Division of Finance

State Finance SEFA Training

June 30, 2026

The Single Audit Act Assurance Cycle

SEFA is a core requirement for governments subject to the Single Audit Act. It provides formal assurance to the Federal Government that a non-federal entity has adequate internal controls in place and complies with program requirements.

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The Federal Expenditure Universe

2 CFR 200.502

Cash Outlays

Grant expenditures, Subrecipient disbursements, Program income.

Credit & Capital

Loans and loan guarantees, Endowment funds.

Healthcare

Medicare/Medicaid.

Non-Cash Assistance

Free rent, food, donated property, medical supplies.

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Navigating the OMB Compliance Supplement

The Office of the State Auditor (OSA) uses this supplement to determine which requirements to test.

2 CFR PART 200, APPENDIX XI

COMPLIANCE SUPPLEMENT

November 2025
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

- **Part 1:** Background
- **Parts 2 & 3:** Compliance requirements
- **Part 4: Federal Agency Program Requirements**
- **Part 5:** Clusters of Programs
- **Part 6:** Internal Control
- **Part 7:** Audit Guidance (Unlisted programs)
- **Part 8:** Appendices (I-IX)
- **Key Focus:** Appendix V (Prior year changes) & Appendix VII (COVID-19 guidance)

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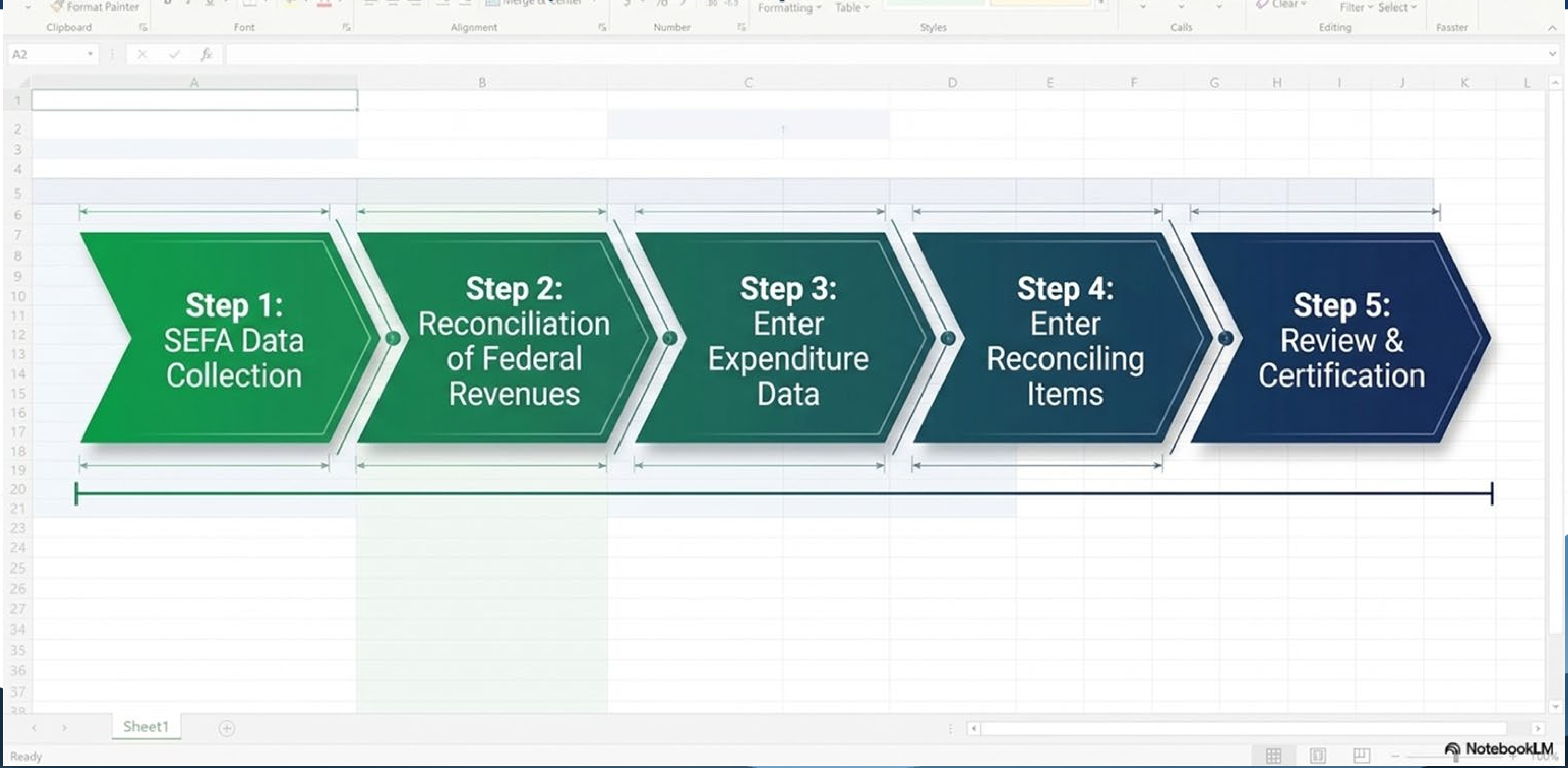
Compliance Supplement

