



STATE OF CONNECTICUT

DEPARTMENT OF EDUCATION



TO: Grantees of the Connecticut State Department of Education

FROM: Nora Chapman *nc*
Supervising Accounts Examiner, Office of Internal Audit

DATE: August 1, 2023

SUBJECT: Audit Requirements – 2022-2023 Audits of Federal Awards
and State Financial Assistance

The purpose of this letter is to advise grantees of the Connecticut State Department of Education (CSDE) of the audit requirements associated with Federal Awards and State Financial Assistance. A copy of this letter and the attachments must be provided to your auditor.

Please note that every entity which has received funding from the CSDE must submit the following:

- **A Federal Single Audit if their expenditures meet or exceed \$750,000.**
- **A State Single Audit if their expenditures meet or exceed \$300,000.**
- **A Notification of Exemption for either the Federal Single Audit and/or State Single Audit (if their expenditures are below the applicable thresholds).**
 - [Federal Single Audit Exemption Form](#)
 - [State Single Audit Exemption Form](#)

Additionally, all State Charter Schools must submit to CSDE a copy of their IRS Form 990 – *Return of Organization Exempt from Income Tax* for fiscal year ending June 30, 2023.

I. Federal Awards

Audits must be conducted on the expenditure of all U.S. Department of Education Awards, U.S. Department of Health and Human Services and U.S. Department of Agriculture Awards (Child Nutrition funds), in accordance with the Office of Management and Budget's (OMB) December 26, 2013, release of the Uniform Guidance for Federal Awards (Uniform Guidance) pursuant to the Single Audit Act Amendments of 1996. Audits must be submitted no later than nine months after the close of the entity's fiscal year.

If the entity operates on a fiscal year which is other than July 1 - June 30, please notify the Office of Internal Audit (OIA) in writing of the date of the fiscal year end. If you have notified us previously of your entity's fiscal year end, you need to provide this information again only if the fiscal year end has changed.

Code of Federal Regulations (CFR)

The Uniform Guidance contains the set of cost principles and audit requirements that apply to grants and subgrants awarded to non-federal entities. Information regarding Uniform Guidance and Grants Management Circulars may be found using the links below:

- [OMB Circulars](#)
- [Uniform Guidance](#)

Schedule of Expenditures of Federal Awards (SEFA)

The purpose of the SEFA is to report distributions of federal awards. Separate schedules are required for expenditures of Federal Awards and expenditures of State Financial Assistance. It is imperative that the SEFA accurately identifies all federal programs. To this end, please report the proper Assistance Listing Number (ALN) (formerly known as Catalog of Federal Domestic Assistance or CFDA numbers) and CORE-CT account codes for all federal grant programs listed.

Additionally, OMB Uniform Guidance §200.500 (b) (1) now requires that the SEFA include the total amount provided to sub-recipients from each Federal program.

The following may assist you in the completion of your SEFA:

- **Attachment I** contains instructions for accessing and printing the 2022-2023 Grant Award Listings. Grant Award Listings are available on the CSDE website at the Bureau of Fiscal Services' (BFS) [Grant Payment Reports](#) page.
- **Attachment II** contains a table that lists the grant title and ALN in addition to the CSDE award name and CORE-CT number. Please refer to this information when preparing the SEFA.
- **For Child Nutrition Sponsors** - If you are organizationally part of a municipality, please contact the municipal finance officer to ensure that your program is included and specifically identified in the municipality's audit.

Important Notes Regarding COVID-19 Grant Funding:

CSDE is the Connecticut state agency that was charged with implementing programs under the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act), the American Rescue Plan Act (ARP Act) and the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) that supported elementary and secondary education.

1. Education Stabilization Fund

The Education Stabilization Fund (ESF) was established, with the passing of the CARES Act in March 2020, to provide direct economic assistance to K-12 schools. The CRRSA Act (December 2020), and the ARP Act (March 2021) were passed to address the continued impact of COVID-19 through additional funding to the ESF.

ESF awards were provided to grantees under 23 subprograms. An alphabetic character at the end of the 84.425 ALN was used to delineate the specific subprogram. Each subprogram has its own funding requirements and compliance requirements.

Please note that many auditees will have received and expended funds under multiple ESF subprograms. For major program purposes, auditors must evaluate 84.425 in its entirety. All ESF subprogram expenditures must be considered as part of the ESF program for major program determination purposes.

