

ATTACHMENT II
FINANCIAL AND COMPLIANCE AUDIT ATTACHMENT

The administration of resources awarded by the Department of Children & Families to the provider may be subject to audits as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with 2 Code of Federal Regulations (CFR) §§ 200.500- 200.521 and § 215.97, F.S., as revised, the Department may monitor or conduct oversight reviews to evaluate compliance with contract, management and programmatic requirements. Such monitoring or other oversight procedures may include, but not be limited to, on-site visits by Department staff, agreed-upon procedures engagements as described in 2 CFR § 200.425 or other procedures. By entering into this agreement, the recipient agrees to comply and cooperate with any monitoring procedures deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Department's inspector general, the state's Chief Financial Officer or the Auditor General.

Quarterly submission of Financial reports, inclusive of General Ledger Trial Balance, Statement of Financial Position (aka Balance Sheet), and a program level Profit and Loss Statement to aid in ensuring compliance with (CFR) §§ 200.500- 200.521 and § 215.97, F.S.

AUDITS

PART I: FEDERAL REQUIREMENTS

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §§ 200.500-200.521.

In the event the recipient expends \$750,000 or more in Federal awards during its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR §§ 200.500-200.521. The recipient agrees to provide a copy of the single audit to the Department's Single Audit Unit and its contract manager. In the event the recipient expends less than \$750,000 in Federal awards during its fiscal year, the recipient agrees to provide certification to the Department's Single Audit Unit and its contract manager that a single audit was not required. In determining the Federal awards expended during its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from the Department of Children & Families, Federal government (direct), other state agencies, and other non-state entities. The determination of amounts of Federal awards expended should be in accordance with guidelines established by 2 CFR §§ 200.500-200.521. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200 §§ 200.500-200.521 will meet the requirements of this part. In connection with the above audit requirements, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR § 200.508.

The schedule of expenditures should disclose the expenditures by contract number for each contract with the Department in effect during the audit period. The financial statements should disclose whether or not the matching requirement was met for each applicable contract. All questioned costs and liabilities due

the Department shall be fully disclosed in the audit report package with reference to the specific contract number.

PART II: STATE REQUIREMENTS

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

In the event the recipient expends \$500,000 or more (\$750,000 or more for fiscal years beginning on or after July 1, 2016) in state financial assistance during its fiscal year, the recipient must have a State single or project-specific audit conducted in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. The recipient agrees to provide a copy of the single audit to the Department's Single Audit Unit and its contract manager. In the event the recipient expends less than \$500,000 (less than \$750,000 for fiscal years beginning on or after July 1, 2016) in State financial assistance during its fiscal year, the recipient agrees to provide certification to the Department's Single Audit Unit and its contract manager that a single audit was not required. In determining the state financial assistance expended during its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Children & Families, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

In connection with the audit requirements addressed in the preceding paragraph, the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 or 10.650, Rules of the Auditor General.

The schedule of expenditures should disclose the expenditures by contract number for each contract with the Department in effect during the audit period. The financial statements should disclose whether or not the matching requirement was met for each applicable contract. All questioned costs and liabilities due the Department shall be fully disclosed in the audit report package with reference to the specific contract number.

PART III: REPORT SUBMISSION

Any reports, management letters, or other information required to be submitted to the Department pursuant to this agreement shall be submitted within 180 days after the end of the provider's fiscal year or within 30 (federal) or 45 (State) days of the recipient's receipt of the audit report, whichever occurs first, directly to each of the following unless otherwise required by Florida Statutes:

- A. Contract manager for this contract (1 copy)
- B. Department of Children & Families (1 electronic copy and management letter, if issued)

Office of the Inspector General
Single Audit Unit
Building 5, Room 237
1317 Winewood Boulevard
Tallahassee, FL 32399-0700

Email address: HQW.IG.Single.Audit@myflfamilies.com

C. Reporting packages for audits conducted in accordance with 2 CFR Part 200 §§ 200.500-200.521, and required by Part I of this agreement shall be submitted, when required by § 200.512 (d) by or on behalf of the recipient directly to the Federal Audit Clearinghouse using the Federal Audit Clearinghouse's Internet Data Entry System at:

<http://harvester.census.gov/fac/collect/ddeindex.html>

and other Federal agencies and pass-through entities in accordance with 2 CFR § 200.512.

D. Copies of reporting packages required by Part II of this agreement shall be submitted by or on behalf of the recipient directly to the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

Email address: flaudgen_localgovt@aud.state.fl.us

Providers, when submitting audit report packages to the Department for audits done in accordance with 2 CFR §§ 200.500-200.521, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit or for-profit organizations), Rules of the Auditor General, should include, when available, correspondence from the auditor indicating the date the audit report package was delivered to them. When such correspondence is not available, the date that the audit report package was delivered by the auditor to the provider must be indicated in correspondence submitted to the Department in accordance with Chapter 10.558(3) or Chapter 10.657(2), Rules of the Auditor General.

PART IV: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of this agreement for a period of six years from the date the audit report is issued and shall allow the Department or its designee, Chief Financial Officer or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department or its designee, Chief Financial Officer or Auditor General upon request for a period of three years from the date the audit report is issued, unless extended in writing by the Department.