Federal Disclosure Forms and SEFA

Federal Grants Community of Practice
June 2024

WHAT IS A SEFA?

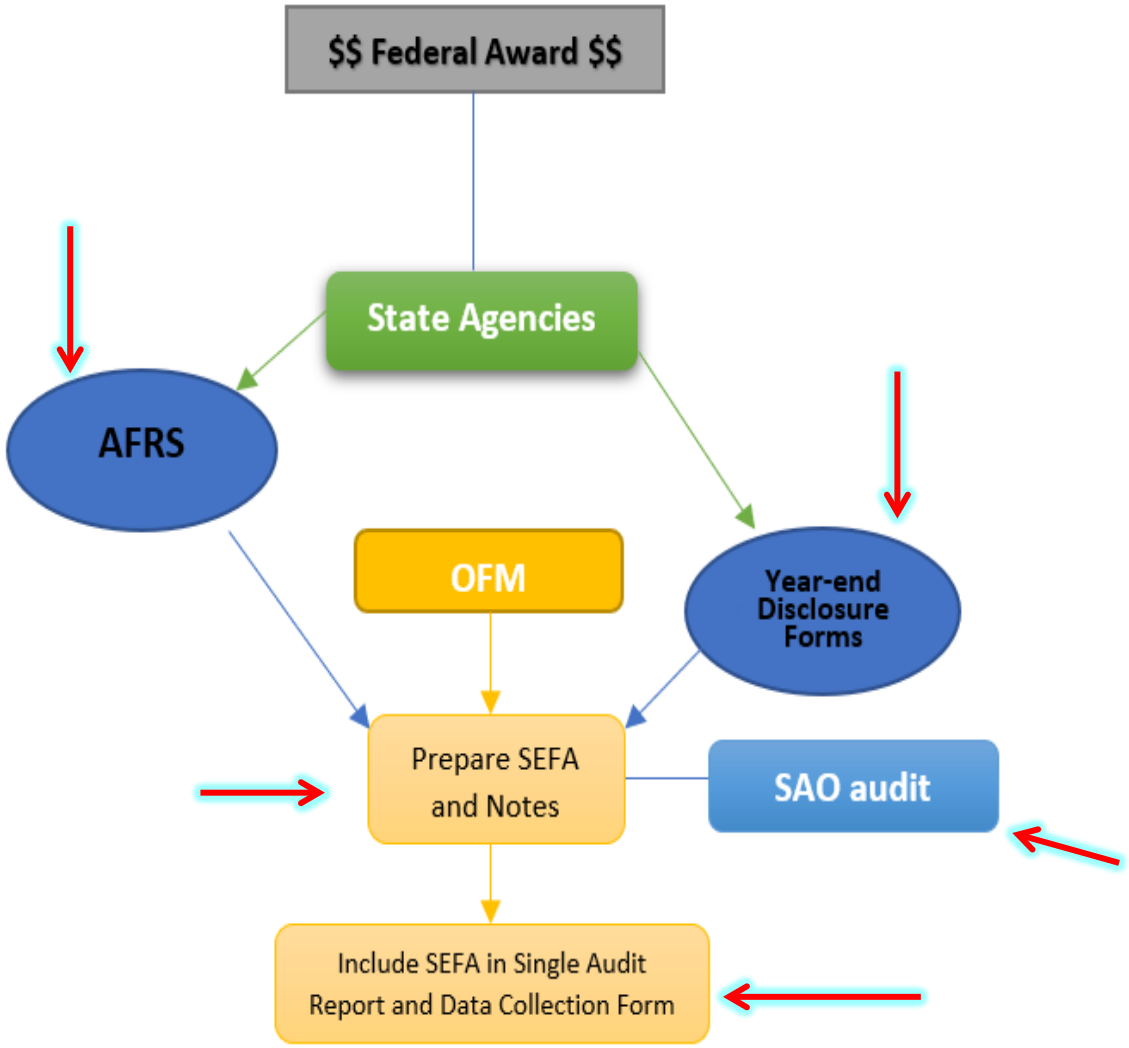
Schedule of Expenditures of Federal awards

- A major component of the Single Audit report
- Supplementary schedule to the state's financial statements and is required by the Uniform Guidance.
- Responsibility of the auditee - OFM

