\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**(City/County/District)**

**Notes to the Schedule of Expenditures of Federal Awards**

**For the Year Ended December 31, 20\_\_**

**Notes 1 and 7 are required for all governments.** Disclose other notes only if applicable to the government’s circumstances.

Note 1 – Basis of Accounting (***Required***)

This schedule is prepared on the same basis of accounting as the (city/county/district’s) financial statements. The (city/county/district) uses the (describe the basis of accounting used by the city/county/district).

Note 2 – Program Costs (*If applicable.*)

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the (city/county/district’s) portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Revolving Loan – Program Income (*If applicable.*)

The (city/county/district) has a revolving loan program for low income housing renovation. Under this federal program, repayments to the (city/county/district) are considered program revenues (income) and loans of such funds to eligible recipients are considered expenditures. The amount of loan funds disbursed to program participants for the year was $\_\_\_\_\_\_\_\_ and is presented in this schedule. The amount of principal and interest received in loan repayments for the year was $\_\_\_\_\_\_\_\_.

Note 4 – Federal Loans (***Required*** *if applicable.*)

(a) The (city/county/district) was approved by the USDA Rural Utilities Service to receive a loan totaling $\_\_\_\_\_\_\_\_\_\_ to build a sewer treatment plant. The amount listed for this loan includes the proceeds used during the year and the outstanding loan balance from prior years.

(b) The (city/county/district) was approved by the EPA and the PWB to receive a loan totaling $\_\_\_\_\_\_\_\_\_\_ to improve its drinking water system. The amount listed for this loan includes the proceeds used during the year.

Both the current and prior year loans are also reported on the (city/county/district’s) Schedule of Liabilities.

Note 5 – Noncash Awards – Vaccinations (*If applicable.*)

The amount of (vaccine/dental items/commodities/surplus property/etc.) reported on the schedule is the value of (vaccine/dental items/commodities/surplus property/etc.) received by the (city/county/district) during current year and priced as prescribed by \_\_\_\_\_\_\_\_\_\_.

Note 6 – Noncash Awards – Equipment (*If applicable.*)

The (city/county/district) received equipment and supplies that were purchased with federal Homeland Security funds by the state of Washington. The amount reported on the schedule is the value of the property on the date it was received by the (city/county/district) and priced by the state of Washington.

Note 7 – Indirect Cost Rate

*(****Required*** *to state whether or not the de minis indirect cost rate was elected.)*

The (city/county/district) has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**or**

The (city/county/district) has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(*If applicable.)*

The amount expended includes $            claimed as an indirect cost recovery using an approved indirect cost rate of         percent).

Note 8 – American Recovery and Reinvestment Act (ARRA) of 2009 (*If applicable.)*

Expenditures for this program were funded by ARRA.