2. Coronavirus State and Local Fiscal Recovery Fund

Sections 602 and 603 of the Social Security Act, as added by section 9901 of the American Rescue Plan Act of 2021 authorized the CSLFRF. The CSLFRF provides assistance in the form of direct payments in response to the negative economic and fiscal impacts of COVID-19.

Please Note that Appendix VII of the revised (May 2023) [2 CFR Part 200 — Compliance Supplement](#) (Appendix XI) contains important information regarding COVID-19 Grant compliance, reporting and auditing requirements.

Audit Exemption

A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, however records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

Notifications of Exemption must be made in writing to the Office of Internal Audit (email to sde.audit@ct.gov) no later than six (6) months after the end of the entity's fiscal year and include a statement of the amount of federal awards expended.

II. State Financial Assistance

State Financial Assistance provided by the CSDE to municipalities for fiscal years which began on or after July 1, 2022, is to be audited pursuant to the 2009 revisions to the State Single Audit Act, Sections 4-230 through 4-236 of the Connecticut General Statutes (C.G.S.), and applicable regulations:

- Non-state entities that expend \$300,000 or more in its fiscal year in State Financial Assistance must have a state single audit performed. Under certain circumstances, an auditee may elect to have a program-specific audit conducted. C.G.S. Section 4-231 should be consulted for specific guidance relative to this option.
- Additional information regarding the legislative revisions to the State Single Audit Act may be found in Part i – Introduction of the [Compliance Supplement](#).

Schedule of Expenditures of State Financial Assistance

The purpose of the Schedule of Expenditures of State Financial Assistance is the reporting of distributions of state financial assistance. As previously mentioned, separate schedules are required for expenditures of Federal Awards and expenditures of State Financial Assistance.

Additionally, the Compliance Supplement now requires grant recipients to report the amounts they have passed through to sub-recipients on the Schedule.

The following may assist you in the completion of your Schedule of Expenditures of State Financial Assistance:

- An illustrative schedule can be found as Example 4 in “Part 9 – Illustrative Auditor’s Reports and Schedules for Local Governmental Entities - Municipalities and Audited Agencies and Nonprofit Organizations,” of the “Compliance Supplement to the State Single Audit Act for Fiscal Years Beginning On or After July 1, 2022” issued by the state Office of Policy and Management.

Please note that there have been significant changes to the Illustrative Auditor’s Reports due to the effects of Statement on Accounting Standards 134.

- **Attachment I** contains instructions for accessing and printing the 2022-2023 Grant Award Listings. A listing which identifies State Financial Assistance is available on the CSDE website at the BFS’s [Grant Payment Reports](#) page.
- **Attachment III** contains a table that lists the CSDE award name and CORE-CT number. Please refer to this information when preparing the Schedule of Expenditures of State Financial Assistance.

Audit Exemption

A non-state entity that expends less than \$300,000 in its fiscal year in State Financial Assistance is exempt from the state audit requirements for that year. A State Single Audit Filing Exemption Notification must be submitted (See [Compliance Supplement](#)– Part 16) to the Office of Policy and Management (OPM) no later than sixty (60) days subsequent to the entity's fiscal year end. Additionally, records must be available for review or audit by appropriate officials of the state agency.

Notifications of Exemption must be made in writing to the Office of Internal Audit (email to sde.audit@ct.gov) no later than six (6) months after the end of the entity's fiscal year and include a statement of the amount of State Financial Assistance expended.

III. Resolution of Differences Between Audit Amounts and Amounts Filed in the CSDE Electronic Grants Management System (eGMS) for Federal and State Grants

In the eGMS system, End of Year (EOY) and/or End of Project (EOP) expenditures totals are reported by the auditee on a cumulative basis. As a result, reports for multi-year grants will include expenditures from prior years of the grant period. Therefore, the ED141 Expenditure Report – Reporting Year Break Out (ED141-RYBO) Report should be utilized for this process.

Any differences between the ED141– RYBO and the audit report must be reconciled and resolved immediately. To facilitate this reconciliation process, the auditee must list the amount of the awards expended for each award year separately. If necessary, the grantee must file a revised EOY or EOP Expenditure Report with CSDE.

IV. Audit Report Submission Instructions

All audit reports must be submitted via the [Electronic Audit Reporting System](#) (EARS).

Federal Single Audit reports are due nine months after the close of the entity's fiscal year.

Financial and State Single Audit reports must be submitted no later than December 31, 2023.

Please Note: As December 31, 2023, is a Sunday and the following Monday is a holiday, these reports must be submitted on or before Tuesday, January 2, 2024.