2025 Compliance Supplement – 2 CFR Part 200 Appendix XI (November 2025)

- Title page and Table of Contents (9 pages, 295 KB)
- Part 1 — Background, Purpose, and Applicability (10 pages, 93 KB)
- Part 2 — Matrix of Compliance Requirements (7 pages, 315 KB)
- Part 3 — Compliance Requirements (201 pages 1,785 KB)
- Part 4 — Agency Program Requirements (1 page, 16 KB)
  - Department of Agriculture (USDA) (143 pages, 1,329)
  - Department of Commerce (DOC) (78 pages, 805 KB)
  - Department of Defense (DOD) (10 pages, 160 KB)
  - Department of Housing and Urban Development (HUD) (322 pages, 3,302 KB)
  - Department of Interior (DOI) (59 pages, 553 KB)

The FY2026 SEFA Preparation Pipeline



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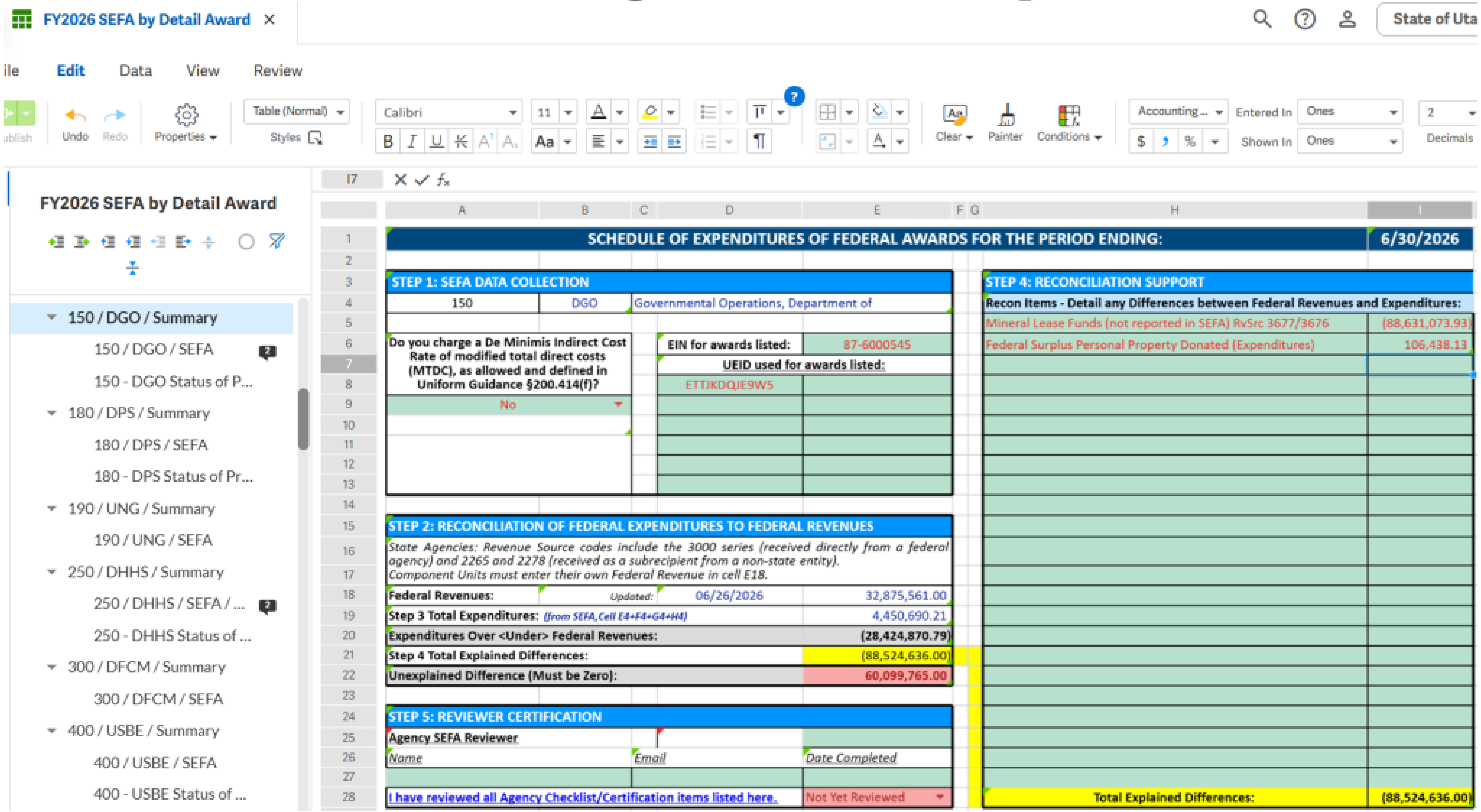
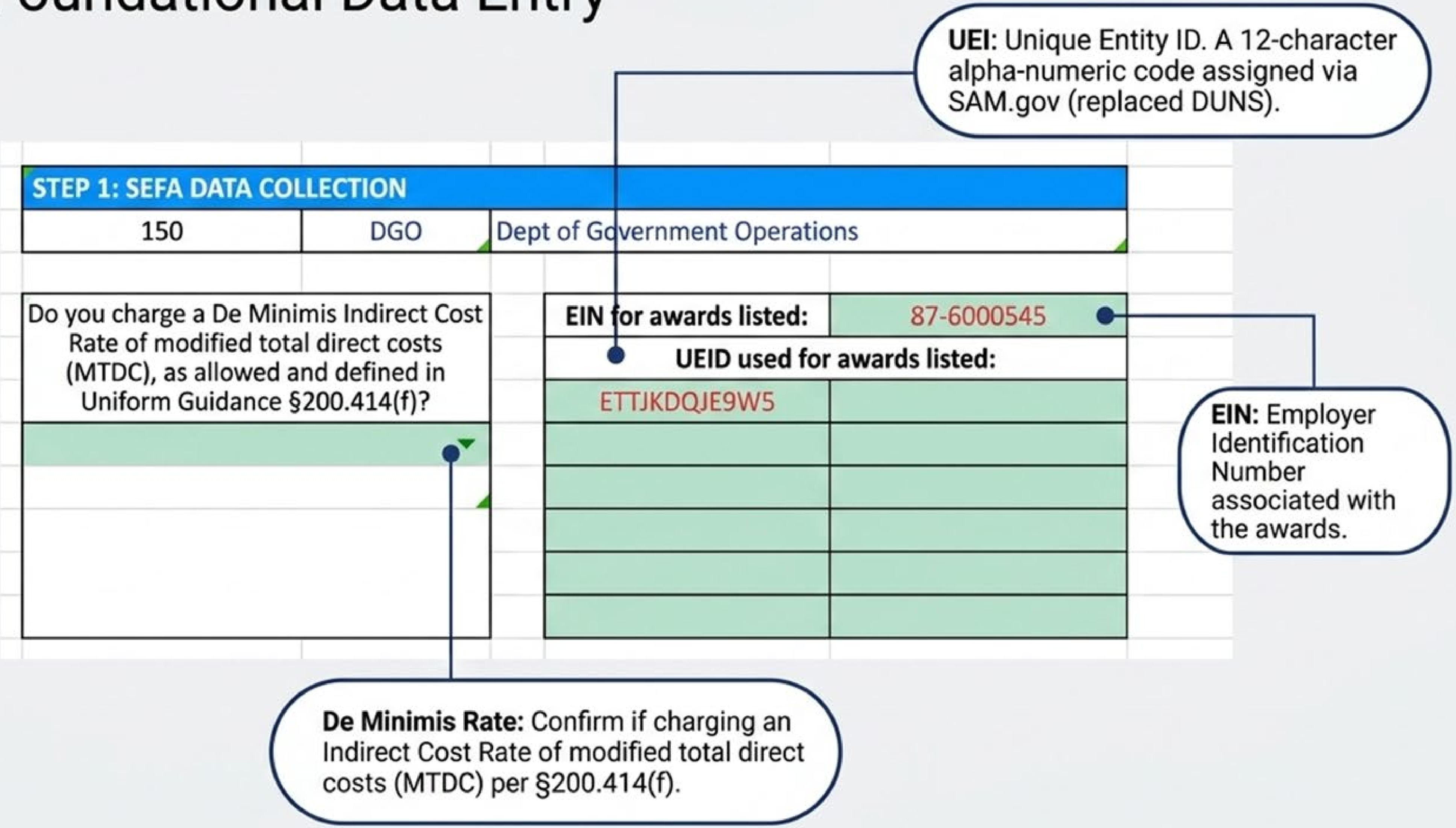
SEFA Summary Tab: Steps 1-5



