**COVID-19-Specific SEFA Reporting Guidance**

4.14.5.60 **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) with “COVID-19” as a prefix to the program name (refer to the SEFA example).

4.14.5.70

**Donated Personal Protective Equipment (PPE) purchased with COVID-19 federal financial assistance.**

Per Part 8, Appendix VII of the [2024 Compliance Supplement](https://www.whitehouse.gov/omb/office-federal-financial-management/current-compliance-supplement/) during the emergency period of COVID-19 pandemic and as allowed under OMB Memorandum M-20-20 (April 9, 2020), federal agencies and recipients can donate PPE purchased with federal assistance funds to various entities for the COVID-19 response. The donated PPE were mostly provided without any compliance or reporting requirements or Assistance Listing information from the donors. As such, the government that received donated PPE should provide the fair market value of the PPE at the time of receipt as a ***stand-alone footnote*** accompanying their SEFA (value is not reported on the SEFA, only in the Notes to the SEFA in this case). The amount of donated PPE should not be counted for purposes of determining the threshold for a single audit or determining the type A/B threshold for major programs, and is not required to be audited as a major program. Because donated PPE has no bearing on the single audit, the donated PPE footnote may be marked “unaudited.”

As a reminder, the above only relates to donated PPE provided without any compliance or reporting requirements or assistance listing from donors. There could be some PPE that must appear on the SEFA as a federal program (e.g., when the recipient uses funds provided under an Assistance Listing Number to purchase PPE).

**COVID-19 Vaccines – Immunization Cooperative Agreements ALN 93.268**

Per Part 4 of the [2024 Compliance Supplement](https://www.whitehouse.gov/omb/office-federal-financial-management/current-compliance-supplement/) , after the end of each month and after the end of each federal fiscal year, the Centers for Disease Control (CDC) advises each grantee of the value of all federally funded vaccine which was distributed, in lieu of cash, directly to the grantee and/or on behalf of the grantee to vaccinating providers located in the grantee’s geographical area. The annual dollar value of federally funded vaccine should be treated by the grantee as expenditures under a federal award for purposes of determining audit coverage and reporting on the SEFA. ***Therefore, if you are receiving reports from the CDC, report that value on your SEFA.*** However, vaccinating providers and vaccinated individuals are not considered subrecipients; therefore, the value of vaccine received is not considered as expenditures under a federal award for purposes of determining audit coverage and SEFA reporting for those entities.

**Provider Relief Fund (PRF) ALN 93.498**

Per Part 4 of the [2024 Compliance Supplement](https://www.whitehouse.gov/omb/office-federal-financial-management/current-compliance-supplement/) SEFA reporting amounts for this program (including both expenditures and lost revenue) are based upon the PRF report that is required to be submitted to the HRSA reporting portal. The HRSA PRF reporting requirements are summarized in a table found in Part 4 of the 2024 Compliance Supplement (page 4-93.498-9). Refer to the most current version of the table in the Compliance Supplement to determine amounts to be reported on the SEFA.

**Program-Specific SEFA Reporting Guidance**

**FEMA Disaster Grants – Public Assistance**  **ALN 97.036**

* + - 1. Public Assistance (PA) awards are made based upon a **Project** (previously referred to as Public 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](https://www.whitehouse.gov/omb/office-federal-financial-management/current-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 Disaster Grants (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 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.***

**Equitable sharing program – Department of Justice and Department of Treasury**

* + - 1. Equitable Sharing funds ***must*** be reported on the SEFA. Those are funds received from the Department of Justice (ALN 16.922) or the Department of Treasury (see 4.14.5.180 [Column 3] for the guidance regarding coding when the ALN is not available). The Equitable Sharing funds are for payments to state and local law enforcement agencies that directly participate in an investigation or prosecution resulting in a federal forfeiture.

**EPA Clean Water State Revolving Fund (ALN 66.458).**

The EPA has stated in the Compliance Supplement (see IV. Other Information) that subrecipients receiving loans under this program should only report project expenditures incurred (***see note on timing of SEFA reporting below***) because it considers it a subaward, not direct federal loan. For this program, the loan reporting requirements of 2 CFR sections 200.502(b) or (d) do not apply when calculating the amount of federal funds expended. In other words, loan balances are not reported. **CAUTION:** EPA further stated in the Compliance Supplement that to achieve consistency in meeting program requirements and eliminate the possibility of over-reporting information under the Federal Funding Accountability and Transparency Act (“FFATA” or “Transparency Act”), the State CWSRF program must use the same group of loans for purposes of meeting federal cross-cutting, single audit, procurement, and Transparency Act reporting requirements. EPA refers to this as “Equivalency”, which is an option states can use to streamline program implementation. The State awarding agency for CWSRF, WA Department of Ecology (DOE), makes the determination as to which awards it will use for equivalency purposes and tracks this internally. **Only those awards deemed equivalent by DOE are reported on the SEFA, *regardless of the funding source*.** Entities should consult with DOE if they are unclear whether or not their award is an equivalency project or being reported as FFATA. A HelpDesk request may be submitted with our Office for assistance.