For entities that do not have a June 30th fiscal year end, Financial and State Single Audit reports must be submitted six months after the close of the fiscal year or by the extension date granted by the cognizant state agency.

Electronic Audit Reporting System

EARS is a website made available by OPM to provide independent auditors an electronic process for uploading audit reports of their clients on-line. In addition, EARS allows State grantor agencies and the public to access and view the reports that have been filed.

- The filing on EARS for all parts of the audit reporting package is mandatory. **This includes the [Municipal Audit Questionnaire](#) and corrective action plans in response to audit findings.**
- Please contact the Municipal Finance Services Section of the Office of Policy and Management at 860-418-6400, if you should encounter any problems or have any questions.
- EARS also allows for the filing of financial audit reports and federal single audit reports that would normally be filed with other state agencies whether or not a State Single Audit report is being filed.
- Once an electronic version of the reports has been submitted on EARS, no other Single Audit submission directly to CSDE is required.

Federal Audit Clearinghouse

In addition to filing on EARS, all federal single audits must be submitted to the [Federal Clearinghouse \(FAC\)](#). See the FAC website for instructions regarding audit submission.

Please note that the FAC will transition from the U.S. Census Bureau (Census) to the U.S. General Services Administration (GSA) on October 1, 2023. At that time, all submissions will need to be made through the [new FAC](#) hosted by GSA, including all single audits for entities with 2023 FYE dates.

V. Submission of IRS Form 990 – Return of Organization Exempt from Income Tax

All State Charter Schools must submit to OIA a PDF copy of their IRS Form 990 – *Return of Organization Exempt from Income Tax* for fiscal year ending June 30, 2023. If an extension to file has been requested, please submit a copy of IRS Form 8868 – *Extension of Time to File*. IRS Form 990 should then be submitted to OIA at the end of the extension period. Please email these documents to sde.audit@ct.gov.

NC:jc
Attachments

Attachment I

FY 2022-2023 Grant Listing Instructions

Grant Payment Reports may be accessed by using the link below:

[Grant Payment Reports](#)

Under **A. Select Year**, choose **2022-2023**.

Under **B. Report type**, choose **Summary**. Once you select the town or other grantee (from the **All Others** category), and either **All Grants** or a specific grant from the drop down list, then click **Submit**. From the next screen, click **Download CSV** to get the coding string breakdown.

If you choose a grantee from the **All Others** category, you must click on the circle that says **All Others** and then choose the grantee which is in alphabetical order by name on the list below.

Please note: In regard to federal awards, the grant titles referenced in the payment report may not be the same as the Assistance Listing Title. When preparing the **Schedule of Expenditures of Federal Awards**, please use the Assistance Listing Title as indicated in **Attachment II**.

FY 2022-2023 Grant Expenditure Reports

Grant Expenditure Reports can be accessed by using the link below:

[eGrants Management System Home](#)

Auditor Access: Auditors may obtain “view only” access to the eGrants Management System (eGMS) by following the steps below:

1. Click the eGMS Home link listed above.
2. Select the Request Help option from the menu on the left side of the home screen.
3. Select “Submit Help Request”.
4. Complete the request form. **In the Summary Field include the reference “CSDE Auditor Access”.**
5. After the request form is submitted, you will receive an email with instructions for setting up your login credentials.
6. For additional assistance, contact the eGMS help desk at (631) 440-8094.

For login instructions, please see the training links on the eGrants Management System (eGMS) home page.

Expenditure Reports: Once logged in, select Reports from the menu on the left side of your screen to access the reports menu. Under **LEA Level** select **ED141 Expenditure Report – Reporting Year Breakout**.

Attachment I (continued)

session Timeout
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- Program Details For CSDE Grants
 - Program Details For District Grants
 - Related Documents
- Organizations
 - LEAs
 - Schools
- Users
 - SEA Users
 - Users
 - Login Attempts
- Plan
 - Application Status Change Roles
 - Plan Grid and Add-a-Row Details
 - Plan Program Details
 - USDE ESSER Template Report
- LEA
 - CMR Non-Fiscal Agent
 - ED141 EFS Expenditure Summary
 - ED141 Expenditure Report - Reporting Year Breakout**
 - District Grant Payment Summary

Using the dropdown menus select a fiscal year, organization, and grant, then click **View Report**.

