



## **FINANCIAL AND COMPLIANCE AUDIT REQUIREMENTS**

The administration of resources awarded by Communities Connected for Kids, Inc. to the SERVICE PROVIDER may be subject to audits as described in this attachment.

### **MONITORING**

In addition to reviews of audits conducted in accordance with 2 CFR Part 200 and Florida Statutes 215, as revised, CCKids 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 CCKids staff, limited scope audits as defined by 2 CFR Part 200 or other procedures. By entering into this agreement, the SERVICE PROVIDER agrees to comply and cooperate with any monitoring procedures deemed appropriate by CCKids. In the event CCKids determines that a limited scope audit of the SERVICE PROVIDER is appropriate, the SERVICE PROVIDER agrees to comply with any additional instructions provided by CCKids CBC regarding such audit. The SERVICE PROVIDER further agrees to comply and cooperate with any inspections, reviews, investigations or audits deemed necessary by DCF staff, DCF's Inspector General, the State of Florida's Chief Financial Officer or the Auditor General.

### **AUDITS**

#### **PART I: FEDERAL REQUIREMENTS**

This part is applicable if the SERVICE PROVIDER is a State or local government or a non-profit organization as defined in 2 CFR Part 200, Subpart F.

In the event the SERVICE PROVIDER expends \$750,000 or more in Federal awards during its fiscal year, the SERVICE PROVIDER must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR Part 200.514. The SERVICE PROVIDER agrees to provide a copy of the single audit to the CCKids Contract Manager. In the event the SERVICE PROVIDER expends less than \$750,000 in Federal awards during its fiscal year, the SERVICE PROVIDER agrees to provide certification to CCKids that a single audit was not required. In determining the Federal awards expended during its fiscal year, the SERVICE PROVIDER shall consider all sources of Federal awards, including Federal resources received from CCKids, DCF, 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 Part 200.502. An audit of the SERVICE PROVIDER conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200 will meet the requirements of this part. In connection with the above audit requirements, the SERVICE PROVIDER shall fulfill the requirements relative to auditee responsibilities as provided in Subpart F of 2 CFR Part 200.

The schedule of expenditures should disclose the expenditures by contract number for each contract with CCKids 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 CCKids shall be fully disclosed in the audit report package with reference to the specific contract number.

#### ***Single Audit Information for SERVICE PROVIDERs that are Recipients of Recovery Act Funds:***

To maximize the transparency and accountability of funds authorized under the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) (Recovery Act) as required by Congress and in accordance with 2 CFR Subpart D "Single Audit Information for Recipients of Recovery Act Funds", the SERVICE PROVIDER agrees to maintain records that identify adequately the source and application of Recovery Act funds.



## **PART II: STATE REQUIREMENTS**

This part is applicable if the SERVICE PROVIDER is a non-state entity as defined by Section 215.97(2), Florida Statutes.

In the event the SERVICE PROVIDER expends \$750,000 or more in state financial assistance during its fiscal year, the SERVICE PROVIDER 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 SERVICE PROVIDER agrees to provide a copy of the single audit to the CCKids Contract Manager. In the event the SERVICE PROVIDER expends less than \$750,000 in State financial assistance during its fiscal year, the SERVICE PROVIDER agrees to provide certification to CCKids that a single audit was not required. In determining the state financial assistance expended during its fiscal year, the SERVICE PROVIDER shall consider all sources of state financial assistance, including state financial assistance received from CCKids, DCF, other state agencies, and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for Federal program matching requirements.

In connection with the audit requirements addressed in the preceding paragraph, the SERVICE PROVIDER 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 CCKids 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 CCKids shall be fully disclosed in the audit report package with reference to the specific contract number.

## **PART III: FOR-PROFIT SERVICE PROVIDERS**

Although PART I and PART II above govern primarily SERVICE PROVIDERS that are a State or local government or a non-profit organization as defined in 2 CFR Part 200, the pass-through entity (CCKids) is responsible for establishing requirements, as necessary, to ensure compliance by for-profit recipients/subrecipients. Therefore, CCKids will require its contracted for-profit SERVICE PROVIDERS who receive \$750,000 or more per year in federal or state funds to have both of the following:

- ◇ A single audit in accordance with the requirements of 2 CFR Part 200.
- ◇ A program-specific annual independent financial and compliance audit conducted and prepared in accordance with Generally Accepted Government Auditing Standards, applicable laws and regulations.

In turn, CCKids will require its contracted for-profit SERVICE PROVIDERS who receive less than \$750,000 per fiscal year in federal or state funds to provide certification to CCKids that a single audit was not required.

For-profit entities must further comply with PART IV, V, and VI stated below herein.

## **PART IV: ANNUAL FINANCIAL STATEMENT REVIEW**

Regardless of the dollar threshold expended by the SERVICE PROVIDER during its fiscal year, at a minimum, an annual financial statement review will be conducted. A review of an organization's financial statements provides a report issued by a CPA which expresses that the financial statements are free from material misstatement. Procedures for conducting a review of financial statements are generally limited to analytical procedures and inquiry of management, as well as obtaining management representations of the completeness of the information provided.



## **PART V: REPORT SUBMISSION**

Any reports, management letters, or other information required to be submitted to CCKids pursuant to this agreement shall be submitted within **(150)** calendar days after the end of the SERVICE PROVIDER's fiscal year or within thirty (30) calendar days of the SERVICE PROVIDER's receipt of the audit report, whichever occurs first, directly to the following unless otherwise required by Florida Statutes:

**Communities Connected for Kids, Inc.  
Attn: Contracts Manager  
1860 SW Fountainview Blvd, Suite 200  
Port St. Lucie, Florida 34986**

Reporting packages for audits conducted in accordance with 2 CFR Part 200 and required by Part I, herein, shall be submitted, when required by 2 CFR Part 200, by the SERVICE PROVIDER, or by the SERVICE PROVIDER's auditor, 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 Part 200.

Copies of reporting packages required by Part II, herein, shall be submitted by the SERVICE PROVIDER, or by the SERVICE PROVIDER's auditor, 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

SERVICE PROVIDERS, when submitting audit report packages to CCKids for audits done in accordance with 2 CFR Part 200 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 SERVICE PROVIDER must be indicated in correspondence submitted to CCKids in accordance with Chapter 10.558(3) or Chapter 10.657(2), Rules of the Auditor General.

## **PART VI: RECORD RETENTION**

The SERVICE PROVIDER shall retain sufficient records demonstrating its compliance with the terms of this agreement for a period of six (6) years from the date the audit report is issued and shall allow CCKids or its designee access to such records upon request. The SERVICE PROVIDER shall ensure that audit working papers are made available to CCKids or its designee upon request for a period of three (3) years from the date the audit report is issued, unless extended in writing by CCKids.