UG § 200.510 Financial statements

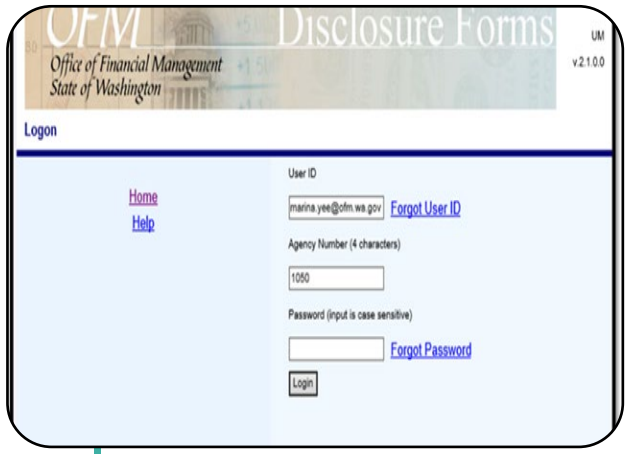
(b) Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502.

HOW DOES OFM PREPARE THE SEFA?



- Needs to reconcile to accounting and other records used in preparing the financial statements or the financial statements themselves.
- Basis for the Auditor to conduct risk assessments and selection of major programs.

TIMELINE



Agencies complete disclosure forms

OFM performs analytical reviews

Final SEFA to SAO and included in SWSA report

JULY AUG SEPT OCT NOV DEC JAN FEB MAR

Disclosure Form Application opens

Disclosure From Application closes

SEFA submitted to SAO

OFM runs initial SEFA

SAO audit work
Open DF as needed for corrections

Single Audit Report due 3/31

Federal Assistance Disclosure Form Lead Sheet

Agency Code: Agency Title:

95.20.10 Federal Assistance Disclosure Form Lead Sheet

Federal Disclosure Forms	SAAM	Required	Completed
Due August 31, 2018 – Phase 2 Disclosure Forms			
Federal Analytical Review	95.20.30		Yes / N/A
Federal Assistance Received from Nonfederal Sources (Pass-Through)	95.20.70		Yes / N/A
Federal Financial Assistance - Direct	95.20.20		Yes
Federal Identification Numbers	95.20.80	**Required**	Yes
Federal Loan Balances	95.20.60		Yes / N/A
Federal Nonfinancial Assistance	95.20.40		Yes / N/A
Federal Nonfinancial Assistance Inventory Balances	95.20.50		Yes / N/A
Due January 31, 2019 - Certification			
Federal Assistance Certification	95.20.90	**Required**	Yes

ANALYTICAL REVIEWS

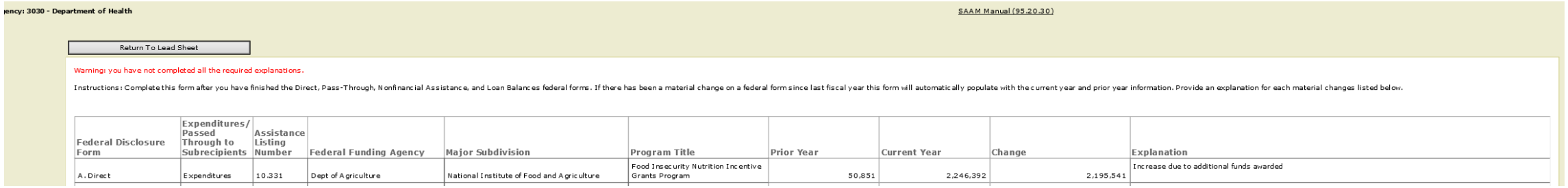
- SEFA preparation is an interactive process and a collaborate effort
- Download disclosure forms data on Excel and use various pivot tables to perform analytical reviews to identify potential errors and discrepancies.
- Works with agencies to get clarification, explanations, make corrections.
- Excel worksheets:
    - High-level review: Current vs prior year by agency and ALN's for significant or unreasonable changes of expenditure and pass-through amounts.
    - Reach out to agencies.

Name	agency	ALN	Cluster	Year	Sum of expenditure amount	Sum of pass through amount		$ Difference	% Difference	$ Difference	% Difference	CY	Issue to Ck	Program Title	Agency Comments
HEALTH, DEPARTM	3030	10.331	01	2021	50,851	43,296	-		%	-	%	-	-	Food Insecurity Nutrition Incentive Grants Program	Increase due to additional funds awarded
HEALTH, DEPARTM				2022	2,246,392	0		2,195,541	4318%	(43,296)	-100%	-	1		

- data-entry errors
- missed/incorrect coding when running the expenditure reports
- missed pass-through expenditures
- Wrong cluster
- …….