Step 1: Foundational Data Entry



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Steps 2-4: Recon of Exps to Revs

STEP 2: RECONCILIATION OF FEDERAL EXPENDITURES TO FEDERAL REVENUES			
State Agencies: Revenue Source codes include the 3000 series (received directly from a federal agency) and 2265 and 2278 (received as a subrecipient from a non-state entity). *Component Units must enter their own Federal Revenue in cell E18.*			
Federal Revenues:	*Updated:*	06/26/2026	32,875,561.00
Step 3 Total Expenditures: ***(from SEFA,Cell E4+F4+G4+H4)***			4,450,690.21
Expenditures Over <Under> Federal Revenues:			(28,424,870.79)
Step 4 Total Explained Differences:			—
Unexplained Difference (Must be Zero):			(28,424,871.00)

STEP 4: RECONCILIATION SUPPORT	
Recon Items - Detail any Differences between Federal Revenues and Expenditures:	
Total Explained Differences:	—

Typical Reconciling Items

- Items reported in the ACFR that are not required to be reported in the SEFA
- Accounting Errors – accruals should be entered if possible
  - Reimbursement of prior fiscal year expenditures in the current year
  - Accrued expenditures but no corresponding federal accounts receivable

SEFA Data Entry (green cells)

STEP 3: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS 6/30/2026

For more information on Agency SEFA preparation and review, please see the SEFA checklist/certification requirements listed HERE.

