

Single Audit October 20, 2022

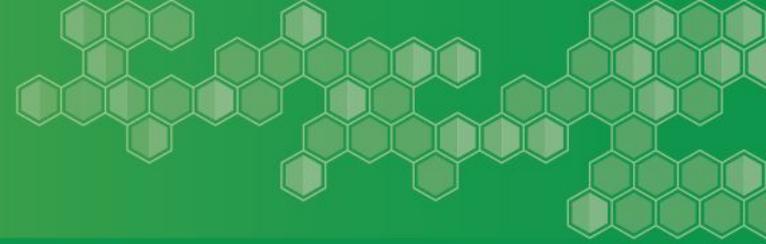


Single Audit Agenda

- Requirements
- Auditee Responsibilities
- Federal Clearinghouse Updates
- Schedule of Expenditures of Federal Awards
- SEFA Example
- Single Audit Notes
- Major Program
- Summary Schedule of Prior Audit Findings & a Corrective Action Plan Example
- Sample Corrective Action Plan
- Single Audit Reviews
- Other

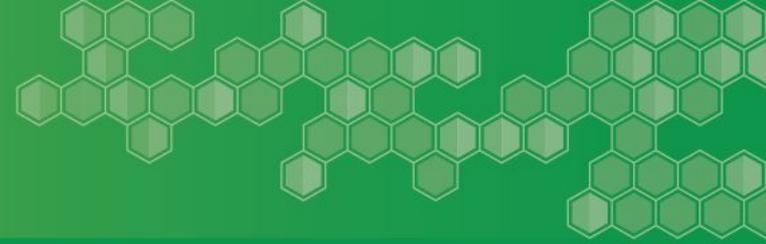
- Entity that expends \$750,000 or more in Federal Awards during the fiscal year
- Separate Independent Auditors Report
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs
- Federal Audit Clearinghouse

[OMB Guidance](#)



The auditee must:

- Procure / arrange for the audit to be performed
 - ensure that this is within the scope of the audit
- Prepare appropriate financial statements, including the schedule of expenditures of federal awards (SEFA).
- Promptly follow up and take corrective action on audit findings, including preparation of a Summary Schedule of Prior Audit Findings & a Corrective Action Plan
- Provide the auditor with access to personnel/payroll registers, accounts, books, records, documentation and invoices, etc. as needed
- Remember, all grants reflect with an A/R or a Deferred Revenue which is why a Designated Grant Fund never has a fund balance. Revenues always equal expenditures.



Effective FY 2020-21 Audit

On page 2 of the Form SF-SAC,[3] under “Part II: FEDERAL AWARDS” in the chart labeled “Schedule of Expenditures of Federal Awards” under column c with the heading “Additional Award Identification” include the phrase “COVID-19” if the program is considered COVID-19 assistance). Then place a comma (,) after COVID-19 and include the full ALN number and alpha character (A, B, C, etc.).

Federal Audit Clearinghouse

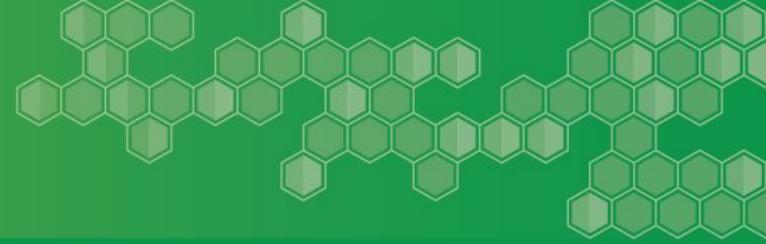
<https://facweb.census.gov/uploadpdf.aspx>

Office of Federal Financial Management

<https://www.whitehouse.gov/omb/office-federal-financial-management/>



Federal Clearinghouse Updates



PART II: FEDERAL AWARDS

1. Federal Awards Expended During Fiscal Period

Schedule of Expenditures of Federal Awards

Row Number (auto-generated)	CFDA #		Additional Award Identification ³	Federal Program Name	Amount Expended	Cluster Name	Federal Program Total ⁴	Cluster Total ⁵	Loan Programs	
	Federal Awarding Agency Prefix ¹	CFDA Three-Digit Extension ²							Loan/Loan Guarantee (Loan)	If Loan, the End of the Audit Period Outstanding Loan Balance ⁶
					(\$)		(\$)	(\$)	Y/N	(\$)

	a	b	c	d
Row Number (auto-generated)	Federal Awarding Agency Prefix	CFDA Three-Digit Extension	Additional Award Identification	Federal Program Identification
1	84	425	COVID-19, 84.425E	Education Stabilization Fund