ANALYTICAL REVIEWS (CONT'D)

- Total SEFA expenditures = totals on the different disclosure forms.
- Review Federal Analytical Form – agencies have to put explanations for variances exceeding pre-determined threshold.



ency: 3030 - Department of Health

SAAM Manual (95.20.30)

Return To Lead Sheet

Warning: you have not completed all the required explanations.

Instructions: Complete this form after you have finished the Direct, Pass-Through, Nonfinancial Assistance, and Loan Balances federal forms. If there has been a material change on a federal form since last fiscal year this form will automatically populate with the current year and prior year information. Provide an explanation for each material changes listed below.

Federal Disclosure Form	Expenditures/ Passed Through to Subrecipients	Assistance Listing Number	Federal Funding Agency	Major Subdivision	Program Title	Prior Year	Current Year	Change	Explanation
A. Direct	Expenditures	10.331	Dept of Agriculture	National Institute of Food and Agriculture	Food Insecurity Nutrition Incentive Grants Program	50,851	2,246,392	2,195,541	Increase due to additional funds awarded

- Reconcile Non-financial and pass-through amounts on the SEFA and individual disclosure forms.
- Compare expenditures on disclosure forms vs AFRS expenditures by agencies and question as needed.

  e.g. of valid reason - Account 141 Federal Seizure Account – expenditures accounted as reduction in revenue in AFRS, but have revenue and expenditures reported on DF (ALN 16.922).

- Compare revenues on disclosure forms vs AFRS by agencies and question as needed:

  e.g. of valid reason - SEFA reporting requirement for ALN 93.498 Provider Relief Fund.

WHAT DOES A SEFA REPORT LOOK LIKE?

State of Washington

Single Audit Report

For Fiscal Year Ended

June 30, 2022

Auditee's Section

Schedule of Expenditures of Federal Awards

State of Washington
Schedule of Expenditures of Federal Awards

For which fiscal year?

For the Fiscal Year Ended June 30, 2022 (Expressed in whole dollars)

Federal Programs Not Clustered

From which federal agency?

Dept of the Treasury

Which state agencies reported expenditures? *How much state agencies expended?* *Pass through amounts to non-state entities?*

For which federal program (ALN)?

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
21.016	Equitable Sharing		1950	29,209	0	
	Federal Program 21.016 Total			**29,209**	**0**	
21.019	COVID-19 – Coronavirus Relief Fund		0550	1,785,000	0	
21.019			1030	25,318,843	24,426,878	
21.019		S22-32401-001	1480	1,525,580	1,378,580	PT
21.019			3000	40,497,438	0	
21.019			3030	33,249,409	10,166,898	
21.019			3100	240,000,000	0	
21.019		ODE13815AM02	3600	305,744	0	PT
21.019			4950	2,000,000	598,110	
21.019			5400	229,688	0	
	Federal Program 21.019 Total			**344,911,702**	**36,570,466**	

Reported on Pass-through Form

State of Washington
Notes to the Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2022

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SEFA NOTES

State of Washington
Notes to the Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended
June 30, 2022

https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report/2022-single-audit-report

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Note F – Supplemental Information for Pass-through Funds

§ 200.510 Financial statements.

(b) Schedule of expenditures of Federal awards…... At a minimum, the schedule must:

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

Agencies use 05/46 -

- SAAM 75.80: *Pass Through Federal revenue received from other state governments, local governments or private entities.*

Federal Assistance Received from Nonfederal Sources (Pass-Through)

Agency: 3650 - Washington State University SAAM Manual (95.20.70)

Return To Lead Sheet

Assistance Listing Number	Federal Funding Agency	Major Subdivision	Program Title	Cluster	Entity Name	Award Contract Number	Revenue Amount	Expenditure Amount	Difference	Expenditure Amount Passed Through to Subrecipients	COVID-19
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	COTTON INCORPORATED	130576006	77,523	77,523	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	WALTERS AG RESEARCH	138557	23,551	23,551	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	RESEARCH CORPORATION FOR SCIENCE ADVANCEMENT	28377	30,005	30,005	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	RESEARCH CORPORATION FOR SCIENCE ADVANCEMENT	29021	23,276	23,276	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	DAIRY MANAGEMENT INC	36780	31,087	31,087	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	UNIVERSITY OF MINNESOTA	A009917401	7,694	7,694	0	0	No
10.001	Dept of Agriculture	Agricultural Research Service	Agricultural Research_Basic and Applied Research	02	OREGON STATE UNIVERSITY	R0783AA	40,036	40,036	0	0	No

From Disclosure Form To....

