



95.10 Federal Assistance Reporting Policies and Procedures

95.10.10

June 15, 2009

Purpose and scope of the policies

95.10.10.a

The Federal Single Audit Act of 1984, most recently amended in 1996, establishes uniform requirements for audits of federal assistance and promotes the efficient and effective use of audit resources. In addition, the federal Office of Management and Budget (OMB) has published OMB Circular A-133 (revised June 27, 2003) further delineating requirements for single audits of federal assistance. Under the provisions of the Act and Circular A-133, Washington has exercised the option to obtain a statewide Single Audit to satisfy the single audit requirements for federal assistance received and administered by agencies and institutions of the State.

As part of this single audit process, the Office of Financial Management (OFM) coordinates with individual state agencies and institutions in compiling the necessary year end federal financial information required to complete the Circular A-133 mandated annual “Data Collection Form” and “Reporting Package.” The reporting package consists of a statewide Schedule of Expenditures of Federal Awards; the statewide Financial Statements; a Summary Schedule of Prior Audit Findings and a Summary Corrective Action Plan for Findings and Questioned Costs, all compiled by OFM, and specified reports compiled by the Auditor. OFM uses the federal disclosure forms in Section 95.20 to collect information on the expenditure of awards of federal assistance by individual state agencies and institutions for the state fiscal year.

95.10.10.b

For the purposes of this Chapter, federal financial assistance is defined as all assistance received, directly or indirectly, from a federal agency in the form of grants, contracts, cooperative agreements, donated surplus property, donated inventories, loans, loan guarantees, property, interest subsidies, insurance, direct appropriations or other assistance. It shall not include reimbursements for vendor services provided federal agencies or reimbursements for services rendered to individuals as described in OMB Circular A-133, § ___.205(h) and § ___.205(i).

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Applicability

Chapter 95 is applicable and binding on all agencies of the state of Washington receiving, administering or expending federal assistance, unless otherwise exempted by federal or state law. The Budget and Accounting Act (RCW 43.88.020) defines the term “Agency” to mean and include “Every state office, officer, each institution, whether educational, correctional or other, and every department, division, board and commission, except as otherwise provided...”

Agencies may request a waiver from complying with specific requirements of this chapter. Refer to Subsection 1.10.40 for information on how to request a waiver.

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Federal revenues

95.10.30.a

Federal revenues are recorded in the Agency Financial Reporting System (AFRS) as follows:

- Revenue Source Codes 0301 through 0354 and 0356 through 0399 identify reportable direct federal assistance activity.
- Revenue Source Code 0546 identifies federal assistance received from other state and local governments or private entities.
- Revenue Source Code 0448 identifies indirect cost recoveries under the statewide central service cost allocation plan.
- Revenue Source Code 0355 identifies federal revenue that is not classified as federal assistance.
- Revenue Source Code 03DS identifies the distribution of certain federal revenues by the State Treasurer.

With the exception of Revenue Source Code 0355, all federal revenues (Revenue Source Codes 0301-0399 plus 0448 and 0546) are to be reported on the federal disclosure forms.

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Revenue Source Code 0355 – Federal Revenue – Non-Assistance includes receipts from a federal agency when a state agency provides vendor services and the related expenditures are charged to a federal expenditure authority code, or other receipts from federal agencies that are not classified as federal assistance, even though the related expenditures are charged to federal expenditure authority codes. Revenue Source Code 0355 facilitates the matching of federal revenues and expenditures for budget purposes.

As for **Revenue Source Code 03DS – Federal Revenue Distributions**, distributions of reportable federal revenues need to be reported as expenditures of those program revenues on the applicable federal disclosure form. Revenue Source Code 03DS distributions applicable to revenues coded to Revenue Source Code 0355 should not be reported.

95.10.30.b **Subgrant to another state agency**

When one state agency subgrants federal assistance to another state agency, the grantee agency records and reports the federal revenue and expenditure. The subgrantee records payment as interagency reimbursement (negative object S expenditure). When full payment has been received by the subgrantee state agency program expenditures should be net zero with no federal assistance revenue or expenditure reporting required.

