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From: Auditor of State's Center for Audit Excellence
To: All IPA Firms
Subject: Changes to the Record of Single Audit Risk & Major Program Determination
Date: February 15, 2017

As a result of discussions between the Auditor of State, the U.S. Department of Housing and Urban Development and the Ohio Development Services Agency, changes were made to the consideration of the following CDBG programs: CDBG (14.228 ONLY) and HOME (14.239). These programs have been determined to be grant programs, NOT loan programs, and should be recorded on the Schedule of Expenditures of Federal Awards (SEFA) as such.

Additionally, only the initial grant made to the local entity should be recorded of the SEFA. Loan repayments and interest should NOT be recorded on the SEFA for these programs.

We will be updating the IPA FACCRs to include the above guidance and further information within the reporting section of the respective FACCR.

For entities that receive CDBG funds directly from the Housing and Urban Development (HUD) (CFDA 14.218), these funds can be received in either the form of a loan or a grant. Please refer to the [IPA Confirmation listing](#) of entities with loan programs provided to us by HUD. If your entity is not on this list, you should review their agreements to determine the proper SEFA reporting.

Step 1 of the RSAR has been updated to reflect these changes and is applicable for 12/31/16 and subsequent years and has been added to the [IPA Resources internet page](#).

Please submit any questions to FACCR@ohioauditor.gov.