Schedule of Expenditures of Federal Awards Requirements (SEFA)

The SEFA must include:

- List individual Federal programs by Federal agency.
- For a cluster of programs, provide the cluster name, and total expenditures for the cluster
- Total Federal awards expended can be shown by either individual Federal award, or by Federal agency and major subdivision within the Federal agency
- For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through agency (Assistance Listing Number, formally, Catalog of Federal Domestic Awards and Grant Code)
- For COVID-19 related awards, line must be identified as a 'COVID-19' grant (see sample below)
- If applicable, include the total amount provided to subrecipients from each Federal program

Schedule of Expenditures of Federal Awards Requirements (SEFA)

Data considerations for SEFA

Start with a review of grant codes 4000-9999

- Compare the Revenue to the Expenditures
 - Grant Receivable booked to 8142
 - Unearned Revenue booked to 7482
- Most Grant will use the expenditure amounts for SEFA
- Food Service does not require expenditures by grant
 - Revenue is usually used for the SEFA
- Medicaid not included on the SEFA

Research Grant Information

- CDE Federal Grant Code List
- Award Letter from the Awardee
- SAMs for the Assistance Listing Number

Schedule of Expenditures of Federal Awards Requirements (SEFA)

CDE State and Federal Grant Code List

Federal Administering Agency/Number	Account: GBL Code	Grant or Contract Title	Assistance Listing Number	Grant/Project
Education/84	61XF, 61XD, 61XM	Adult Education and Family Literacy Act: Adult Education/EL CIVICS, State Grant Program	84.002	6002
		Supplemental Education Opportunity Grants	84.007	5007
	70XA, 70XB, 70XX	Every Student Succeeds Act (ESSA), Title I, Part A: Improving Basic Programs Operated by Schools. Formula Grant	84.010	4010
	70XB	Every Student Succeeds Act (ESSA), Title I, Part D: Delinquent (LEA-Subpart 2, Title I-D)	84.010	7010
	70XD	Every Student Succeeds Act (ESSA), Title I, Part A: Improving Basic Programs Operated by Schools Distinguished Schools Award Program	84.010	8010
	70XC, 70XE, 70XF, 70XG, 70XH	Every Student Succeeds Act (ESSA), Title I, Part A: Improving Basic Programs Operated by Schools. Competitive Grant: School Improvement: Reallocation of unused Title I funds per CDE State Plan. Included here is the Title I Reallocated Supplemental Summer School Distribution: Turnaround Grant	84.010	5010
	70XX	Every Student Succeeds Act (ESSA), Title I, Part A "Reallocated": Improving Basic Programs Operated by Schools. Competitive Grant: Reallocated funds remaining from Title I(original formula allocation)	84.010	6010

[Chart of Accounts](#)

Schedule of Expenditures of Federal Awards Requirements (SEFA)

Grant Award Letter

GRANT AWARD LETTER SUMMARY OF GRANT AWARD TERMS AND CONDITIONS

State Agency Colorado Department of Education US Department of Education Approved Indirect Cost Rate: 15% Period: 07/01/2021 – 06/30/2022	Action Award
Grantee ██████████ School District	Award Information Type of Grant: ESSA Federal Awarding Agency: US Department of Education Pass Through-Agency: Colorado Department of Education Research and Development Award: No Local Match Amount: No
Award Period Federal Funding Period: 07/01/21-09/30/2022 Performance Period: 07/01/21-06/30/2022 Federal Award Date: 07/01/2021	
Recipient Information FY 21-22 Approved Restricted Indirect Cost Rate: 9.92 DUNS: 030442248 Active on Sam.gov: Yes SAM Expiration Date: 3/4/2022	
Grant Description Federal Dept. of Ed Title Awards as per Consolidated Application submitted, allocated as per detail below	Grant Amount Please refer below for individual awards



