When entering an unknown ALN, you will get a "warning error". That is because the filing system pulls from Assistance Listings at SAM.gov. If the ALN is unknown, it is not going to be in Assistance Listings. Also, if you enter an ALN that has been archived by the Federal Awarding Agency, in other words the program is no longer giving awards, but you still have some federal expenditures to report, you will also get a warning error. In both of these cases, it is ok to ignore the warning error; you do not need to contact our Office.

4. For indirect awards or direct and indirect awards with an unknown ALN, list the identifying number assigned by the awarding agency, such as the contract, grant, or award number. If an identification number is not available for an indirect award, or one was not provided by the pass-through entity in the awarding documents, enter "N/A". For direct and indirect awards with an unknown ALN, an identifying number is required. For direct awards with a known ALN, the identification number is optional and may be left blank. If there isn't an other award identification number, consult the federal or pass-through agency for guidance on what number to use. NOTE: The FAIN is not an other award identification number.

5. Enter the amount of expenditures for federal assistance received as a pass-through award from a state agency, local government, etc. When calculating the amount expended for each program, be sure to include both direct costs and indirect costs. If the district made a subaward to another entity, disbursements to subrecipients should also be reported as expenditures in this column.

6. Enter the amount of expenditures for assistance received directly from a federal agency. When calculating the amount expended for each program, be sure to include both direct costs and indirect costs. If the district made a subaward to another entity, disbursements to subrecipients should also be reported as expenditures in this column.

   NOTE*: If the district receives an award under the same ALN from multiple grantors, the SEFA should have a subtotal for that ALN showing the total amount received from all sources.*

7. Enter the combined total of all federal expenditures from pass-through and direct awards by ALN.

   NOTE*: Any amounts your district passes through (i.e., a subaward) to other entities are considered expenditures. Consequently, the total amount expended for a particular federal award includes all amounts expended by your district and any amounts awarded and disbursed to other entities. See examples in the Frequently Asked Questions below.*

8. List the total amount of expenditures provided to subrecipients from each federal award. The Uniform Guidance requires the total amounts provided to subrecipients from each federal award be identified (2 CFR Section 200.510(b)(4)).

9. If applicable, enter the reference number that corresponds with the "Notes to the Schedule of Expenditures of Federal Awards."

SEFA PREPARER INSTRUCTIONS

The SEFA must be submitted via the Online Filing system on the State Auditor's website at: portal.sao.wa.gov/saoportal/. The SEFA is due by November 30th. Districts are **required** to update any incorrect financial data submitted on this schedule. The requirement applies to all errors found prior to or during an audit.

Districts may either input SEFA information manually or upload the template located on SAO's BARS Reporting Templates page. The system will create the formatted Schedule (with clusters, sub-totals, and totals) based on data provided by the local government.

For assistance completing the SEFA, governments should submit a SAO Client HelpDesk through Online Services.

For assistance on using the Online Filing system, governments may reach out directly to LGCSfeedback@sao.wa.gov or submit a HelpDesk through Online Services.

Instructions for the template are as follows:

Column A (ALN): Enter the Assistance Listing Number (ALN). If unknown or does not exist, follow the detailed instructions under number three above.

Column B (COVID-19 Expenditures): Enter "Yes" if these are COVID-19 expenditures. As noted above, COVID-19 expenditures must be reported separately by ALN. If these are not COVID-19 expenditures, please leave this column blank.

Column C (Federal Agency Name): The Online Filing system will pre-populate the official federal agency name from SAM.gov Assistance Listings based on the ALN entered. However, if the ALN is unknown or doesn't exist, manually add the federal agency name.

Column D (Federal Program Name): The Online Filing system will pre-populate the official federal program name from SAM.gov Assistance Listings based on the ALN entered. However, if the ALN is unknown or doesn't exist, manually add the federal program name.

Column E (Pass-through Agency Name): Enter the name of the pass-through agency for indirect awards. If there is no pass-through agency, leave this field blank.

Column F (Other Award I.D. Number): For indirect awards or direct and indirect awards with no ALN, add the other award identification number assigned by the awarding agency (for example, the contract/agreement number generated by EGMS (not the FAIN)). Refer to detailed instructions under number four above. If the pass-through agency did not provide an other award I.D. number, enter N/A. For direct awards with a known ALN, this field can be blank.

Column G (R&D): Enter "Yes" if this award is research and development (R&D). Otherwise, leave this column blank.