Federal Assistance Received from Nonfederal Sources (Pass-Through)

Agency: 3650 - Washington State University

SAAM Manual (95.20.70)

Return To Lead Sheet

10.025	Dept of Agriculture	Animal and Plant Health Inspection Service	Plant and Animal Disease, Pest Control, and Animal	01	CORNELL UNIVERSITY	13775521417	33,645	33,645	0	0	No
10.025	Dept of Agriculture	Animal and Plant Health Inspection Service	Plant and Animal Disease, Pest Control, and Animal	01	UNIVERSITY OF CALIFORNIA DAVIS	A212762S001	25,993	25,993	0	0	No

State of Washington
Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2023
(Expressed in whole dollars)

Federal Programs Not Clustered

Dept of Agriculture

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
10.025	Plant and Animal Disease, Pest Control, and Animal		3650	2,332,309	170,590	
10.025		13775521417	3650	33,645	0	PT
10.025		A212762S001	3650	25,993	0	PT
10.025			4670	221,142	6,600	
10.025			4950	3,726,846	0	
	Federal Program 10.025 Total			**6,339,935**	**177,190**	

State of Washington
Schedule of Expenditures of Federal Awards
Note F: Supplemental Information for Pass-Through Funds

For the Fiscal Year Ended June 30, 2023
(Expressed in whole dollars)

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.001	3650	WALTERS AG RESEARCH	138557	23,551
10.025	3650	CORNELL UNIVERSITY	13775521417	33,645
10.025	3650	UNIVERSITY OF CALIFORNIA DAVIS	A212762S001	25,993
10.164	3650	UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION	139503001	19

- **Examples of award from non-federal entity:**

Federal Grantor	→	1st Tier Pass-through Entity (non-fed/non-state)	→	2nd Tier State Agency
➢ US Department of Agriculture		➢ University of California		➢ Washington State University
➢ Dept of Homeland Security		➢ City of Seattle		➢ Department of Health

- Report on *Federal assistance from non-federal sources (Pass-through)* disclosure form.

ESD example

Federal Assistance Received from Nonfederal Sources (Pass-Through)

Agency: 5400 - Employment Security Department

SAAM Manual (95.20.70)

Return To Lead Sheet

Assistance Listing Number	Federal Funding Agency	Major Subdivision	Program Title	Cluster	Entity Name	Award Contract Number	Revenue Amount	Expenditure Amount	Difference	Expenditure Amount Passed Through to Subrecipients	COVID-19
14.228	Housing & Urban Development	Office of Community Planning and Development	Community Development Block Grants/State's Program	01	Spokane WDC	K7232-7661	17,973	17,973	0	0	No
Totals							17,973	17,973	0	0	

State of Washington
Schedule of Expenditures of Federal Awards
Note F: Supplemental Information for Pass-Through Funds

For the Fiscal Year Ended June 30, 2023
(Expressed in whole dollars)

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.U01	3600	JOHNS HOPKINS UNIVERSITY	163111MOD02	13,201
12.U02	3600	JOHNS HOPKINS UNIVERSITY	163111MOD03	48,306
14.228	3650	MASON COUNTY	20036	260
14.228	5400	Spokane WDC	K7232-7661	17,973
14.U01	1480	Pierce County Community Development Corporation	HAPC2023	40,000
15.034	3650	COLUMBIA RIVER INTER-TRIBAL FISH COMMISSION (CRITFC)	C2104	19,448

(1) If funding is sub-awarded from a state agency (first tier)

Federal Grantor	→	1st Tier: State Agency	→	2nd Tier: State Agency
US Department of Treasury		Dept of Commerce		Housing Finance Commission

Do not report!