Agency	5 Digit ALN + Suffix (if applicable)	Grant Name	Award Number	Total Expended for Award (incl Loan Bgn Balance and Loans Made) ($)	Loans - Ending Balances ($) (In footnotes but not SEFA)	Loans - Federal Capital Contributions ($) (In footnotes but not SEFA)	Commodities ($)	IF RECEIVED AS SUBAWARD: Name Pass Through	IF RECEIVED AS SUBAWARD: Award Number	Amount Passed Through to Other Entities	Funding Attributes	Prior Year Reported Expenditures	$
DGO			TOTAL:	4,450,690.21	–	–	–			30,131.00		4,450,690.21	
DGO	21.027	COVID-19 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	SLFRP3929	4,304,252.08							COVID	4,304,252	
DGO	89.003	National Historical Publications and Records Grants	RC-102983-20	40,000.00						30,131		40,000	
DGO	39.003	Donation of Federal Surplus Personal Property (Commodity Inventory)	Various	–								–	
DGO	39.003	Donation of Federal Surplus Personal Property	Various	106,438.13								106,438	

None

COVID

R&D

R&D & COVID

Step 3: Structuring Expenditure Data

Basis of Accounting

Report on an Accrual Basis (exactly like the ACFR).

Federal Participation % Only

Do not report gross expenditures. If a program costs $100,000 and the federal reimbursement is 70%, report exactly $70,000.

Combining Awards

Combine federal awards by ALN and use 'Various' as the Award Number.

			Amount Passed Through to Other Entities	Funding Attributes	Prior Year Expenditures
SLFRP3929	4,304,250.28			COVID	4,450,252
RC-1029883-20	40,000.00		30,131		40,000
Various	—				—
Various	106,438.13				106,438

None
COVID
R&D
R&D & COVID

Required Breakouts (Exceptions):

- Subawards from non-state entities (list Pass-Through Name).
- COVID-19 programs.
- R&D programs.

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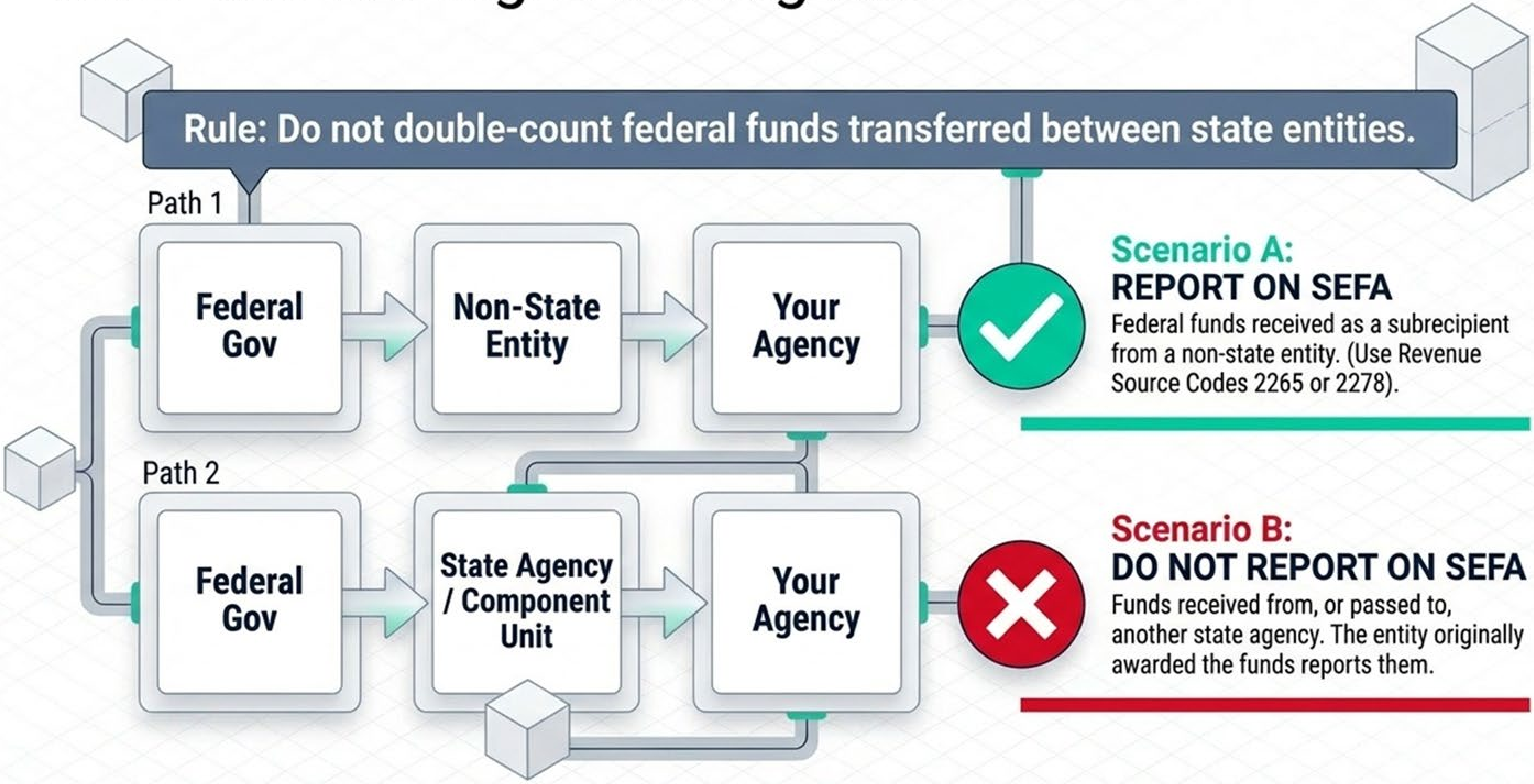
R&D: Research & Development