Schedule of Expenditures of Federal Awards Requirements (SEFA)

Grant Award Letter

Program Title	FAIN	CFDA #	State Grant Code	Authority	Amount
Title I Grants to Local Education Agencies	S010A210006	84.010A	4010	PL 100-297 I-A Elementary & Secondary Education Act of 1965, as amended by ESSA	\$ 1,244,315
Title I, Part D	S010A210006	84.010A	7010	PL 100-297 I-A Elementary & Secondary Education Act of 1965, as amended by ESSA	\$ 0
Title II, Part A, Teacher and Principal Training & Recruitment Fund	S367A210050	84.367A	4367	PL 114-95 II ESEA as Amended by ESSA	\$ 191,577
English Language Acquisition, Language Enhancement, and Academic Achievement Program for Limited English Proficient Children	S365A210006	84.365A	4365	PL 107-110 I Elementary and Secondary Education Act, as Amended	\$ 196,781

Schedule of Expenditures of Federal Awards Requirements (SEFA)

SAMs for the Assistance Listing Number



Home Search Data Bank Data Services Help



Assistance Listing

- Overview
- Authorizations
- Financial Information
- Criteria for Applying
- Applying for Assistance
- Compliance Requirements
- Contact Information
- History

Follow

ASSISTANCE LISTINGS

Title I Grants to Local Educational Agencies

Assistance Listing

Popular Name
(Title I Basic, Concentration, Targeted and Education Finance Incentive Grants)

Sub-tier
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Assistance Listing Number
84.010

Related Federal Assistance
[84.011](#) , [84.013](#)

[View available opportunities on Grants.gov related to this Assistance Listing](#)

<https://sam.gov/content/assistance-listings>

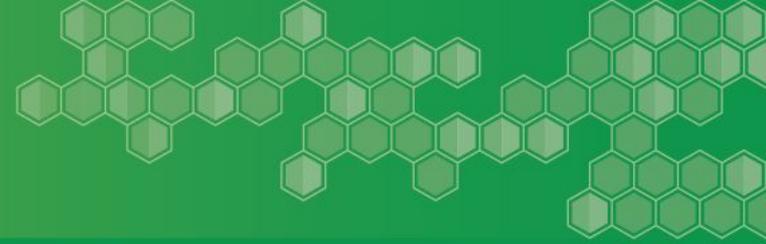


SEFA Example

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipient
U.S. Department of Education					
Passed through State Department of Education					
ESSER III – LEA Learning Loss	84.425U	COVID-19	4414	\$197,543	\$0
ESSER II	84.425D	COVID-19	4420	1,837,144	-
ESSER I	84.425D	COVID-19	4425	389,029	-
Education Stabilization Fund Subtotal				\$2,423,716	\$0
Special Education	84.027		4027	535,085	-
Special Education Preschool	84.173		4173	23,833	-
Special Education Subtotal				558,919	-
Twenty-First Century Community Learning Centers	84.287		5287	-	-
Twenty-First Century Community Learning Centers (Clayton)	84.287C		6287	98,336	-
Twenty-First Century Community Learning Centers Subtotal				98,336	-
Title I	84.010		4010/5010	525,223	-
English Language Acquisition	84.365		4365	15,009	-
Improving Teacher Quality	84.367		4367	88,544	-



SEFA Example



Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipient
U.S. Department of Housing and Urban Development					
Passed through Arapahoe County					
Community Development Block Grant	14.218		7218	33,900	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>33,900</u>	<u>-</u>
U.S. Department of Treasury					
Passed through State Department of Education					
Coronavirus Relief Fund (CRF)	21.019	COVID-19	4012	1,343,641	-
Coronavirus Relief Fund (CRF): K-12 At-Risk Pupils.	21.019	COVID-19	5012	117,051	-
Coronavirus Relief Fund (CRF): School Preparation/Mitigation	21.019	COVID-19	6012	408,580	-
Passed through Arapahoe County					
Coronavirus Relief Fund (CRF)	21.019	COVID-19	4012	131,700	-
TOTAL U.S. DEPARTMENT OF TREASURY				<u>2,000,972</u>	<u>-</u>



Single Audit Notes (Financial Statement Footnotes)

- General (work with your auditor)
- Basis of Accounting (work with your auditor)
- Noncash Programs
 - Commodities donated to the District by the U. S. Department of Agriculture (USDA) of **\$1,558,016** are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch program (10.555).
- Indirect Costs
 - The District has elected to not use the 10 percent de Minimis indirect cost rate as allowed under Uniform Guidance.
- Sub-recipients
 - During the year ended June 30, 2022 the District did not pass through any federal funds to subrecipients.