Example of incorrect reporting:

Federal Assistance Received from Nonfederal Sources (Pass-Through)

Agency: 1480 - Wash State Housing Finance Comm SAAM Manual (95.20.70)

Return To Lead Sheet

Assistance Listing Number	Federal Funding Agency	Major Subdivision	Program Title	Cluster	Entity Name	Award Contract Number	Revenue Amount	Expenditure Amount	Difference	Expenditure Amount Passed Through to Subrecipients	COVID-19
14.239	Housing & Urban Development	Office of Community Planning and Development	Home Investment Partnerships Program	01	City of Bellingham	PBEL2022	80,000	80,000	0	80,000	No
21.019	Dept of the Treasury	Undetermined	Coronavirus Relief Fund	01	Department of Commerce	S22-32401-001	1,525,580	1,525,580	0	1,378,580	Yes
Totals							1,605,580	1,605,580	0	1,458,580	

State of Washington
Schedule of Expenditures of Federal Awards
Note F: Supplemental Information for Pass-Through Funds

For the Fiscal Year Ended June 30, 2022
(Expressed in whole dollars)

Assistance Listing No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
21.019	1480	Department of Commerce	S22-32401-001	1,525,580
21.019	3600	STATE OF OREGON	ODE13815AM02	305,744
21.027	3600	CITY OF SEATTLE	DOE21PA82	78,780
43.001	3600	AMHERST COLLEGE	GRT00206W2	43,484

- COM already included the expenditures in their 21.019 on their Direct Form.
- Agency 148 reported this amount again on their Pass-through Disclosure Form was double-counting the expenditures.

Example of incorrect reporting (cont'd):

State of Washington
Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2022
(Expressed in whole dollars)

Federal Programs Not Clustered

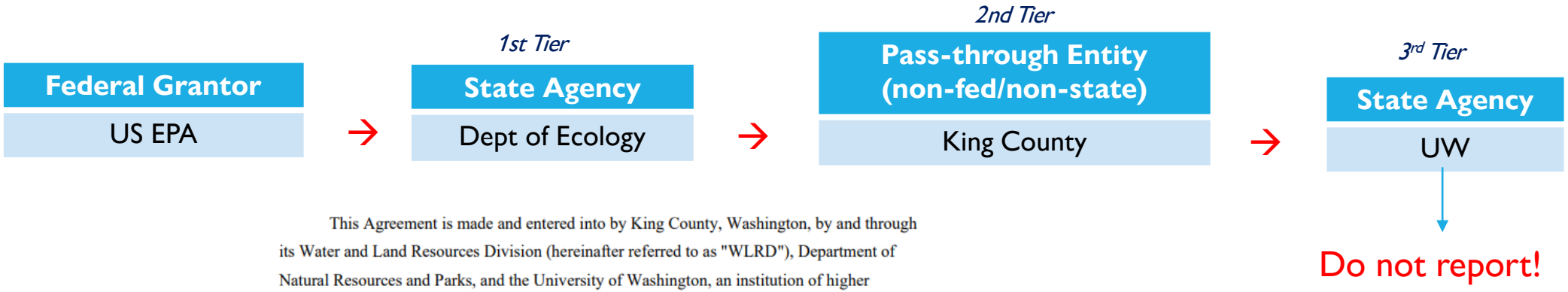
Dept of the Treasury

Assistance Listing No.	Federal Program Title	Award/Contract Control Number	State Agency No.	Expenditure Amount	Expend Amts Passed Through to Subrecipients	See Note E
21.016	Equitable Sharing		1950	29,209	0	
	Federal Program 21.016 Total			**29,209**	**0**	
21.019	COVID-19 – Coronavirus Relief Fund		0550	1,785,000	0	
21.019			1030	25,318,843	24,426,878	
21.019		S22-32401-001	1480	1,525,580	1,378,580	PT

COM's reporting on Direct Form:

- HFC should inform COM of the PT amount.
- SWSA analytical review of Note F to identify state agencies being included.

(2) If funding is awarded by a 2nd tier non-state entity, but the 1st tier is a state agency



This Agreement is made and entered into by King County, Washington, by and through its Water and Land Resources Division (hereinafter referred to as "WLRD"), Department of Natural Resources and Parks, and the University of Washington, an institution of higher education and an agency of the State of Washington having its principal campus located in Seattle, Washington and a satellite campus located in Tacoma, Washington ("UW-T"), collectively referred to as the "Parties," for UW-T to provide services to King County to help characterize chemicals of emerging concern in salmon bearing streams This work will support a grant awarded to King County by the Washington State Department of Ecology (DOE) funded by the U.S. Environmental Protection Agency ("EPA") through a National Estuary Program, CFDA 66.122, Puget Sound Actional Agenda.