As defined in 2 CFR section 200.1, *Research and Development*, "research" is a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. "Development" is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including design and development of prototypes and processes. R&D means all research activities, both basic and applied, and all development activities performed by non-federal entities. The term "research" also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other R&D activities and when such activities are not included in the instruction function. The absence of the words "research" and/or "development" in the title of the federal award does not indicate it should be excluded from the R&D cluster. The substance of the federal award should be evaluated by the recipient and the auditor to determine the proper inclusion/exclusion in the R&D cluster.

The Pass-Through Funding Rule



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Diagnostic Matrix: Subrecipient vs. Contractor

Under § 200.331, pass-through entities must make case-by-case determinations.

	Subrecipient	Contractor
Primary Goal	Implements a program for a public purpose	Provides goods/services within normal business operations
Performance Metrics	Measured against Federal program objectives	Ancillary to the Federal program
Decision-Making	Has responsibility for programmatic decisions	Provides similar goods/services to many purchasers
Environment & Rules	Determines eligibility; strictly bound by Federal rules	Operates in a competitive environment; not subject to program compliance

Reference: AGA Subrecipient vs. Contractor Checklist

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Add’l Review & Explanations

Prior Year Reported Expenditures	$ Change from Prior Year	% Change from Prior Year	Prior Year Received as Subaward	Additional Requirements from Compliance Supplement Part 4	Add Review Name Here: Add'l requirements from Part 4 have been met	Additional Review Required for Changes > than 10% from PY	Explanation for Changes > than 10% from PY	Additional Review Required for Changes in Pass-Through	Explanation for 100% Changes in pass-through
4,450,690.21	—		—	Link to Compliance Supplement - Part 4	INCOMPLETE		COMPLETE		COMPLETE
4,304,252	—	— %		REQUIRED: Review Compliance Supplement Part 4 requirements					
40,000	—	— %							
—	—	— %							
106,438	—	— %							

Significant Variances (>10% from Prior Year)

Significant Variances (>10% from Prior Year)

Why?

To ensure completeness, accuracy, and that the reason for shifts is understood by auditors.

How?

Enter a brief, understandable explanation in the designated column.

Examples:

- "One-Time Grant Funding"
- "Program is participant-based and had a 20% increase in participation this fiscal year."

Compliance Supplement Part 4

If any cell in the Part 4 column highlights red, a review of the Compliance Supplement is required.

Enter the reviewer's name in the adjacent column to confirm completion.

Note: Agencies are responsible for all expenditures and must be able to support queries/data.

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Step 5: Certification

STEP 5: REVIEWER CERTIFICATION		
Name	*Email*	*Date Completed*
I have completed the Certifier's Review Checklist listed here.		Not Yet Reviewed

Step 5 Certifier's Review Checklist

Certifier's Review Checklist

General
For all spreadsheets, the text color was changed from red to black to mark as completed.
Summary Sheet
The EIN(s) associated with the agency's awards is listed.
The UEIs associated with the agency's awards are listed.
The de minimis indirect cost rate question is answered correctly.
Explanations for reconciling items are clear and understandable.
The unexplained difference between federal revenues and federal expenditures rounds to zero.
The Certification block (contact info and date) are completed.
SEFA Sheet
Col. B "5 Digit ALN + Suffix" • The ALN for each award is present and correct. • The ALN is 5 digits, plus a letter suffix if applicable. (The letter suffix is mostly used by Education grants.) For example, ALN 10.206. • When the grant documentation and grantor did not provide the ALN, the two digit prefix for the federal agency is used. For example, "10.000" is used for the U.S. Department of Agriculture.
Col. D "Award Number" • An award number is entered for each award. • "Various" is entered as the award number if more than one award number has the same ALN. • "None Provided" is entered as the award number if no award number was provided.
Col. E "Total Expended for Award" • Amounts are entered for each ALN (enter $0 if nothing was spent during the fiscal year) • Expenditure amounts reported should equal the federal portion of amounts expended. • If applicable for your entity, loan beginning balances and loans made are entered. Loan beginning balances should match prior year loan ending balances. • Amounts received from state agencies or component units are not included in this amount.
Col. F "Loans - Ending Balances" • If applicable for your entity, loan ending balances are entered.
Col. G "Loans - Federal Capital Contributions" • If applicable for your entity, federal capital contributions are entered.

