



STATE CONTROLLER'S BULLETIN

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State Controller

Alexander E. Porteous, Commissioner
Administrative & Financial Services

Bulletin #FY19-01

SUBJECT: Schedule of Expenditures of Federal Awards for FY 2018

DATE: July 20, 2018

TO: All Department and Agency Financial Officers with Federal Programs

FROM: Douglas E. Cotnoir, CPA, CIA State Controller

According to federal mandates, specifically CFR 2 §200.512 (a), we must have the final audited federal financial report completed by March 31, 2019. Additionally, Title 5 MRSA §1547 states that all financial information necessary for the State's financial report must be submitted to the Office of the State Controller no later than September 1st following the close of the fiscal year. Also, Title 5 requires that we must submit all financial reports and accompanying papers to the Office of the State Auditor by November 1st.

The *Schedule of Expenditures of Federal Awards (SEFA)* reports the total expenditures for each federal program. All agencies receiving federal assistance must fill out exhibits and related spreadsheets and submit completed exhibits and schedules to the Office of the State Controller (OSC) as we are responsible for compiling this information on behalf of state government. The Office of the State Auditor uses the SEFA to plan which federal programs will be audited. The SEFA must be included in the Single Audit Report for submission to the federal government by March 31, 2019.

Agencies are responsible for preparing, submitting and retaining copies of auditable supporting documentation for all of the SEFA information submitted. Any changes or corrections to information originally submitted must also be sent to the OSC. In addition, we are requiring that agencies identify primary contacts for follow-up questions from the Office of the State Controller and the Office of the State Auditor. Please forward the name and telephone number of the contact to Thomas Randall via e-mail or phone at 626-8492 as soon as possible.

Your agency liaison will be available to help you interpret the SEFA package instructions and to assist you in reconciling your SEFA submission in order to meet the September 1st deadline. Should you have technical questions or require assistance regarding the information to be included related to the SEFA, please contact us at your earliest convenience.

The SEFA must report:

- All federal awards expended during the current state fiscal year.
- The federal programs under which they were received, including:
 - The CFDA number and title
 - The name of the federal agency
 - The pass-through entity and contract or grant number

Recipients of federal awards are required by 2 CFR §200.510 to “include the total amount provided to subrecipients from each Federal program.” The regulation also requires entities to disclose whether they elected to use the 10% de minimis cost rate. To comply with the new requirements, an updated Excel SEFA reporting template and instructions will be provided to agency personnel.

A federal financial assistance award includes not only monies received from the federal government, but also non-cash assistance. Federal awards may include but are not limited to:

surplus property	loans and loan guarantees
agricultural commodities	cooperative agreements
food stamps	interest subsidies
grants	insurance or direct appropriations
contracts	vaccines

Property assistance is reported when the property is received. **Surplus property** is reportable at the time of distribution. **Food commodities** are reported when consumed. **Insurance** is reported for the period in which it is in force. Under **loan and loan guarantee programs**, an award is considered expended when the loan proceeds are used. [See 2 CFR §200.502 “Basis for Determining Federal Awards Expended”] Non-cash federal awards must be reported in Exhibit 2 in the expenditure column in the SEFA reporting template, indicated by an “N” in the expenditure type column. These should be reported separately for each CFDA number.

For a department or agency that did not have any federal expenditures during State FY18, only Exhibit 1 - Department Identification Page in the Excel SEFA reporting template must be completed and submitted to the Controller’s Office by September 1, 2018.

To report expenditures of federal awards for SFY18 (July 1, 2017 through June 30, 2018), prepare the following exhibits and save the files to a central location to be specified by the Controller's Office. The required SEFA schedules are due to be completed by September 1, 2018.

Excel workbook contains exhibits 1 through 4.

Exhibit 1 – Department Identification

Exhibit 2 – Schedule of Expenditures of Federal Awards

Exhibit 2D – Detailed Schedule of Expenditures by Program

Exhibit 3 – Schedule of Expenditures of Federal Awards – footnote worksheet

Exhibit 4 – Subrecipients

Microsoft Word document

Exhibit 4 – Letter of Representation to the Controller's Office

Instructions for obtaining access to the above files and completing the exhibits will be sent to agency personnel currently on a SEFA contact list. If you are responsible for reporting SEFA expenditures for your agency and are unsure if you are on the current contact list, contact Thomas Randall at 626-8492 or send e-mail to thomas.g.randall@maine.gov.