The 1st Tier state agency report on Direct Form with pass-thru expenditures.

- If the 3rd tier receiving state agency report as pass-through from a non-federal source, SEFA expenditures would be double-reported.
- But the 3rd tier receiving agency still need to disclose the federal funding received but not reported.

State of Washington
Schedule of Expenditures of Federal Awards
Notes G
Supplemental Information for Pass-Through Federal Assistance
(State as Subrecipient not included on the Schedule)

For the Fiscal Year Ended
June 30, 2023
(Expressed in Whole Dollars)

Assistance Listing Number	Federal Program Title	State Agency as Subrecipient	Agency Number	Non-State Grantor	Award/ Contract No.	State Agency with Direct Federal Award	Expenditure Amount
17.258	WIOA Adult Program	Employment Security Department	540	Olympic Consortium WDC-1	7310 7311 7312 7321 7322 7331 7332	Employment Security Department	742,735
17.258	WIOA Adult Program	Employment Security Department	540	North Central WA WDC-8	7701 7702	Employment Security Department	187,755
17.258	WIOA Adult Program	Employment Security Department	540	Eastern WA Partnership WDC-10	2981 2982	Employment Security Department	21,518
17.258	WIOA Adult Program	Employment Security Department	540	Spokane Area WDC-12	7811 7812	Employment Security Department	320,417
					Federal Program 17.258 Total		**$ 1,272,425**
17.259	WIOA Youth Activities	Employment Security Department	540	North Central WA WDC-8	7712 7711 7752 7751	Employment Security Department	159,351
					Federal Program 17.259 Total		**$ 159,351**
17.277	WIOA National Dislocated Worker Grants	Employment Security Department	540	Eastern WA Partnership WDC-10	2961	Employment Security Department	(165)
					Federal Program 17.277 Total		**$ (165)**
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Olympic Consortium WDC-1	6500 7341 7342 7351 7352 7361 7362 7380 7392	Employment Security Department	214,070
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Southwest WDC-7	7822	Employment Security Department	55,902
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	North Central WA WDC-8	7742 7741	Employment Security Department	176,697
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Eastern WA Partnership WDC-10	2921 2922 2923 2933 2931 2932	Employment Security Department	709,396
17.278	WIOA Dislocated Worker Formula Grants	Employment Security Department	540	Spokane Area WDC-12	7801 7802 7960 7962	Employment Security Department	519,302
					Federal Program 17.278 Total		**$ 1,675,368**
66.123	Geographic Programs - Puget Sound Action Agenda	University of Washington	360	King County	UW667589	Department of Ecology	67,053
					Federal Program 66.123 Total		**$ 67,053**

UW

Note F

- ~ $275 million reported on FY23 Pass Through Form
- Some ALNs were reported in both direct and pass-through forms. Any double-reporting?

Note G

- Rely on agencies to identify and report appropriately. Did we miss any agencies ?
- Not properly identifying sources of grant funding - risk of inaccurate reporting.
- How would agency track the subaward from 3rd party which is originally a subaward from a state agency?