Diagnosing and preventing common reporting errors

Common Pitfalls	Prevention Strategy
✗ Missing expenditures, blank fields, or incomplete analysis.	✓ Cross-reference all data directly with the ACFR.
✗ Programs are not grouped by their specific ALN.	✓ Verify all ALNs (Federal IDs) and subrecipient tags early in the process.
✗ Reconciling items that belong in the ACFR (e.g., federal receivables/payables).	✓ Correct these items via JVYE or other Vantage transactions before working on the SEFA.
✗ Vague explanations for reconciliations or the summary of prior audit findings.	✓ Write unambiguous status updates indicating exactly what is fully, partially, or not corrected.
✗ Missing final certifications.	✓ Ensure Step 3 (Date, Contact, Sign-off) is complete before submission.

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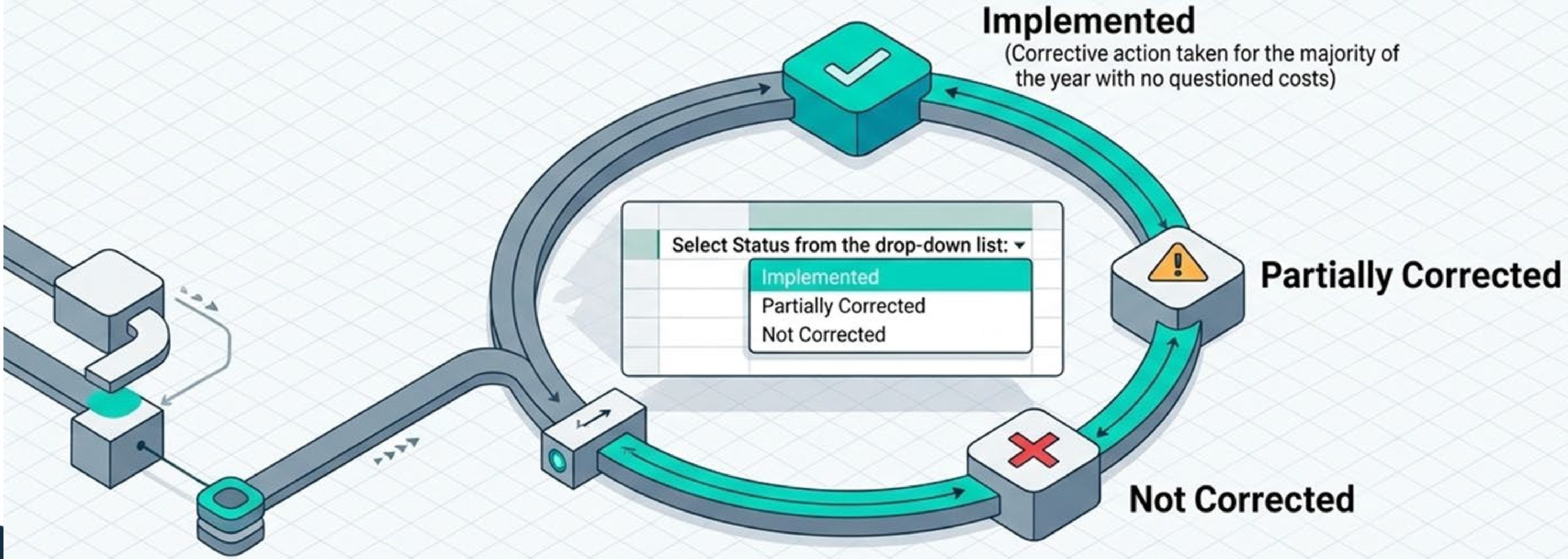
Closing the Loop: Prior Year Findings

The Cycle: SEFA requires tracking the status of previously identified audit findings. If a finding recurs, agencies must provide a detailed explanation and outline a Corrective Action Plan.



