

July 17, 2017

State Agency:

Both OMB Circular A-133 and OMB’s Uniform Grant Guidance (Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards) states that the preparation of the annual Schedule of Expenditures of Federal Awards (SEFA) is the responsibility of the auditee (the State of Kansas). Clifton, Larson & Allen, LLP will continue to perform the single audit for the State of Kansas for fiscal year 2017, while the Office of the Chief Financial Officer (OFCO) is once again responsible for coordinating and compiling the SEFA data. Due to the large amount of SEFA data to be obtained and summarized, all data will be transmitted electronically to the OCFO via the DA-89.

**Important Special instructions:**

1. If your agency received any non-monetary goods or services either directly from a federal agency or indirectly through a non-federal agency in fiscal year 2017, the value of those non-monetary goods or services must be reported on your SEFA form DA-89. **All Federal non-cash assistance should be valued at fair market value at the time of the receipt, or the assessed value provided by the Federal agency**. Non-monetary awards include commodities, property and equipment, food stamps, vaccines, etc.

2. If your agency transferred funds or non-monetary goods or services to another state agency, the amounts must be reported on your SEFA form DA-89. For funds or non-monetary goods received directly from the federal agency, please code the transactions with a D (Direct Award) or N (Non-monetary Award) in column K (Source of Funding) and enter the amount of expenditures or value of the non-monetary goods in column O (FY 2017 Total recipient, a corresponding entry needs to be made in columns P (Amount Sub-granted to State Agencies) or Q (Amount Expended as Pass-through to a Sub-recipient).

Likewise, if your agency received funds or non-monetary goods from another state agency, **and the funds or non-monetary goods were expended by your agency**, the amount must be reported on your SEFA form DA-89. For funds or non-monetary goods received, please code Column K (Source of Funding) with T for the transfer of dollars, or N if the transfer consisted of non-monetary goods; and enter the required data in Columns L (Agency Number) and M (Agency Name). Both agencies must code the transactions correctly or expenditures could be overstated.

3. All American Recovery and Reinvestment Act (ARRA) expenditures must be shown separately. See the instructions for more information.

4. The SEFA form DA-89 must be submitted by **August 14, 2017**. It is imperative that this deadline is met to allow sufficient time to perform the required audit and to submit the audit by the Federal deadline.

5. All agencies must submit the SEFA Certification form.

The following are specific instructions for State Agencies to follow for the submission of their information to the Office of the Chief Financial Officer.

* The form and instructions will be available to download from the Department of

Administration’s website at <http://www.admin.ks.gov/offices/chief-financial-officer/schedule-of-expenditures-of-federal-awards---sefa>

* Save the input form to your computer system before entering any data. Save the file using your agency number, fiscal year, and SEFA as the file name (e.g., Department for Children and Families will use the file name **629 17 SEFA.xls**).
* Input the data (see separate document for specific form instructions) and save the file again on your computer system.
* Send an email to: Jill.Martin@ks.gov attaching your completed SEFA certification and DA-89

(If required).

* Due date **August 14, 2017**.

The submission deadline must be strictly followed in order for all audit work to be completed and the report prepared and submitted to the Division of Legislative Post Audit by the deadline. Please direct questions to either Jill Martin 785-296-2909 Jill.Martin@ks.gov or Roger Basinger at 785-296-8083 Roger.Basinger@ks.gov.

Sincerely,

DeAnn Hill, CFO

Office of the Chief Financial Officer

Kansas Department of Administration

DH:rdb