

## **GRANT PROCEDURES – SINGLE AUDIT WORK PAPERS, SEFA, FEDERAL CLEARINGHOUSE**

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### **SUMMARY**

The purpose of this policy is to establish grant procedures on Single Audit process to ensure compliance with Uniform Guidance 2 CRF Part 200, subpart F-Audit Requirements.

Single Audit is an organization-wide financial statement and federal awards' audit of a non-federal entity that expends federal funds in one year. It is intended to provide assurance to the federal government that a non-federal entity has adequate internal controls in place and is generally in compliance with program requirements. Non-federal entities typically include states, local governments, Indian tribes, universities, and non-profit organizations. The Single Audit test model examines non-federal entity post-award reporting requirements under the Single Audit Act. These requirements may be facilitated by a more streamlined approach for SF-SAC/SEFA reporting.

### **PROCEDURE**

Grant recipient departments are required to complete the Single Audit Work Papers (Attachment A) annually at fiscal year-end before the Single Audit process commences. Refer to the End of Year Schedule for the due date.

The Single Audit Work Papers consist of the following documents: grant fact sheet, trial balance reconciliation, trial balance, listing of cash receipts, and grant understanding questionnaire.

**Grant Fact Sheet:** Provides grant general information such as MDC grant number, granting agency and pass through agency, term, contract number, ALN/CSFA number, funding source and general questions. It must be accompanied by the executed grant agreement and all of its modifications/amendments as supporting documentation.

**Receipt Summary and Reconciliation:** Reconciles cash receipts to revenues recognized. It comprises the Single Audit Presentation that lays out the total federal and/or state revenues, local match, total expenditures, and total receivable. The amount passed through to subrecipients must be included at the bottom of the page. Departments must include supporting documentation showing payment detail to subrecipients, preferably an Accounts Payable report or a transaction summary. Refer to Procedure 363-A, Accounting, Budgeting and Reporting for Grants, for additional guidance on how to properly record payments to subrecipients.

**Trial Balance:** Shows the closing balances of all accounts in the general ledger at fiscal year-end. It includes a portion to enter the adjustments that will be submitted on period 913 (post-closing entries). It calculates the ending balance of assets, liabilities, revenues, expenditures, and fund balances, taking into account the period 913 adjustments.

**Receipt Listing:** Lists all cash receipts that will be used on the reconciliation sheet. It provides details on cash disbursements from the grantor.

**Grant Understanding Questionnaire:** 14 grant-related general questions that provide information to assist the external auditors with their initial risk assessment of individual programs. A copy of the grantor's latest monitoring report and/or any important communication from the grantor must be provided as supporting documentation.

The Single Audit Work Papers package should be prepared by the grant accountants or equivalent, and reviewed and approved by managers or equivalent at the grant recipient department.

## **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA) PROCEDURES**

Grant recipient departments must submit the Single Audit Work Papers to the Finance Department Controller's Division, Grant Section by the established due date noted in the End of Year Schedule.

The Finance Department is responsible for the following:

- Verify and validate the information provided in the Single Audit Work Papers with the information in the award profile, trial balance, and transaction detail report from the accounting system.
- Prepare the preliminary Schedule of Expenditures of Federal Awards (SEFA) to include:
  - o County's internal grant number
  - o Assistance listing number (ALN), formally known as CFDA number, if applicable
  - o Federal program name
  - o Name of the federal funding agency
  - o Type of award (Federal or Federal Pass-through)
  - o Other miscellaneous revenue (includes interest earned), if applicable
  - o In-kind revenue (includes County's matching funds), if applicable
  - o Federal and state revenue (excludes match portion)
  - o Total expenditures per program (includes County's matching funds, if applicable)
  - o Total federal/state expenditures (excludes County's matching funds, if applicable)
- Provide the preliminary SEFA to the external auditors for the selection of type A (major programs) and type B programs that will be tested for compliance according to 2 CFR Part 200.
- Serve as a liaison between the County's and the external auditors.
- Fulfill auditors' requests to facilitate the testing, such as expenditure reports per program, fully executed agreements, extensions and amendments to agreements, period of performance, transaction details, trial balances, compliance questionnaires, etc.
- Reconcile the SEFA to the general ledger and provide reconciliation to external auditors.
- Prepare the final SEFA that will be published on the County's website and uploaded to the federal clearinghouse website via template. The final SEFA/Single Audit Report must include:
  - o County's name, document's title, and fiscal year
  - o Name of the federal funding agency
  - o Assistance listing number (ALN), formally known as CFDA number, if applicable
  - o Federal cluster title and total expenditures per cluster

- Classification of the program (Direct or Pass-through)
- Direct federal program name, award and total expenditures per program
- Pass-through program name, pass-through entity, pass-through identification number, and total expenditures per program
- Additional program identification and total expenditures, e.g., COVID-19 programs
- Total amount passed through to subrecipients of the program, if applicable

## **FEDERAL CLEARINGHOUSE PROCEDURES**

The Finance Department is responsible for setting up the single audit in the federal clearinghouse website, giving access to the external auditors and County's employees involved in the single audit, assigning their roles, and preparing and uploading the federal clearinghouse template according to the instructions. The template must conform with the final SEFA, identify the major programs, and indicate whether there are major program findings or not.

The external auditors are responsible for reviewing the information uploaded by the County, adding correction plans and any pertinent information related to the single audit, and finalizing the details before submission and certification. The report must be certified by County management and the external auditors.

The federal clearinghouse will send an email confirming the submission and acceptance of the single audit report. The grant section within the Finance Department must keep it as evidence of submission and acceptance according to 2 CFR Part 200 Subpart F-Audit Requirements.

### **Attachment A:**

Single Audit Work Paper, available at:

<https://www.miamidade.gov/managementandbudget/library/grant-procedures-single-audit.xlsx>

### **References:**

Codes of Federal Regulations. "ecfr.gov." n.d. *2 CFR Part 200 Subpart F-Audit Requirements*.

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-F>

### **CONTACT(S):**

**Department/Division**

Office of Management and Budget