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#0-7 (blue): Finding Info

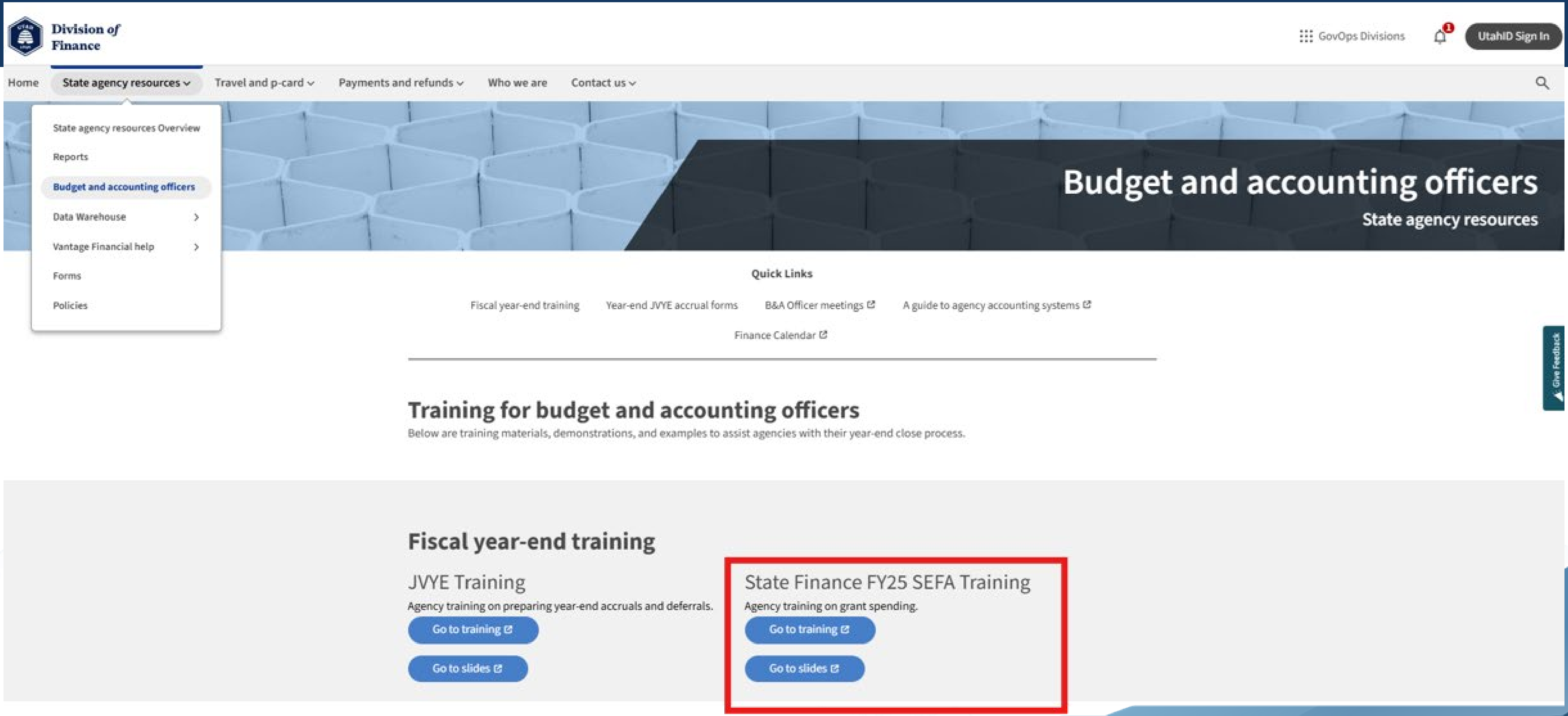
0	1	2	3	4	5	6	7
Agency #	Federal Agency	State Department or Component Unit	Finding #	Initial Year	Prior Year Finding #	Questioned Costs	Finding:
150	GENERAL FINDINGS	Department of Government Operations, Division of Finance	2023-001	2023	n/a	None	Errors in Annual Financial Reporting Preparation Process
150	GENERAL FINDINGS	Department of Government Operations, Division of Finance	2024-002	2024	n/a	n/a	Errors in Financial Reporting Preparation Process
150	GENERAL FINDINGS	Department of Government Operations,	2024-016 - DHRM	2011 (2023 was initial year	2023-020 2022-027 2021-025,	Undeterminable	Working Capital Reserves in Excess of Federal Guidelines --Human Resources Field

#8-12 (red): Status & Fed Follow Up

Change text color to black when it is updated	--"Implemented – corrective action taken" - Implemented the majority of the year, with **NO** questioned costs. ****Also complete columns 10 & 16***** --"Implemented – corrective action taken" - Implemented the majority of the year, **WITH** questioned costs. ****Also complete columns 10-12 & 16***** -- "Partially corrected" or "Not corrected". ****Also complete columns 10-16*****	Format: "Month xx, 202x"		If your agency has received an MDL (management decision letter) from the federal agency regarding the finding, provide a copy to State Finance.
8	9	10	11	12
Updated for FY2026 Yes/No	Select Status from the drop-down list:	Anticipated/Actual Implementation Date:	Describe any communications the department has received from a federal agency or pass-through entity regarding the finding.	Date of Management Decision Letter Issued by Federal Agency.
No	Implemented – corrective action taken	June 30, 2024		
No	Implemented – corrective action taken	June 30, 2025		
No	Partially corrected – repeated in current fiscal year as 2025-XXX	See current year finding	None	None