Federal Disclosure Forms - some general reminders for Covid funding

ALN	Grant	Disclosure Form guidance
All	All new and supplemental COVID-funded grants	Definition of COVID-19 Funding: new federal programs established, or funding added to existing federal programs from the following Acts: - Coronavirus Preparedness and Response Supplemental Appropriations Act - Families First Coronavirus Response Act - Coronavirus Aid, Relief, and Economic Security Act (CARES Act) - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) - American Rescue Plan Act (ARP) * Remember to separately identify and report expenditures related to "COVID-19" on the disclosure forms. In the drop-down box on the disclosure form, select “Yes” to identify federal awards received in response to the COVID-19 pandemic. For all other awards select “No.” If a program has both COVID and non-COVID amounts, include two separate lines with the same ALN on the form.
21.019	Coronavirus Relief Fund (CRF)	This grant had been closed out and final report was submitted to Treasury. There should be no more expenditures reported by agencies on the SEFA. Please contact OFM if you have questions.
21.027	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	Agency 076 (Governor’s Office) records revenue, agencies record expenditures. Funding passed to beneficiaries are not reported as pass-through. Beneficiaries - recipients of SLFRF provide award funds to respond to the negative economic impacts of COVID-19 as end users, and not for the purpose of carrying out program requirements. Subrecipients - recipients of SLFRF provide award funds to an entity to carry out a program on behalf of the SLFRF recipient, the entities receiving such funding are subrecipients.
84.425C	Governor Emergency Education Relief Fund (GEER)	Agency 076 (Governor’s Office) records revenue, agencies record expenditures. Should not have any expenditures in FY24.
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	ONLY Department of Military (MIL) reports revenue and expenditures on the federal disclosure form. • Agencies receive reimbursements from MIL by interagency payments. As an extra reminder, agencies should ensure receivables booked from MIL are for actual expenditures only. • Agencies need to follow MIL's process and timeline.
21.029 (COM only)	Capital Project Fund (CPF)	• Activity takes place in Account 373. Agency 076 (Governor’s Office) records revenue and Agency 103 (Commerce) records expenditures. • Funding passed to subrecipient reported as pass thru. Commerce administrative expenditures not reported as pass thru.

Federal Disclosure Forms - some general reminders for Covid funding

ALN	Grant	Disclosure Form guidance
93.498	Provider Relief Funds (PRF)	Per 2024 Compliance Supplement: For the FY24 SEFA, recipients should report expenditures and lost revenues from the Period 5 and Period 6 PRF report.

	Payment Received Period (Payments Exceeding $10,000 in Aggregate Received)	Period of Availability for Eligible Expenses	Period of Availability for Lost Revenues	PRF Portal Reporting Time Period	Fiscal Year Ends (FYEs) to include each PRF Period on the SEFA Reporting
Period 5	January 1, 2022 to June 30, 2022	January 1, 2020 to June 30, 2023	January 1, 2020 to June 30, 2023	July 1, 2023 to September 30, 2023	FYEs of June 30, 2023 through June 29, 2024
Period 6	July 1, 2022 to December 31, 2022	January 1, 2020 to December 31, 2023	January 1, 2020 to June 30, 2023	January 1, 2024 to March 31, 2024	FYEs of December 31, 2023 through FYEs December 30, 2024

Federal Disclosure Forms - some general reminders for Covid funding

ALN	Grant	Disclosure Form guidance
84.425	Education Stabilization Fund	The Department of Education (DOE) has specific guidance on SEFA reporting of their grants, specifically for the Education Stabilization Fund (ALN 84.425). Agencies are required to: • Run expenditures separately for each grant by the alpha suffix (subgrants). • On the Federal Disclosure forms, ALN 84.425 will be used but enter a separate line for each subgrant and fill in the "Award Contract Number" column, using this format "COVID-19, 84.425(?)". • See example from FY23 SEFA below: • If you are reporting a program that is not considered a "COVID-19" program, follow the same guidance to report by subgrant level, except with no "COVID-19" in front of the grant title.

84.425	COVID-19 – Education Stabilization Fund	COVID-19, 84.425C	3070	4,605,000	0
84.425		COVID-19, 84.425D	3500	216,743,878	215,752,561
84.425		COVID-19, 84.425R	3500	16,137,045	13,926,805
84.425		COVID-19, 84.425U	3500	790,200,921	756,871,373
84.425		COVID-19, 84.425V	3500	2,827,263	0

Loan Programs

Per Uniform Guidance 200.502, for loans programs which the federal government imposes continuing compliance requirements, balance of loans from previous year has to be included to accurately determine the expenditure amounts that need to be reported in current year. e.g.:

- ALN 84.038 – Federal Perkins Loan Program
- ALN 93.264 – Nurse Faculty Loan Program
- ALN 93.342 – Health Professions Student Loans (HPSL)
- ALN 93.364 – Nursing Student Loans

See SAM 95.20.60. Please reach out to OFM federal consultants for questions about loan reporting requirements.

10.766/ 10.780	Community Facilities Loans and Grants Cluster	Starting with June 30, 2022 audits – balances of loans made under these programs are required to be reported on the SEFA. For questions on continual loan reporting requirement, please see “All loan programs” above and contact OFM federal consultants for additional questions.