95.10.30.c **AFRS changes made after the disclosure forms are closed**

For federal revenue reporting purposes, if adjustments to federal revenues or expenditures are posted to AFRS subsequent to closure of federal disclosure forms, the agency is required to correct the applicable disclosure forms. Contact your assigned Accounting Consultant to have the disclosure forms reopened if corrections are needed.

95.10.30.d **Immaterial prior period adjustments**

Refer to Subsection 90.20.15.e. If a write-off of receivables involves federal revenues agencies should contact their assigned OFM Accounting Consultant.

95.10.40 Federal clusters

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95.10.40.a Designation of clusters:

- 01 - Programs Not Clustered
- 02 - Research and Development
- 03 - Student Financial Assistance
- 04 - SNAP
- 05 - Emergency Food Assistance
- 06 - Child Nutrition
- 07 - Rural Rental Housing
- 08 - Section 8 Project-Based
- 09 - Fish and Wildlife
- 10 - Employment Service
- 11 - WIA
- 12 - Federal Transit
- 13- Highway Safety
- 14 - Special Education (IDEA)
- 15 - TRIO
- 16 - Aging
- 17 - CCDF
- 18 - Medicaid
- 19 - Schools and Roads
- 20 - Foster Grandparent/Senior Companion
- 21 - Disability Insurance/SSI
- 22 - Highway Planning and Construction
- 23 - Public Works and Economic Development
- 24 - Foreign Food Aid Donation
- 25 - Homeland Security
- 26 - Transit Services Programs

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95.10.40.b

Definition of clusters (includes CFDA numbers and federal programs):

1. **Programs Not Clustered** includes all federal assistance programs not specifically included in the remaining twenty-five clusters.
2. **Research and Development (R&D)** cluster includes all research activities, both basic and applied, and all development activities that are performed by a nonfederal entity with federal financial assistance.
 - *Research* is a systematic study directed toward fuller scientific knowledge or understanding of the subject studied. Research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other research and development activities and where such activities are not included in the instruction function.
 - *Development* is the systematic use of knowledge and understanding gained from research directed toward the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.
3. **Student Financial Assistance (SFA)** cluster includes those programs of general financial assistance, such as those authorized by Title IV of the Higher Education Act of 1965, as amended, (20 U.S.C. 1070 et seq.) which are administered by the U.S. Department of Education, and similar programs provided by other federal agencies. It does not include programs, which provide fellowships or similar federal awards to students on a competitive basis, or for specified studies or research. At a minimum, the following federal assistance programs will be reported in the SFA cluster:

Department of Education (ED)

84.007	Federal Supplemental Educational Opportunity Grants
84.032	Federal Family Education Loans
84.033	Federal Work-Study Program
84.038	Federal Perkins Loans – Federal Capital Contributions
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
84.375	Academic Competitiveness Grant
84.376	National Science and Mathematics Access to Retain Talent Grant
84.379	Teacher Education Assistance For College and Higher Education Grants

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- 93.342 Health Professions Student Loans, including Primary Care Loans and Loans for Disadvantaged Students
- 93.364 Nursing Student Loans
- 93.925 Scholarships for Disadvantaged Students

4. SNAP ClusterDepartment of Agriculture (USDA)

- 10.551 Supplemental Nutrition Assistance Program
- 10.561 State Administrative Matching Grants for Supplemental Nutrition Assistance Program

5. Emergency Food Assistance ClusterDepartment of Agriculture (USDA)

- 10.568 Emergency Food Assistance Program (Administrative Costs)
- 10.569 Emergency Food Assistance Program (Food Commodities)

6. Child Nutrition ClusterDepartment of Agriculture (USDA)

- 10.553 School Breakfast Program
- 10.555 National School Lunch Program
- 10.556 Special Milk Program for Children
- 10.559 Summer Food Service Program for Children

7. Rural Rental Housing ClusterDepartment of Agriculture (USDA)

- 10.415 Rural Rental Housing Loans
- 10.427 Rural Rental Assistance Payments

8. Section 8 Project-Based ClusterHousing and Urban Development (HUD)

- 14.182 Section 8 New Construction and Substantial Rehabilitation
- 14.195 Section 8 Housing Assistance Payments Program –Special Allocations
- 14.249 Section 8 Moderate Rehabilitation Single Room Occupancy
- 14.856 Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation

Federal Assistance Reporting**9. Fish and Wildlife Cluster**Department of the Interior (DOI)

- 15.605 Sport Fish Restoration
- 15.611 Wildlife Restoration

10. Employment Service ClusterDepartment of Labor (DOL)

- 17.207 Employment Service
- 17.801 Disabled Veterans' Outreach Program
- 17.804 Local Veterans' Employment Representative Program

11. WIA ClusterDepartment of Labor (DOL)

- 17.258 WIA Adult Program
- 17.259 WIA Youth Activities
- 17.260 WIA Dislocated Workers

12. Federal Transit ClusterDepartment of Transportation (DOT)

- 20.500 Federal Transit - Capital Investment Grants
- 20.507 Federal Transit - Formula Grants

13. Highway Safety ClusterDepartment of Transportation (DOT)

- 20.600 State and Community Highway Safety
- 20.601 Alcohol Traffic Safety & Drunk Driving Prevention Incentive Grants
- 20.602 Occupant Protection
- 20.603 Federal Highway Safety Data Improvements Incentive Grants
- 20.604 Safety Incentive Grants for Use of Seatbelts
- 20.605 Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons
- 20.609 Safety Belt Performance Grants
- 20.610 State Traffic Safety Information System Improvements Grants
- 20.611 Incentive Grant Program to Prohibit Racial Profiling
- 20.612 Incentive Grant Program to Increase Motorcyclist Safety
- 20.613 Child Safety and Child Booster Seat Incentive Grants

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14. Special Education (IDEA) ClusterDepartment of Education (ED)

- 84.027 Special Education - Grants to States (IDEA, Part B)
- 84.173 Special Education - Preschool Grants (IDEA Preschool)

15. TRIO ClusterDepartment of Education (ED)

- 84.042 TRIO – Student Support Services
- 84.044 TRIO – Talent Search
- 84.047 TRIO – Upward Bound
- 84.066 TRIO – Educational Opportunity Centers
- 84.217 TRIO – McNair Post-Baccalaureate Achievement

16. Aging ClusterDepartment of Health and Human Services (HHS)

- 93.044 Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers
- 93.045 Special Programs for the Aging - Title III, Part C - Nutrition Services
- 93.053 Nutrition Services Incentive Program

17. CCDF ClusterDepartment of Health and Human Services (HHS)

- 93.575 Child Care and Development Block Grant
- 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund

18. Medicaid ClusterDepartment of Health and Human Services (HHS)

- 93.775 State Medicaid Fraud Control Units
- 93.776 Hurricane Katrina Relief Program
- 93.777 State Survey and Certification of Health Care Providers and Suppliers
- 93.778 Medical Assistance Program (Medicaid)

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- 10.665 Secure Payments for States and Counties containing Federal Lands
- 10.666 Schools and Roads – Grants to Counties

20. Foster Grandparent/Senior Companion ClusterCorporation for National and Community Service (CNS)

- 94.011 Foster Grandparent Program
- 94.016 Senior Companion Program

21. Disability Insurance/SSI ClusterSocial Security Administration (SSA)

- 96.001 Social Security - Disability Insurance
- 96.006 Supplemental Security Income

22. Highway Planning and Construction ClusterDepartment of Transportation (DOT)

- 20.205 Highway Planning and Construction
- 20.219 Recreational Trails Program
- 23.003 Appalachian Development Highway System

23. Public Works and Economic Development ClusterDepartment of Commerce (DOC)

- 11.300 Investments for Public Works and Economic Development Facilities
- 11.307 Economic Adjustment Assistance

24. Foreign Food Aid Donation ClusterU.S. Agency for International Development (USAID)

- 98.007 Food for Peace Development Assistance Program
- 98.008 Food for Peace Emergency Program

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25. Homeland Security Cluster

Department of Homeland Security (DHS)

- 97.004 State Domestic Preparedness Equipment Support Program (State Homeland Security Grant Program)
- 97.067 Homeland Security Grant Program

26. Transit Services Programs Cluster

Department of Transportation (DOT)

- 20.513 Capital Assistance Program for Elderly Persons and Persons with Disabilities
- 20.516 Job Access – Reverse Commute Program
- 20.521 New Freedom Program