Column H (Total): Enter the total federal awards expended. Refer to detailed instructions above for calculating the total.

Column I (Passed Through to Subrecipients): Of the total amount of federal awards expended, report how much of that was passed on to subrecipients.

Column J (Footnote Reference): If applicable, enter the reference number that corresponds with the "Notes to the Schedule of Expenditures of Federal Awards."

Notes to the Schedule

The order of the notes corresponds to the Federal Audit Clearinghouse Data Collection Form (SF-SAC). Please follow the same order, as applicable. Note examples are provided later in this chapter.

REQUIRED NOTE 1 (per 2 CFR 200.510(b)(6)), the notes to the schedule must disclose the basis of accounting and any other significant accounting policies used in preparing the schedule. This includes reconciling any difference between the amounts shown on the schedule and the underlying amounts reflected in the district's accounting system.

REQUIRED NOTE 2 (per 2 CFR 200.510(b)(6)), the notes must disclose <u>whether</u> the district elected to use the 10% de minimis cost rate as covered in 2 CFR 200.414 Indirect (F&A) costs. If the de minimis rate was not elected, it is optional to include the indirect cost rates used (see examples below).

REQUIRED NOTE 3, IF APPLICABLE (per 2 CFR 200.510(b)(5)), for loans or loan guarantee programs, the notes must identify the balances outstanding at the end of the audit period. This is in addition to including the total federal awards expended for loan or loan guarantee programs reported in the Schedule in accordance with 2 CFR §200.502(b).

OPTIONAL, BUT RECOMMENDED – provide any information that may be useful to the reader such as the method used to value commodities or other non-cash assistance such as property or vaccines, and any other information necessary to reconcile the amount reported to the district's accounting records.

NOTES TO THE SEFA

As noted in the instructions above, the order of the required notes, Notes 1-3, corresponds to the Federal Audit Clearinghouse Data Collection Form (SF-SAC). Follow the same order, as applicable. Disclose other optional notes as applicable and in sequential order.

Include the following notes to the schedule either as an attachment to the schedule or on the face of the schedule (if space permits). The notes should disclose the basis of accounting, definitions of abbreviations, and any other information that might be needed by the reader. Each district should prepare notes that describe their particular programs and circumstances.

The following notes are considered examples only:

NOTE 1—BASIS OF ACCOUNTING
ABFR GAAP
This Schedule is prepared on the same modified accrual basis of accounting (describe if not the same basis) as the (LEA name) financial statements and in accordance with the requirements contained in Uniform Guidance. (describe any exceptions to the basis of accounting, if applicable).

ABFR Cash
This Schedule is prepared on the same cash basis of accounting (describe if not the same basis) as the (LEA name) financial statements and in accordance with requirements contained in Uniform Guidance. (describe any exceptions to the basis of accounting, if applicable).

NOTE 2—FEDERAL DE MINIMIS INDIRECT RATE
The (*LEA name*) has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3—FEDERAL LOANS ***If the District has a federal loan it is required to report, report them using Note 3.***
The (*LEA name*) was approved by (awarding agency) to receive a loan totaling $____ to _________. The amount listed for this loan includes the beginning of the period loan balance plus proceeds used during the year. The balance owing at the end of the period is $______.

NOTE 4—PROGRAM COSTS/MATCHING CONTRIBUTIONS
The amounts shown as current year expenses represent only the federal award portion of the program costs. Entire program costs, including the (*LEA name*)'s local matching share, may be more than shown. Such expenditures are recognized following, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 5—NONCASH AWARDS
The amount of (*vaccine/dental items/commodities/surplus property/etc.)* reported on the schedule is the value of (*vaccine/dental items/commodities/surplus property/etc.*) distributed by the (*LEA name*) during the current year and priced as prescribed by ______________.

NOTE 6—SCHOOLWIDE PROGRAMS
The (*LEA name)* operates a "schoolwide program" in three elementary buildings. Using federal funding, schoolwide programs are designed to upgrade an entire educational program within a school for all students, rather than limit services to certain targeted students. The following federal program amounts were expended by the (*LEA name*) in its schoolwide program: Title I (84.010) *($ dollar amount)*; Migrant Education (84.011) *($ dollar amount)*.