Loan Programs

ALN	Grant	Disclosure Form guidance
66.458	Capitalization Grants for Clean Water State Revolving Funds	CWSRF amounts are awarded by EPA to states as grants. The states then makes subawards in the form of loans to its subrecipients. Therefore, in determining the amount of federal funds expended to be reported on the SEFA, subrecipients receiving CWSRF loans should include project expenditures incurred under these loans during the audit period. It also is important to appropriately identify these CWSRF loans as subawards. For equivalency projects/loans, it should be understood that these funds would be considered federal funds and that all disbursements for equivalency projects/loans must be entered onto SEFA. Please reach out to OFM federal consultants if your agency is going to report this grant on the federal disclosure forms and have questions about the reporting requirements.
66.468	Capitalization Grants for Drinking Water State Revolving Funds	DWSRF amounts are awarded by EPA to states as grants. The states then makes subawards in the form of loans to its subrecipients. Therefore, in determining the amount of federal funds expended to be reported on the Schedule of Expenditures of Federal Awards (SEFA), subrecipients receiving DWSRF loans should include project expenditures incurred under these loans during the audit period. It also is important to appropriately identify these DWSRF loans as subawards. While any of the sources of funds in the DWSRF may be used for equivalency projects/loans, it should be understood that these funds would be considered federal funds once they are deemed equivalency dollars and that all disbursements for equivalency projects/loans must be entered into the SEFA. The SEFA should reflect equivalency dollars rather than actual cash draws from the Treasury to the state. Additionally, the SEFA will differ from the SF-425 form. Please reach out to OFM federal consultants if your agency is going to report this grant on the federal disclosure forms and have questions about the reporting requirements.

84.468 Direct Loan reporting – reduction of expend instead of revenue.

Additional reminders…

All grant awards	The two-digit pre-fix in the ALN represents the federal agency that the grant is awarded by. Agencies should ensure correct revenue source was used when recording federal revenue in AFRS. Agencies can run a Revenue Summary Flexible ER report by source and compare with each federal agency revenue total on the disclosure form. Any miscoding can be identified and corrected in AFRS before phase 2 closes. See SAAM 75.80.30 for a complete list of federal revenue source codes and descriptions.
All grant awards	In the absence of an ALN where the agency has a federal award number, the last three digits of the ALN should be zeros preceded by the federal agency code (i.e. XX.000) and the federal award number must be provided. In the absence of both an ALN and a federal award number, the last three digits of the ALN should be nines preceded by the federal agency code (i.e. XX.999). Note: The XX.000 and XX.999 ALNs are temporary numbers which will be assigned a different number (i.e. XX.UXX or XX.RD) after Phase 2 close. If these numbers are used, an OFM accounting consultant will contact you with further instructions. See SAAM Ch. 95.20.10.b.
All grant awards	Please remember to review the *Federal Analytical Review Form* after completion of the other federal forms. This form is automatically populated based on federal financial assistance reported on the Direct, Pass-Through, Nonfinancial Assistance and Loan Balances forms if there has been material change (based on OFM established threshold) in amount reported for an assistance listing number since last fiscal year. Agencies need to provide sufficient explanation for significant variances. Please refer to SAAM Ch. 95.20.30.

COMMON SEFA ERRORS

Important for agencies to establish proper procedures to ensure disclosure forms are completed accurately.

Common SEFA issues:

- No explanations or incomplete Analytical Review forms
- Wrong revenue sub-source code was used. e.g. 03-93 HHS, 03-10 (see SAAM)
- Data entry errors
- Incorrect expenditures reported
- Forgot to report pass-through
- COVID expenditures were not separately identified
- Program name not following required format (e.g. 84.425 Education Stabilization Fund)
- Expenditures reporting not following OFM specific guidance. E.g. CRF, FRF, FEMA
- Outstanding balance of loans and loan guarantees calculation.
- Agency identification entered incorrectly – e.g. UEI

The Federal Disclosure Form eLearning class provides some tips and best practices for completing federal disclosure form
https://ofm.wa.gov/sites/default/files/public/articulate/accounting/FederalDisclosureForm2022/story.html

TAKE AWAY

SAO audits the SEFA. We don't want a finding!

- OFM will continue to monitor and review.
- Keep up-to-date with changes in reporting federal requirements and communicate with agencies.
- Request account coding for selected grants for independent verification.
- Additional ways to review disclosure form data to identify potential errors.
- Continue to work with agencies to reconcile variances and anomalies we identify during analytical reviews.

Start DFs As Early As Possible !!