Great Schools Colorado

Charter Schools Program Grant

A Single Audit Blueprint for Subgrantees | September 9, 2026

Meet the CSP Grant Team

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Agenda

1. What Is a Single Audit?
2. Tracking Your Federal Expenditures
3. Navigating the SEFA
4. Preparing for the Single Audit
5. What GSC Reviews in Your Audit
6. Resources
7. Q&A

Today's Objectives

Understand the Single Audit

Know how a federal Single Audit differs from your standard annual financial audit and why it matters for your school.

Know the Threshold

Understand the $1,000,000 federal expenditure threshold and how to determine whether your school may be subject to a Single Audit.

Be Audit Ready

Learn the key steps for tracking federal funds, preparing the SEFA, organizing documentation, and planning for audit costs.

Section 1: Single Audit 101

Understanding the Basics

What is a Single Audit?

A Single Audit is a federal requirement — not something your school chooses to do.

The $1M+ Trigger

Required by federal law if your school spends **$1,000,000 or more** in total federal funds in a single fiscal year.

Applies to schools, nonprofits, and governments receiving federal dollars under **2 CFR 200**.

All-In-One Review

Instead of auditing each grant separately, the Single Audit **combines everything** into one annual review.

Covers both your overall financial statements and compliance with federal program rules.

The program selected for detailed testing is determined by your auditor — it is not always the largest federal grant.

The Core Difference

Standard audit asks:
"Do the books add up?"

Single Audit also asks:
"Did you follow the federal rules for spending this money?"

How a Single Audit Differs from Your Annual Audit

	Your Annual Financial Audit	**A Federal Single Audit**
Required by	Colorado state law	Federal law (Single Audit Act)
Required when	Every year	If your school expends **$1 million or more** in federal awards during the fiscal year
What it covers	Financial statements & internal controls	Everything in a financial audit plus federal grant compliance
What the auditor tests	Financial accuracy, internal controls over financial reporting	All of that, plus: ● Were federal funds spent on allowable activities? ● Were federal grant requirements followed? ● Are internal controls over federal programs working?
Key Reports	Audited financial statements	● Audited financial statements ● Single Audit report which incorporates the SEFA and identifies any federal audit findings
Who sees the results	Your board, authorizer, state	All of the left + federal awarding agencies

The bottom line:

A Single Audit isn't a separate audit — it's a bigger, more detailed version of what you're already doing, with an added layer of federal compliance review.

The $1M Threshold

When Does a Single Audit Apply?

The rule is straightforward: If your school spends a combined total of **$1,000,000 or more in federal funds** during a single fiscal year, a Single Audit is required.

Key details:

- The threshold counts all federal sources combined — CSP, Title I, IDEA, ESSER, school nutrition, and any others
- It's based on expenditures (what you spent), not awards received or funds received.
- The $1M threshold took effect for fiscal years beginning on or after October 1, 2024 (previously $750,000)

What this means for CSP subgrantees: Your CSP grant alone may not push you over $1M — but when combined with your other federal funding, it might. That's why tracking each funding source separately isn't just important — it's required under Uniform Guidance.

Section 2: Tracking Your Federal Expenditures

Setting Your School Up for Success

Why Separate Tracking Matters

Track Each Federal Source Separately

Every federal funding source your school receives MUST have its own fund reporting code in your accounting system. Don't lump them together under a generic "Federal Income" category.

This isn't just a best practice — it's a requirement under the Uniform Guidance. But it also helps *you*.

If your federal sources aren't currently identified separately in your accounting system, now is the time to fix that.

01

It keeps you informed.

When each source is tracked separately, you can see at any point exactly how much federal money you've spent — and whether you're approaching the $1M Single Audit threshold.

02

It makes audit prep easier.

Your auditor will need to see federal expenditures broken out by program. If your books already reflect that, you've saved yourself time, money, and stress.

03

It protects your school.

Clean, transparent records are your best defense if a cost is ever questioned. If funds are blended together, it's much harder to demonstrate that each dollar went where it was supposed to.

ACTION ITEM: Talk to Your Auditor Now!

Your fiscal year ended June 30, and audit planning is happening now.

Before your audit begins this fall:

- **Confirm federal funding is reported separately.**
  Ask your auditor to report each federal funding source separately in your financial statements and notes—not under a single "Federal Income" line.
- **Share your CSP grant information.**
  Let your auditor know you've received a CSP subgrant through Great Schools Colorado (84.282A). Each year, we'll provide your CSP SEFA and grant award notice in early September—share them as soon as you receive them.
- **Determine whether a Single Audit applies.**
  Review your total FY26 federal expenditures with your auditor. If your school exceeded $1 million, confirm the engagement is being planned as a Single Audit.

Section 3: Navigating the SEFA

The Document at the Center of Every Single Audit

What is the SEFA?

What is it?
The Schedule of Expenditures of Federal Awards (SEFA) summarizes your school's federal expenditures by program for the fiscal year. Your auditor prepares it using your accounting records and confirms the grant information against the SEFA provided by the GSC team.

How is it used?
The auditor uses the SEFA to determine which federal programs they will test as major programs during the Single Audit.

Federal Program / Grant Name	ALN Number	Pass-Through Entity	Total Expended
Title I, Part A	84.010	Colorado Dept of Education	$442,918.35
Charter Schools Program (CSP) Subgrant	84.282A	Great Schools Colorado	$613,742.59
TOTAL FEDERAL EXPENDITURES	--	--	**$1,056,660.94**

SEFA HAND-OFF: Who Does What?

1. GSC Provides

We supply a SEFA reflective of all CSP reimbursements made during the fiscal year.