- The auditor must use a risk-based approach to determine which Federal programs are major programs
 - Type A programs are Federal Programs that exceed \$750,000
 - Type B Programs are all other Federal Programs
- Then the auditor must determine which Type A programs are low-risk. Considerations include:
 - Complexity of the procurement of goods & services
 - Phase of the federal program in its grant life cycle (new grants are higher risk)
 - The size of the Federal award
 - Internal Control deficiencies
 - Modified vs Unmodified Grants Audit Opinion
 - Questioned costs that exceed 5% of the Federal award
- Auditor must use professional judgment for Type B programs

Summary Schedule of Prior Audit Findings & a Corrective Action Plan

Status of Prior Year Audit Findings Year Ended June 30, 2021

Reference Number	Summary of Finding	Status
2020-001	Accounting for Capital Assets: We recommend the District update necessary policies and procedures relating to capital assets and we recommend this process be completed as timely as possible. Once complete, adequate training should be provided to all employees involved in capital asset reporting to ensure the new policies and procedures are properly implemented and enforced.	Implemented



Sample Corrective Action Plan

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

Department of Education

2021-001 COVID-19 – Elementary and Secondary School Emergency Relief (ESSER) Fund – Assistance Listing No. 84.425D

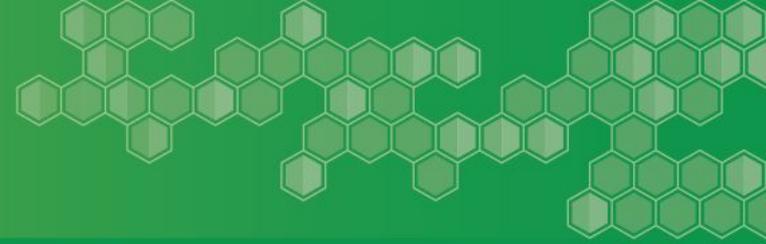
Recommendation: We recommend the District implement controls and procedures to ensure costs are appropriately charged to and comply with provisions of the grant.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The District has expanded controls and procedures, including additional levels of review over the calculation of allowable costs, to ensure furlough days are properly accounted for should the District receive such one-time grants and implement furlough days in the future. The furlough days in combination with the ESSER grant received as a response to the COVID-19 pandemic is expected to be a one-time event.

Name(s) of the contact person(s) responsible for corrective action: [REDACTED] Chief of Operations and Finance

Planned completion date for corrective action plan: April 1, 2022



Management Decision Letters

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)? Yes None Reported

Material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)? Yes None Reported

Material weakness(es)? Yes No



Single Audit Reviews as Part of CDE's Subrecipient Monitoring

- Used as one factor in the Fiscal Monitoring Risk Assessment
 - Findings in past three years OR
 - No required single audit in last three years

Indicator	Low Risk	Low-Med Risk	Med-High Risk	High Risk
Audits – Findings from single audits in the last three years	Single audit with no findings in each of the last three years	Single audit with at least one finding in one of the last three years OR no single audit required within the last three years	Single audit with at least one finding in two of the last three years	Single audit with at least one finding in each of the last three years

- As applicable, review findings in most recent completed Single Audit during Tier II and Tier III reviews
- Monitoring report comments reflective of any concerns noted in single audit

- Audit Report Submission
 - CDE email: schoolfinance@cde.state.co.us
- Federal Audit Clearinghouse
<https://facweb.census.gov/uploadpdf.aspx>
- Assistance Listing Number, formally, Catalog of Federal Domestic Awards
<https://sam.gov/content/assistance-listings>
- 2022 Compliance Supplement
https://www.whitehouse.gov/wp-content/uploads/2022/05/2022-Compliance-Supplement_PDF_Rev_05.11.22.pdf

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