STATE ACCOUNTING OFFICE

Brian P. Kemp
Governor

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State Accounting Officer

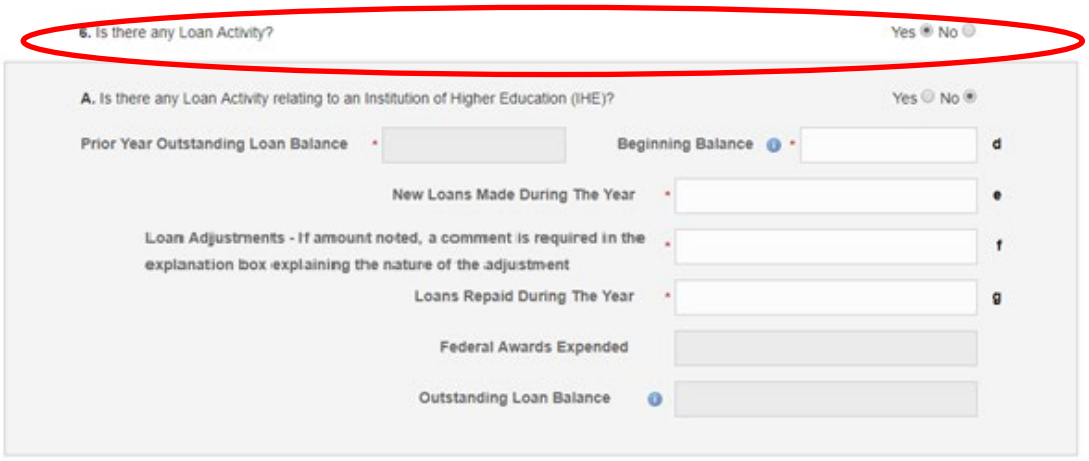
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Additional Instructions for Loan Recording Schedule of Expenditures of Federal Awards (SEFA) Fiscal Year 2026

1. The amount recorded, in the expenditures section of the SEFA webportal application, should equal the Expenditures amount (on a GAAP basis), as defined in **2CFR 200.502 – Basis for determining Federal awards expended**, as follows:
    a. **2CFR 200.502(b)** Loan and loan guarantees (loans). Since the Federal Government is at risk for loans until the debt is repaid, the following guidelines must be used to calculate the value of Federal awards expended under loan programs:
        (1) Value of new loans made or received during the audit period; plus
        (2) Beginning of the audit period balance of loans from previous years for which the Federal Government imposes continuing compliance requirements; plus
        (3) Any interest subsidy, cash, or administrative cost allowance received.
2. The Federal requirements are slightly different for loans made to students of Institution of Higher Education (IHE), but the IHE does not make the loan (such as for Assistance Listing Number (ALN) 84.268), as follows:
    a. **2CFR 200.502(c)** Loan and loan guarantees (loans) at IHEs. When loans are made to students of an IHE but the IHE does not make the loans, then only the value of loans made during the audit period must be considered Federal awards expended in that audit period. The balance of loans for previous audit periods is not included as Federal awards expended because the lender accounts for the prior balances.
3. Therefore, SAO recommends, completing the loan section first and then entering in the expenditure amount (located in the SEFA System at the top of the screen).

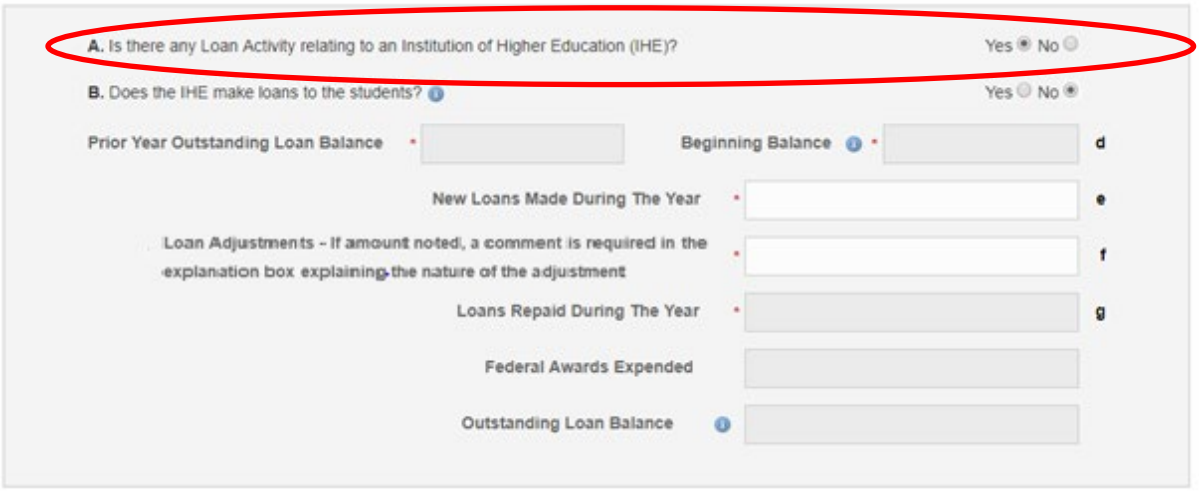
Following are more detailed SEFA webportal application entry instructions:

4. Any ALN with loan activity should click “Yes” in step 6, which will enable the additional loan related boxes to appear. **These additional boxes also need to be completed.**



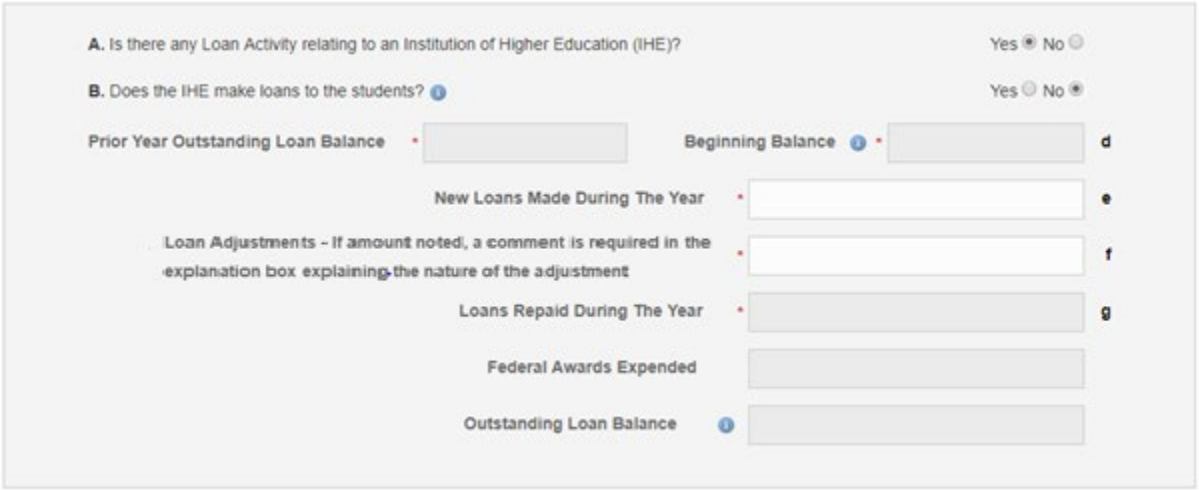
Note: There is additional guidance provided in the blue help circles .

5. Any ALN with loan activity relating to IHEs should click "Yes" in step 6A, which will enable step 6B to appear. **(note: loan ALNs at a University, College, or Technical College would select "Yes" for step 6A)**

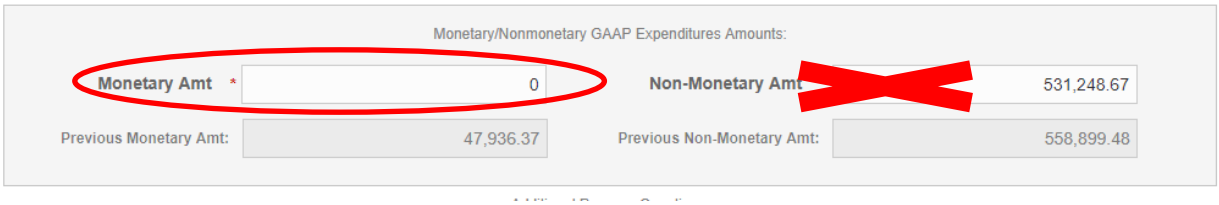


6. Step 6B needs to be answered depending on whether the IHE makes the loans to Students. **(note: at this time step 6B should only be marked "No" for ALN 84.268)**.