NOTE 7—TRANSFERABILITY
As allowed by federal regulations, the *(LEA name)* elected to transfer program funds. The district expended *($ dollar amount)* from its *(name of program from which funds were transferred out, such as Title II, Part A Supporting Effective Instruction State Grants (84.367))* on allowable activities of the *(name of program to which funds were transferred to, such as Title I, Part A Grants to Local Educational Agencies (84.010*)). This amount is reflected in the expenditures of *(name of program from which funds were transferred to, such as Title I, Part A Grants to Local Educational Agencies (84.010.)*

NOTE 8—SMALL RURAL SCHOOLS ACHIEVEMENT (SRSA)
As allowed by federal regulations, the *(LEA name)* expended *($ dollar amount)* from its Small Rural Schools Achievement (SRSA) Alternative Uses of Funds Program (84.358) for activities of the Student Support and Academic Achievement Enrichment Program (84.424) (*or name of other applicable program)*. This amount is reflected in the expenditures of 84.424 *(or ALN of other applicable program)*.

SEFA ILLUSTRATION

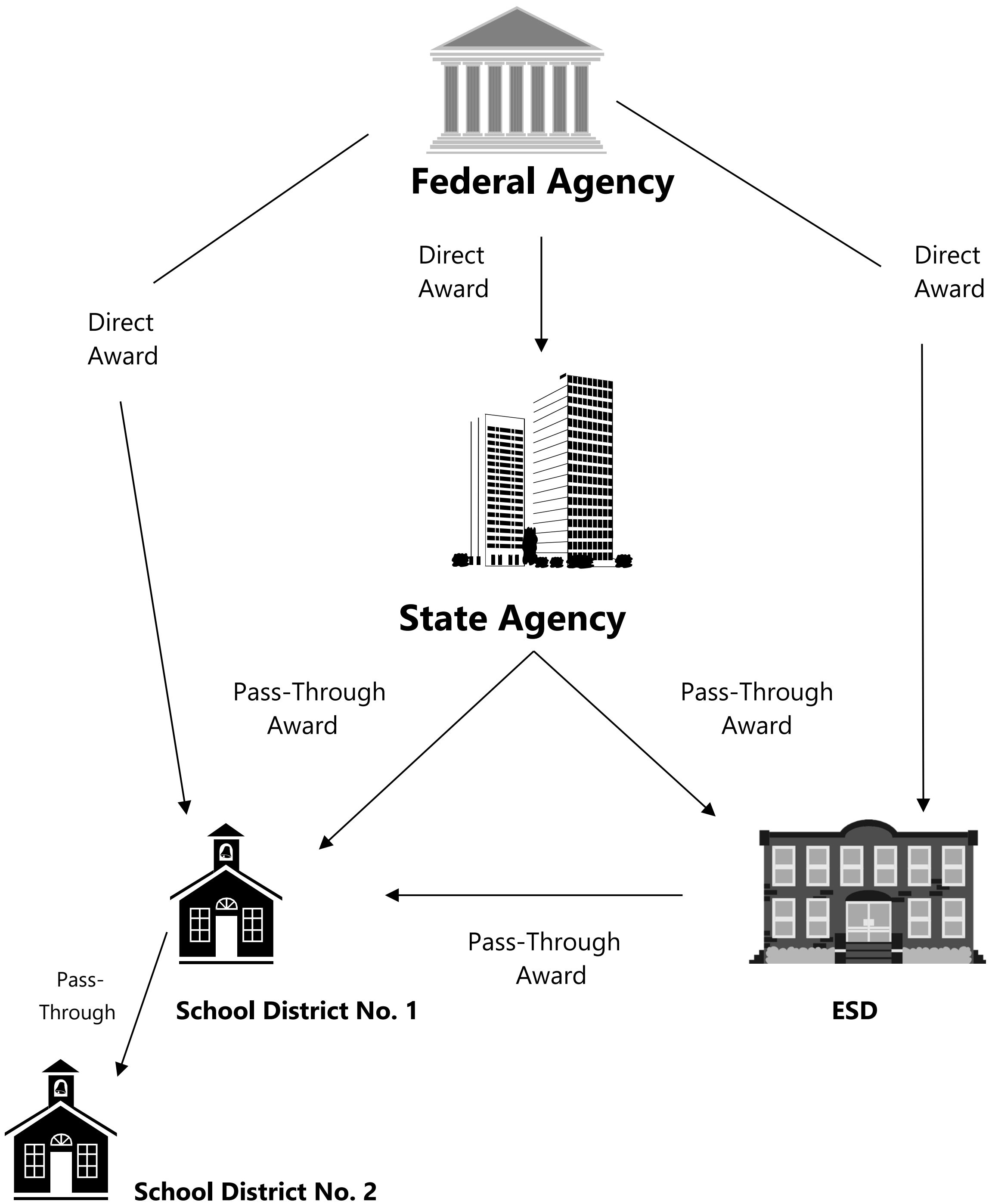
When using Online Filing, the system will create the Schedule based on data provided by the district on the template. See example below of the final version of the Schedule of Expenditures of Federal Awards.