CONNECTICUT STATE DEPARTMENT OF EDUCATION

ED141 Expenditure Report - Reporting Year Breakout

Connecticut - Fiscal - District Level

Return to Reports

Fiscal Year: <Select a Value> Grant: [Dropdown] View Report

Organization: <Select a Value>

eGMS Sign Out

Attachment II

2023 SID Codes for Federal Awards					
with Corresponding ALN and Titles (where applicable)					
Grant Title	Core Fund	Core SID	Core Program Code	Federal ALN	Federal Grant Title
Special School Milk	12060	20500		10.556	Special Milk Program for Children
School Breakfast	12060	20508		10.553	School Breakfast Program
Child and Adult Care Food Program	12060	20514		10.558	Child and Adult Care Food Program
Child and Adult Food Program	12060	20518		10.558	Child and Adult Care Food Program
Summer Food Service Program - Operational	12060	20540		10.559	Summer Food Service Program for Children
Cash-in-Lieu/Commodities-CCFP	12060	20544		10.558	Child and Adult Care Food Program
Summer Food Service Program - Admin	12060	20548		10.559	Summer Food Service Program for Children
National School Lunch Program Combined	12060	20560		10.555	National School Lunch Program
National School Lunch Program - School Equipment	12060	22386		10.579	Child Nutrition Discretionary Grants
Title I - Grants	12060	20679		84.010A	Title I Grants to Local Educational Agencies
Title I - Neglected & Delinquent	12060	20680		84.013A	Title I State Agency Program for Neglected and Delinquent Children and Youth
Voc. Education Act-Carl Perkins	12060	20742		84.048A	Career and Technical Education – Basic Grants to States
Educ. Homeless Children and Youth	12060	20770		84.196A	Education for Homeless Children and Youth
Adult Education	12060	20784		84.002A	Adult Education – Basic Grants to States
Title II Part A Improving Teacher Quality	12060	20858		84.367A	Improving Teacher Quality State Grants
21st Century Community Learning Centers	12060	20863		84.287C	Twenty-First Century Community Learning Centers
Title III Part A English Language Acquisition	12060	20868		84.365A	English Language Acquisition Grants
IDEA-Part B Section 611	12060	20977		84.027A	Special Education Grants to States
Pre-School (IDEA Part B) Grant	12060	20983		84.173A	Special Education Preschool Grants
Fresh Fruit & Vegetable Program	12060	22051		10.582	Grants for Enhanced Assessment Instruments
National School Lunch Program - School Equipment	12060	22386		10.579	Child Nutrition Discretionary Grants
Student Support & Academic Enrichment Grant	12060	22854		84.424A	Student Support & Academic Enrichment Grant

Attachment II (continued)

2023 SID Codes for Federal Awards					
with Corresponding ALN and Titles (where applicable)					
Grant Title	Core Fund	Core SID	Core Program Code	Federal ALN	Federal Grant Title
Project AWARE	12060	22919		93.243	Substance Abuse & Mental Health Services Administration
American Rescue Plan (ARP) - IDEA	12060	23083		84.027X	American Rescue Plan - Elementary and Secondary School Emergency Relief Fund (ARP ESSER)
Supply Chain Assistance Grants	12060	23126		10.560	State Administrative Expense for Child Nutrition
Federal Parent Trust Fund	12060	26466		93.434	ESSA Preschool Development Grants
ARPA - Expand	12060	28089		21.027	Coronavirus State & Local Fiscal Recovery Funds
ARPA - Funding for American School for the Deaf	12060	28091		21.027	Coronavirus State & Local Fiscal Recovery Funds
ARPA - School Mental Health	12060	28094		21.027	Coronavirus State & Local Fiscal Recovery Funds
SMART (ARPA-Free Meals for Students)	12060	28105		21.027	Coronavirus State & Local Fiscal Recovery Funds
ARPA - Drug & Alcohol	12060	28109		21.027	Coronavirus State & Local Fiscal Recovery Funds
ARPA - Hartford Knights	12060	28110		21.027	Coronavirus State & Local Fiscal Recovery Funds
Coronavirus Relief Fund	12060	29561		21.019	Coronavirus Relief Fund
Elementary and Secondary School Emergency Relief Fund (ESSER)	12060	29571		84.425D	Elementary and Secondary School Emergency Relief Fund
Behavioral Health	12060	29631		84.425C	Governor's Emergency Education Relief Fund (GEER)
Solar Youth Program (ARP ESSER)	12060	29636	82010	84.425U	ARP ESSER
Summer Enrichment Program (ARP ESSER)	12060	29636	82065	84.425U	ARP ESSER
ARP ESSER	12060	29636	82079	84.425U	ARP ESSER
FAFSA Challenge (ARP ESSER)	12060	29636	82079	84.425U	ARP ESSER
ARP After School (ARP ESSER)	12060	29636	82079	84.425U	ARP ESSER
Voice4Change (ARP ESSER)	12060	29636	82079	84.425U	ARP ESSER
G4EPP (ARP ESSER)	12060	29636	84114	84.425U	ARP ESSER
ARP ESSER - Homeless Children and Youth (HCY) Program	12060	29650		84.425W	ARP ESSER - Homeless Children and Youth Program