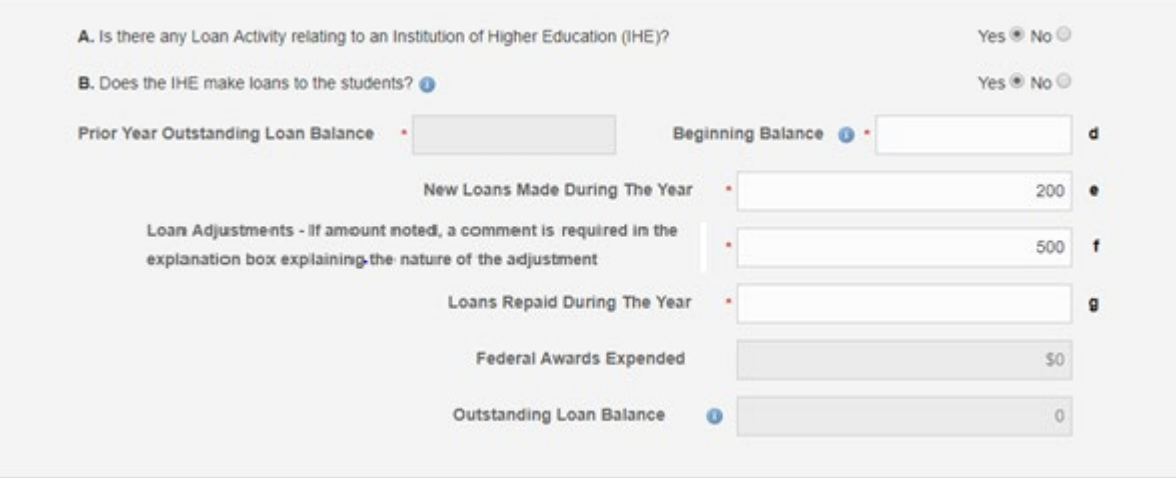
7. Also, if step 6B is "No", other boxes gray out (remember the definition at the top from 2CFR502(c), as to elements that are included in calculating expenditure amount). Therefore, only complete the boxes relating to "New Loans Made During the Year"(e) and if applicable, "Loan Adjustments"(f), which could include the value of and interest subsidy, cash or administrative cost allowance, etc.



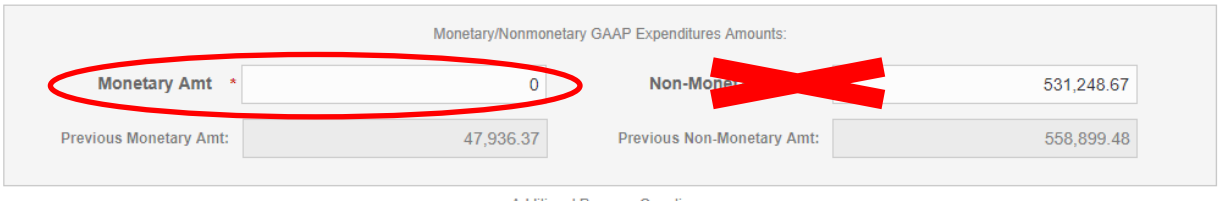
8. For an ALN with step 6B marked as "No", the sum of the amounts in (e) and (f) would then also be recorded in the "Monetary Amt". Nothing should be recorded "Non-monetary Amt", and the SEFA webportal application no longer allows for entry in that field.



9. If step 6B is "Yes", **(note: it will be marked yes most of the time)** most boxes now require entry. Remember definition at top from 2CFR502(b), as to elements that are included in calculating the expenditure amount. The "Beginning Balance" should be entered for loans that have continuing compliance requirements, for more guidance see .



10. For an ALN with step 6B marked as "Yes", the sum of the amounts in (d), (e) and (f) would then also be recorded in the "Monetary Amt". Nothing should be recorded "Non-monetary Amt", and the SEFA webportal application no longer allows for entry in that field. **(note: (g) needs to be completed in order to calculate the outstanding loan balance but does not impact the calculation of the expenditures amount)**



For additional SEFA Resources and Single Audit Reports refer to: https://sao.georgia.gov/statewide-reporting/federal-compliance-reporting