**NOTE ON TIMING OF SEFA REPORTING:** **In consultation with the EPA, the subrecipient should not report the expenditures on its SEFA *until the expenditures are incurred and it requests reimbursement* from its awarding agency.** This may result in prior period expenditures being reported on the SEFA.

**EPA Drinking Water State Revolving Fund (ALN 66.468)**

The EPA has stated in the Compliance Supplement (see IV. Other Information) that subrecipients receiving loans under program should only report project expenditures incurred (***see note on timing of SEFA reporting below***) because it considers it a subaward, not a direct federal loan. For this program, the loan reporting requirements of 2 CFR sections 200.502(b) or (d) do not apply when calculating the amount of federal funds expended. In other words, loan balances are not reported. **CAUTION:** EPA further stated in the Compliance Supplement that to achieve consistency in meeting program requirements and eliminate the possibility of over-reporting information under the Federal Funding Accountability and Transparency Act (“FFATA” or “Transparency Act”), the State DWSRF program must use the same group of loans for purposes of meeting federal cross-cutting, single audit, procurement, and Transparency Act reporting requirements. EPA refers to this as “Equivalency”, which is an option states can use to streamline program implementation. The State awarding agency for DWSRF, WA Department of Health (DOH), makes the determination as to which awards it will use for equivalency purposes and tracks this internally. **Only those awards deemed equivalent by DOH are reported on the SEFA, *regardless of the funding source*.** Entities should consult DOH if they are unclear whether or not their award is an equivalency project or being reported as FFATA. A HelpDesk request may be submitted with our Office for assistance.

**NOTE ON TIMING OF SEFA REPORTING:** **In consultation with the EPA, the subrecipient should not report the expenditures on its SEFA *until the expenditures are incurred and it requests reimbursement* from its awarding agency.** This may result in prior period expenditures being reported on the SEFA.

**USDA Interim Financing: Water and Waste Disposal Systems for Rural Communities (ALN 10.760), Community Facilities Loans and Grants (ALN 10.766).** After USDA has made a commitment on a loan, the borrower may be required to obtain interim financing from commercial sources (e.g., a bank loan) for the construction period. **Expenditures from these commercial loans which will be repaid from a USDA loan should be considered Federal awards expended, included in determining Type A programs, and reported in the Schedule of Expenditures of Federal Awards**. The subsequent issuance of the USDA loan is not reported as an expenditure on the SEFA.

**Continuing Compliance Requirements for 10.760:**  Per the 2024 Compliance Supplement, and in consultation with USDA, prior loan balances are not considered to have continuing compliance requirements***.*** Therefore, the beginning of the period loan balance is not required to be reported on the SEFA in accordance with 2 CFR 200.502(b) during or after project completion.

**Continuing Compliance Requirements for 10.766:** Per the 2024 Compliance Supplement, for Community Facility (CF) direct loans, the Agency requires a promissory note or bond and security that will adequately protect the interest of the Agency during the repayment period of the loan. In the case of a CF guaranteed loan, the borrower executes a promissory note or bond with the lender and the lender is responsible for obtaining adequate security to protect the interest of the lender, any holder, and the Government. Loan terms cannot exceed 40 years, the useful life of the facility or state statute, whichever is less. The borrower is required to repay the principal and interest according to the terms of the note or bond. The full outstanding balance on the note or bond should be considered Federal awards expended, included in determining Type A programs, and reported as loans on the Schedule of Expenditures of Federal Awards in accordance with 2 CFR part 200, Subpart F.

CF borrowers are required to fund reserves, maintain insurance, deposit funds in Federally insured banks, meet financial covenants, maintain sufficient debt service ratios, and in some cases comply with additional requirements established as part of the loan approval process. These requirements indicate the continuing compliance requirements that CF borrowers must meet. USDA expects borrowers to comply with the continuing compliance requirements as well as borrowers’ audits to comply with 2 CFR 200, Subpart F.

Therefore, **for borrowers that have expended no other federal funding but have an outstanding CF loan balance of $750,000 or more, an audit under 2 CFR Subpart F is required.** **For borrowers that have expended other federal funding and that are otherwise subject to a single audit under 2 CFR Subpart F, any outstanding CF loan balance must be included on the borrower’s Schedule of Expenditures of Federal Awards.** **The USDA’s determination that continuing compliance requirements exist for all CF loans was first required to be applied to borrowers’ outstanding CF loan balances for fiscal years ending on or after June 30, 2022.** All borrowers were informed of this change through an Administrative Notice issued on September 19, 2022, which is posted on the USDA website at [RD AN No. 4889 (1942-A, 5001 and 3570-B) (usda.gov)](https://www.rd.usda.gov/sites/default/files/an4889.pdf).

***This change is to be applied prospectively and will be effective for borrowers with outstanding CF loan balances for fiscal years ending on or after June 30, 2022. There is no expectation that borrowers that had existing outstanding loan balances in years prior to June 30, 2022, go back and have single audits performed of prior periods.***