#12-16 (red): Corrective Action & Contacts

Explain why the prior year finding recurred in the current year.	If corrective actions weren't complete for the majority of the year (> 6 months), describe the partial corrective actions the department took during the fiscal year.	If applicable, describe planned corrective actions. If the status is "Repeated in current fiscal year" you may state, "Planned corrective action is described in the current year's Corrective Action Plan in finding 202x-0xx."	Provide/update, in the following format: Name, Title, Division, email (no phone)
13	14	15	16
Reasons for Recurrence	Partial Corrective Action Taken	Corrective Action Planned	Contact Person(s)
n/a	n/a	n/a	Patricia Nelson, Assistant State Comptroller, patriciarnelson@utah.gov
n/a	n/a	n/a	Patricia Nelson, Assistant State Comptroller, patriciarnelson@utah.gov
Reasons for recurrence are described in the current year's finding.	Partial corrective action is described in the current year's Corrective Action Plan in finding.	Planned corrective action is described in the current year's Corrective Action Plan.	John Barrand (jbarrand@utah.gov), Director, Division of Human Resource Management


Division of Finance
GovOps Divisions
UtahID Sign In
Home
State agency resources
Travel and p-card
Payments and refunds
Who we are
Contact us
State agency resources Overview
Reports
Budget and accounting officers
Data Warehouse
Vantage Financial help
Forms
Policies
Budget and accounting officers
State agency resources
Quick Links
Fiscal year-end training
Year-end JVYE accrual forms
B&A Officer meetings
A guide to agency accounting systems
Finance Calendar
Training for budget and accounting officers
Below are training materials, demonstrations, and examples to assist agencies with their year-end close process.
Fiscal year-end training
JVYE Training
Agency training on preparing year-end accruals and deferrals.
Go to training
Go to slides
State Finance FY25 SEFA Training
Agency training on grant spending.
Go to training
Go to slides
Give Feedback

FAQs

Q1. If I receive federal funds from another state agency or component unit, who reports the federal revenues and federal expenditures?

A1. Except for CARES Act funds, the agency or component unit who is awarded the federal funds reports the federal revenue and expenditures.

Q2. Can a state agency be a federal subrecipient of another state agency or of a component unit? Can a component unit be a federal subrecipient of a state agency or of another component unit?

A2. No. Amounts received from a state agency or component unit should not be reported on the SEFA (see Q1/A1).

Likewise, amounts passed from a state agency or component unit to a state agency or component unit should be included in total expenditures in the SEFA but should not be included in the "Amounts Passed Through to Other Entities" column.

Q3. For state agencies: What revenue source code (RSC) should I use if I receive federal awards as a subrecipient of a non-state entity?

A3. Use either RSC 2265 or 2278; do not use the 3000/4000 series of codes.

FAQs

Q4. How should I report multiple programs with the same ALN?

A4. Combine federal awards by ALN and use “Various” as the Award Number, with the following exceptions broken out on separate lines:

- Amounts received from a non-state entity where your entity is a federal subrecipient of the non-state entity. You’ll enter the name of the non-state entity in the “If Received as Subaward: Name Pass Through” column.
- Amounts related to Covid programs. You’ll select “Covid” or “R&D & Covid” as a Funding Attribute.
- Amounts related to R&D (research and development) programs. You’ll select “R&D” or “R&D & Covid” as a Funding Attribute.

Q5. What backup needs to be provided to Finance with our Workiva SEFA submission?

A5. No other backup is needed for SEFA submission. However, you need to maintain supporting documentation for audit/review purposes.

FAQs

Q6. Why do significant changes from prior year need to be explained?

A6. To ensure the SEFA is complete and accurate and that changes do not reflect errors.

Q7. What is a UEI?

A7. A "Unique Entity ID" is 12-character (alpha-numeric) code assigned to an entity when it registers on SAM.gov to bid on government contracts and apply for federal assistance. The UEI replaced DUNS numbers several years ago.

Q8. Are federal expenditures reported on cash basis or accrual basis?

A8. Accrual basis, just like the ACFR

Q9. Do we report the gross amount of expenditures or just the federal participation % of expenditures on the SEFA?

A9. Report only the federal participation % of expenditures on the SEFA. For example,

Exps = $100,000, federal participation = 100% ⇒ report $100,000 on the SEFA

Exps = $100,000, federal participation = 70% ⇒ report $70,000 on the SEFA

Resources

- 2 CFR 200.510(b) "Schedule of expenditures of Federal awards" minimum requirements:
  https://www.ecfr.gov/current/title-2/section-200.510
- 2 CFR 200.511 "Audit findings follow-up":
  https://www.ecfr.gov/current/title-2/section-200.511
- 2 CFR 200.502 "Basis for determining Federal awards expended"
  https://www.ecfr.gov/current/title-2/section-200.502
- 2 CFR 200.331 "Subrecipient and contractor determinations"
  https://www.ecfr.gov/current/title-2/section-200.331
- AGA Subrecipient Checklist:
  https://www.agacgfm.org/resource/subrecipient-vs-contractor-checklist/

Submission Deadlines & Support

Due Dates

State Agencies:

Tuesday, August 18, 2026

Component Units:

Friday, October 2, 2026

Support Contacts

SEFA Questions:

Liahona Hepworth (lrhepworth@utah.gov)

Rebekka Wilkinson (wilkinsonr@utah.gov)

Workiva Access & Troubleshooting:

Devin Anthony (devinanthony@utah.gov)

Questions & Answers