Example District
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 20XX

				Expenditures				
Federal Agency (Pass-Through Agency)	**Federal Program**	**ALN**	**Other Award Number**	**From Pass-Through Awards**	**From Direct Awards**	**Total**	**Passed Through to Subrecipients**	**Note**
Child Nutrition Cluster								
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	School Breakfast Program	10.553	N/A	$ 100,000		$ 100,000		
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	National School Lunch Program	10.555	N/A	$ 500,000		$ 500,000		
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	National School Lunch Program	10.555	N/A	$ 50,000		$ 50,000		5
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	Summer Food Service Program for Children	10.559	N/A	$ 50,000		$ 50,000		
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	Fresh Fruit and Vegetable Program	10.582	N/A	$ 50,000		$ 50,000		
	Total Child Nutrition Cluster			**$ 750,000**		**$ 750,000**		
U.S. Department of Agriculture (via WA State Office of Superintendent of Public Instruction	Child and Adult Care Food Program	10.558	N/A	$ 100,000		$ 100,000		
Forest Service Schools and Roads Cluster								
U.S. Department of Agriculture (WA State Treasurer)	Schools and Roads - Grants to States	10.665	N/A	$ 25,000		$ 25,000		
	Total Forest Service Schools and Roads Cluster			**$ 25,000**		**$ 25,000**		
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Title I Grants to Local Educational Agencies	84.010	GT-01234	$ 400,000		$ 400,000		2
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Migrant Education - State Grant Program	84.011	GT-05678	$ 100,000		$ 100,000		
Special Education Cluster								
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Special Education - Grants to States	84.027	GT-09101	$ 400,000		$ 400,000		2
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Special Education - Preschool Grants	84.173	GT-01011	$ 100,000		$ 100,000		2
	Total Special Education Cluster			**$ 500,000**		**$ 500,000**		
U.S. Department of Education	Impact Aid	84.041	N/A		$ 50,000	$ 50,000		
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Education for Homeless Children and Youth	84.196	GT-01213	$ 200,000		$ 200,000		
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Twenty-First Century Community Learning Centers	84.287	GT-01415	$ 100,000		$ 100,000		
U.S. Department of Education (via WA State Office of Superintendent of Public Instruction	Supporting Effective Instruction State Grant	84.367	GY-01617	$ 200,000		$ 200,000		
U.S. Department of Health and Human Services (via Educational Service District No. 123)	Head Start	93.600	123456789	$ 100,000		$ 100,000		
Medicaid Cluster								
U.S. Department of Health and Human Services (WA Health Care Authority)	Medical Assistance Program	93.778	WA12345	$ 10,000		$ 10,000		4
	Total Medicaid Cluster			**$ 10,000**		**$ 10,000**		
TOTAL FEDERAL AWARDS EXPENDED				**$ 2,485,000**	**$ 50,000**	**$ 2,535,000**		

The Accompanying Notes to the Schedule of Expenditures of Federal Awards are an Integral Part of this Schedule.

ILLUSTRATION OF DIRECT AND PASS-THROUGH AWARDS FROM THE FEDERAL GOVERNMENT



FEDERAL AGENCY TWO-DIGIT PREFIX LIST

Use the following list when developing a ALN for an award that does not have an official ALN.