2. The School Tracks

Your team handles the day-to-day log tracking, accounting for dollars actually spent (not just cash awards received) across the fiscal year. If the total in your accounting system does not match the SEFA provided by GSC, the difference must be reconciled.

3. The Auditor Verifies

Your independent auditor matches your internal spending ledger against grant information provided by GSC to confirm compliance.

Section 4: Preparing for the Single Audit

Planning Ahead for a Successful Audit

What Will Your Auditor Review?

During a Single Audit, your auditor will test compliance across several areas:

Allowable Costs

Can you show that every expense was necessary, reasonable, and permitted under the grant terms?

Cash Management

Were federal funds drawn down on a reimbursement basis, and were drawdowns timely and supported?

Procurement

Did purchases follow your school's procurement policies and federal requirements?

Period of Performance

Were all costs incurred within the authorized grant period?

Documentation

Do you have the supporting documentation for each federal expenditure submitted for reimbursement in Foundant—or provided to your authorizer for submission to GSC?

Planning for the Cost of a Single Audit

A Single Audit will increase the cost of your annual audit.

What affects the cost?

- Number of federal programs
- Amount and complexity of federal spending
- Quality and organization of your records
- Amount of follow-up required from the auditor

When will you be billed?

Billing depends on your audit firm. Some firms invoice in phases, such as planning, fieldwork, and reporting, while others bill after the audit is completed.

Can the cost be reimbursed?

CSP can reimburse the cost of a Single Audit for the first year your school is required to complete one.

Common Audit Findings and How to Avoid Them

Missing or Incomplete Documentation
Keep invoices, receipts, timesheets, and written approvals for every federal expenditure. If you can't produce it during the audit, the cost may be questioned.

Procurement Requirements

Follow your board-approved procurement policy for all federal grant purchases, including required quotes, bids, approvals, and documentation. Auditors will check that purchases followed the correct process and thresholds.

Inadequate Time-and-Effort Records

Staff paid with federal funds must have documentation showing how their time was spent — especially if they split time across multiple funding sources.

Incomplete Equipment Inventory

Keep an up-to-date inventory list for all equipment, noting equipment purchased with federal funds, and reconcile it to a physical inventory at least once every two years. Missing or outdated records can lead to an audit finding. 2 CFR § 200.313(d)

Your Action Plan & Timeline

Milestones & Timeline

August

Talk to your auditor now. Make sure they know about your CSP subgrant and that each federal funding source will be reported separately. Review your total FY26 federal expenditures to determine whether you crossed the $1 million threshold. Ask for an updated fee estimate.

Late August/Early September

Receive your CSP SEFA information from GSC and share it with your auditor right away so it can be incorporated into the school's SEFA and audit planning.

September

Confirm the audit scope with your auditor. If FY26 federal expenditures exceeded $1 million, make sure the engagement includes a Single Audit. Gather and organize supporting documentation.

October

Audit fieldwork begins. Provide organized records, including invoices, payroll and time-and-effort documentation, approvals, procurement records, and SEFA support.

Your Checklist

- Confirm each federal funding source is reported separately.
- Share GSC's CSP SEFA information with your auditor as soon as you receive it.
- Confirm whether the audit engagement includes a Single Audit.
- Maintain separate accounting records for each federal program.
- Keep supporting documentation organized and retain it according to your school's record retention policy. At a minimum, records related to a Federal grant must be retained for 3 years after the final grant closeout.

Section 5: How GSC Reviews Your Audit

Our Role in Supporting Compliance

What GSC Looks for in Your Audit

Every year, we review your audit as part of subgrant monitoring.

We focus on two key areas:

- **Your SEFA** listed within your audit to verify that CSP expenditures are accurately reported.
- **Any audit findings** to determine whether corrective action or additional support is needed.

Our goal is to confirm accurate reporting, identify potential risks early, and help schools maintain strong federal compliance.

Help Us, Help You: SEFA Verification

To make this process smooth:

- **Ensure your expenses align with your SEFA report.** If there are any discrepancies, please reach out to the GSC team.
- **Share the CSP SEFA we provide with your auditor.** We'll give you the grant details — CFDA, award amounts, expenditure figures — so your auditor has what they need for the CSP line on your SEFA.
- **Be prepared to explain any differences.** Your auditor's SEFA and ours must match. If the amounts don’t match, contact our team for support in identifying the cause for the difference.

Why Compliance Matters

Increased Oversight

Single Audit findings can trigger corrective action, additional reporting requirements, or closer monitoring from federal agencies and pass-through entities, including the Colorado League of Charter Schools.

Future Funding

Unresolved findings or significant compliance issues can affect your school's ability to receive and manage federal grants going forward.

Strong recordkeeping, organized documentation, and early communication with your auditor can help prevent many common findings.

Grant Resources

Grant Documents

- GSC Request for Application (RFA) from applicable annual competition (FY25 -or- FY26)
- Executed Charter School Agreement
- Approved GSC Subgrant Application and Budget Workbook
- Executed CSP Grant Award Notification (GAN)

Resources and Tools

- 2024 Notice Inviting Applications (NIA)
- CSP Nonregulatory Guidance (2014)
- GSC's CSP Allowable Cost Guidance
- Federal EDGAR and 2 CFR 200 (Uniform Guidance)
- Foundant GMS Portal
- Websites: League and GSC

Questions & Subgrantee Support

GSC Website

Access resources and information online.

www.greatschoolscolorado.org

Grant Program Email

Reach out with general program inquiries.

GreatSchools@coloradoleague.org

Foundant System Support

Get technical help with the grant portal.

GSCsupport@coloradoleague.org

Grant Fiscal Email

Submit financial and budget questions.

GreatSchools@coloradoleague.org

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