Attachment II (continued)

2023 SID Codes for Federal Awards					
with Corresponding ALN and Titles (where applicable)					
Grant Title	Core Fund	Core SID	Core Program Code	Federal ALN	Federal Grant Title
ARP IDEA 619	12060	29684		84.173X	American Rescue Plan - Elementary and Secondary School Emergency Relief Fund
Emergency Operating Costs Reimbursement – Pandemic Electronic Benefit Transfer (P-EBT)	12060	29802		10.649	State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant

Attachment III

2023 SID Codes for State Financial Assistance			
Grant Title	Core Fund	Core SID	Program Code
Primary Mental Health	11000	12198	
Leadership Education & Athletics in Partnership	11000	12211	
Neighborhood Youth Centers	11000	12318	
Sheff Settlement	11000	12457	
Parent Trust Fund	11000	12506	
Commissioner's Network	11000	12547	
Local Charter Schools	11000	12549	
Talent Development – TEAM	11000	12552	
School Based Diversion Initiative	11000	12587	
Career Pathways Tech Collaborative	11000	12602	
Sheff Transportation	11000	12610	
Magnet School – Transportation (Non-Sheff)	11000	12632	
American School for the Deaf	11000	16021	
Family Resource Centers	11000	16110	
State Charter Schools	11000	16119	
Child Nutrition State Matching Grant	11000	16211	
Health Foods Initiative	11000	16212	
Vocational Agriculture	11000	17017	
Adult Education	11000	17030	
Nonpublic Health Services	11000	17034	
Two Percent Education Cost Sharing Grant	11000	17041	82002
Education Equalization Grants	11000	17041	82010
Alliance District Funding	11000	17041	82164
Bilingual Education	11000	17042	
Priority School Districts (PSD)	11000	17043	82052
Interdistrict Cooperation	11000	17045	
State School Breakfast Program	11000	17046	
Excess Cost - Student Based	11000	17047	
Open Choice Program	11000	17053	
Magnet Schools	11000	17057	
After School Programs	11000	17084	
First Robotics Competitive Mini Grant Program	11000	17084	84158
Extended School Hours	11000	17108	82054
School Accountability – Summer School	11000	17109	82055
Charter School Building Projects	12052	43003	
Low Performing Schools	12052	43728	
Parent Trust Fund (New)	12060	90749	

Attachment IV

Contact Listings

All written correspondence should be sent to:

Mrs. Nora Chapman
Office of Internal Audit
Connecticut State Department of Education
P.O. Box 2219
Hartford, CT 06145-2219




If you have any questions, please contact Justin Cleary at

Justin.Cleary@ct.gov or 860-713-6554.

Federal Single Audit

OMB has issued a revised (May 2023) [2 CFR Part 200 — Compliance Supplement](#) (Appendix XI) for auditors to use in performing single and program-specific audits in accordance with [2 CFR Part 200, Subpart F — Audit Requirements](#). This Compliance Supplement is effective for audits of fiscal years beginning on or after July 1, 2022, and it supersedes all previous revisions issued by OMB.



The May 2023 *CFR Part 200 — Compliance Supplement (Appendix XI)* can also be obtained from:

-  U. S. Government Printing Office
710 North Capitol Street, NW
Washington, DC 20401
-  Telephone: 866-512-1800 (Toll-Free)
-  Fax: 202-512-2104

State Single Audit

OPM has issued the May 2023 [Compliance Supplement to the State Single Audit Act](#) for auditors to use in performing state single audits in accordance with C.G.S. 4-230 through 4-236 (2009 Revision). This Compliance Supplement is effective for audits of fiscal years beginning on or after July 1, 2022, and it supersedes all previous compliance supplements and updates issued by OPM.

The May 2023 *Compliance Supplement to the State Single Audit Act* may also be obtained from:

-  Michael Reis
Office of Policy and Management
Intergovernmental Policy Division
450 Capitol Avenue
MS-54MFS
Hartford, CT 06106-1308
Michael.Reis@ct.gov
-  Telephone: 860-418-6283