01* African Development Foundation
04* Inter-American Foundation
07* Office of National Drug Control Policy
08* Peace Corps
09* Legal Services Corporation
10 Department of Agriculture
11 Department of Commerce
12 Department of Defense
13 Central Intelligence Agency
14 Department of Housing and Urban Development
15 Department of Interior
16 Department of Justice
17 Department of Labor
18 Federal Reserve System
19 Department of State
20 Department of Transportation
21 Department of the Treasury
23 Appalachian Regional Commission
27 Office of Personnel Management
29 Commission on Civil Rights
30 Equal Employment Opportunity Commission
32 Federal Communications Commission
33 Federal Maritime Commission
34 Federal Mediation and Conciliation Service
36 Federal Trade Commission
39 General Services Administration
40 Government Printing Office
42 Library of Congress
43 National Aeronautics & Space Administration
44 National Credit Union Administration
45 National Foundation on the Arts and the Humanities
46 National Labor Relations Board
47 National Science Foundation
57 Railroad Retirement Board
58 Securities and Exchange Commission
59 Small Business Administration
60 Smithsonian Institution
61* International Trade Commission
62 Tennessee Valley Authority
64 Department of Veterans Affairs
66 Environmental Protection Agency
68 National Gallery of Art
70 Overseas Private Investment Corporation
77 Nuclear Regulatory Commission
78 Commodity Futures Trading Commission
81 Department of Energy
84 Department of Education
85 Scholarship Foundations
86 Pension Benefit Guaranty Corporation
87 Consumer Product Safety Commission
88 Architectural & Transportation Barriers Compliance Board
89 National Archives & Records Administration
90 Delta Regional Authority
90 Denali Commission
90 Election Assistance Commission
90 Japan – U.S. Friendship Commission
91 United States Institute of Peace
92 National Council on Disability
93 Department of Health and Human Services
94 Corporation for National and Community Service
96 Social Security Administration
97 Department of Homeland Security
98 U.S. Agency for International Development
99* Miscellaneous

* Note: These prefixes are not assigned by the Assistance Listings and are only used for OMB Uniform Guidance reporting purposes only.

FREQUENTLY ASKED QUESTIONS

Question 1: When do I report the loan on my SEFA?

Answer: Uniform Guidance: 2 CFR §200.502, and guidance from the AICPA state the loan is considered expended "the use of loan proceeds".

- Reimbursement Basis: Most loans are funded on a reimbursement basis where the borrower incurs program-related costs and then makes a request to the lender for the loan proceeds. In this case, report the amount expended during the year for which the district will seek loan funding.

- Loan Advances: Some loans are made in advance of any project-related expenditures. Because the federal government is at risk for these loans, the total proceeds received should be reported on the SEFA even if the district has not spent all the funding. Contact the lender to determine if it requires the full amount of proceeds to be reported in the year of receipt.

- Revolving Loans. If the district receives federal funds and then makes a loan to another party, report the amount of loans the district made during the year. (Refer to additional guidance on revolving loan funds below).

Question 2: What is a continuing compliance requirement?

Answer: The district is considered to have a *continuing compliance requirement* if the lender continues to impose a requirement over the outstanding loan balance in any one of the following 12 areas in years following receipt of the loan:

1. Activities Allowed or Unallowed
2. Allowable Costs/Cost Principles
3. Cash Management
4. Eligibility
5. Equipment and Real Property Management
6. Matching, Level of Effort, Earmarking
7. Period of Performance of Federal Funds
8. Procurement and Suspension and Debarment
9. Program Income
10. Reporting
11. Subrecipient Monitoring
12. Award-Specific Special Tests and Provisions, including prevailing wages (Davis-Bacon Act)

Question 3: If my project takes several years to complete, will I have continuing requirements throughout the duration of the project until it is complete?

Answer: Most likely. For example, many lenders will set aside a portion of the funding until all inspections are made and all supporting documentation encompassing the entire project is submitted and approved. Consult with the lender about its expectations over reporting loans for projects that span multiple years.

Question 4: How do I determine the amount of any interest subsidy I am receiving?

Answer: The OMB has not issued any official guidance on this topic. Typically, an interest subsidy means the federal government is paying or waiving a portion of the interest cost that would ordinarily have to be paid by the borrower. Consult with the lender to determine if any portion of interest is being subsidized.

Question 5: What if my project is complete and there are no requirements other than to repay the loan?

Answer: If the laws, regulations, and the provisions of contracts or loan agreements pertaining to the loan impose no continuing compliance requirements other than to repay the loan, the loan does not have to be reported on the SEFA.

Question 6: What if our district makes a loan to another entity or program participant?

Answer: Report the amount of loans made during the year. If the district administers a **revolving loan program** where federal funds are lent to third parties, repaid, and then lent to again to other parties, the repayment of principal and interest is considered program income (revenues) and loans of such funds to eligible recipients are considered expenditures. For purposes of SEFA presentation, report the amount of loans the district made during the year. This includes all loans that are funded by the original loan and program income. **However**, **be sure to check the terms of the award and discuss with the awarding agency** because some federal agencies have different rules for presenting revolving loans on the SEFA. For example, the Department of Commerce for its Economic Adjustment Assistance Revolving Loan Fund (ALN 11.307) requires awardees to report the balance of loans outstanding at year-end, instead of the amounts lent.

Question 7: I have joined a special education consortium through the Educational Service District (ESD) that receives all of my local and federal special education funds (ALN 84.027 and 84.173). Do I have to report the cost of the federal special education services provided by the ESD on my SEFA?

Answer: Yes; it is required to be reported by the district. LEA’s (school districts) are the official awardee and the primary provider of special education. ESD’s are service organizations without

FTE's and cannot receive funding as an awardee under IDEA but can provide special education services. Therefore, in order to properly account for funds received and expended, the school district should consider itself as the awardee and the ESD as a contractor providing services. As a result, each district should report the federal funds expended to support these services on its SEFA. Consult with your ESD on the proper accounting journal entry for this program. Each school district would then be responsible for monitoring the proper use of these federal funds by the consortium.

Question 8: Do I report Federal Forest funds (Schools and Roads) on the SEFA?

Answer: Yes, report this assistance under ALN. 10.665, "Schools and Roads – Grants to States." The federal agency is the U.S. Department of Agriculture (USDA). The pass-through agency is the Office of State Treasurer.

Question 9: Do I report Medicaid Administrative Claiming reimbursements from the Health Care Authority (HCA) on the SEFA?

Answer: Yes, report this assistance under ALN. 93.778. The federal agency is the U.S. Department of Health and Human Services, and the pass-through agency is HCA. You should report the amount claimed for reimbursement during the year on the SEFA, even though you might not receive the payment from HCA until the following fiscal year (some exceptions may apply, consult your awarding agency with questions).

Question 10: Do I report Medicaid reimbursements received from HCA for services provided to Medicaid-eligible Special Education students?

Answer: No, these services are considered patient care services and are not subject to audit under Uniform Guidance.

Question 11: Do I report the amount my district sub-awards (pass-through award) to other districts?

Answer: Yes, amounts passed through to other entities are considered expenditures. Consequently, the total amount reported for a particular federal award includes all amounts spent by your district and any amounts paid to your subrecipients.

<u>Example 1</u>: An ESD provided federal funds to School District A and School District B to purchase computer equipment under a technology grant, and both districts procure and pay for the equipment using the grant funds. The amount paid to each district by the ESD is considered a pass through award. As such, the ESD would report this amount on its Schedule of Expenditures of Federal Awards (SEFA). Further, School Districts A and B would report the amount they spent for the equipment as an expenditure of a pass through award on their SEFAs.

Example 2: An ESD purchases computers, provides training, and awards the computers to participating districts. The title for the equipment transfers to each district, which has the responsibility for managing and tracking the equipment. Each district would report the receipt of the equipment on its SEFA and the ESD would report the initial cost of purchasing the computers on its SEFA. If the ESD charged a fee to attend the training, and a district paid the fee with federal funds, the district would report the cost of the registration as an expenditure. The ESD would also report the cost of the training (net of the registration fees received) on the SEFA if it was paid with federal funds.

Question 12: Do I report state and local funds spent by our district to supplement federal programs?

Answer: No, report **only** the federal portion.

Question 13: Do I report amounts that we are reimbursed for indirect costs on the SEFA?

Answer: Yes, include direct costs and costs recovered via an indirect cost rate. (However, you do not need to distinguish between direct and indirect costs when reporting the amount spent.)

Question 14: Do Title I "Academic Achievement Awards" or "Distinguished Schools Awards" from OSPI need to be reported on the SEFA?

Answer: No, according to the OSPI Title I office, these special awards are not part of your Title I, Part A allocation and are not considered a federal award that is required to be included on the SEFA. Please refer all questions to OSPI on the allowable uses of these "awards."

Question 15: Transferability: Can a transfer be made from one federal program to another and how is it reported.

Answer: Yes. Title II, Part A (ALN 84.367) and Title IV, Part A (ALN 84.424) awards can be transferred into various programs. LEAs declare their intent to transfer an amount to be utilized on another program. This declaration binds the funds to the recipient program. The LEA must maintain documentation that demonstrates how the transferred funds have been separately reclassified. On the SEFA, LEAs must report expenditures of transferred funds under the program transferred to and include an accompanying note. A Transferability Q&A document is available on the OSPI website.