




STATE OF CONNECTICUT  
DEPARTMENT OF EDUCATION



**TO:** Child and Adult Care Food Program (CACFP) **For-profit Institutions**

**FROM:** John D. Frassinelli, Bureau Chief   
Bureau of Health/Nutrition, Family Services and Adult Education

**DATE:** December 31, 2019

**SUBJECT: Operational Memorandum No. 1P-20**  
Audit Requirements for For-profit Subrecipients

The Connecticut State Department of Education (CSDE) is required to institute audit procedures applicable to for-profit subrecipients participating in the Child and Adult Care Food Program (CACFP). Each state agency has the authority to establish audit policy for for-profit child care institutions and for-profit adult day care (Title XIX) institutions regarding the receipt of federal funds. The CSDE's audit policies and procedures for all for-profit institutions participating in the CACFP are below.

**Single Audit (e.g., Organization-wide Audit) Required**

For-profit institutions that expend **\$750,000 or more** of total federal awards in a year are required to have an annual organization-wide audit performed. The audit must comply with the provisions of the Federal Office of Management and Budget (OMB) [Uniform Grant Guidance, 2 CFR Part 200 Subpart F](#) and the applicable [Compliance Supplement in 2 CFR Part 200, Appendix XI \(revised August 2019\)](#) to be used in conjunction with that audit. A copy of the organization-wide audit report must be submitted to the CSDE's Child Nutrition Unit within six months from the end of the institution's fiscal year.

Please also note the following:

- Federal funds include CACFP and cash-in-lieu reimbursements, as well as all other federal funds expended by the institution.
- The cost of the audit is an allowable cost to the CACFP. Institutions that are required to have an organization-wide audit performed can, with prior state agency approval, amend their approved CACFP budgets to include the prorated cost of conducting the audit.

**Audit Exemption**

For-profit institutions that expend total federal awards of **less than \$750,000** in a year are exempt from audit requirements for that year, but **must still complete and return the enclosed Notice of Audit Exemption form to the Child Nutrition Unit no later than January 31, 2020**. In addition, records must be available for review or audit by appropriate officials of the federal agency, the CSDE or other pass-through agency, and the Government Accountability Office.

State agencies are required to take immediate corrective action when CACFP institutions do not comply with the audit requirements. Failure to submit the required organization-wide audit or the *Notice of Audit Exemption* form may result in the state agency declaring the institution seriously deficient in the operation of the CACFP.

Questions may be directed to the CACFP consultants below.

<b>CACFP Assignments</b>	<b>Consultant</b>	<b>E-mail and Phone</b>
Child and adult day care centers	Susan Boyle	<a href="mailto:susan.boyle@ct.gov">susan.boyle@ct.gov</a> 860-807-2074
Child and adult day care centers	Benedict Onye	<a href="mailto:benedict.onye@ct.gov">benedict.onye@ct.gov</a> 860-807-2080
Child and adult day care centers Family day care homes	Celia Cordero	<a href="mailto:celia.cordero@ct.gov">celia.cordero@ct.gov</a> 860-807-2076

JDF:shb  
Enclosure

Important: This is a numbered Connecticut State Department of Education (CSDE) operational memorandum that contains important program information. Please read carefully and retain for future reference. All CSDE operational memoranda are posted on the CSDE's [Operational Memoranda for the CACFP](#) webpage.

**Notice of Audit Exemption**  
**For-Profit Child Care and For-Profit Adult Day Care (Title XIX)**  
**Child and Adult Care Food Program (CACFP) Institutions**

**Instructions:** Please complete this form and return to Susan Boyle on or before January 31, 2020. All forms and related audit reports may be scanned and e-mailed to [susan.boyle@ct.gov](mailto:susan.boyle@ct.gov).

**CACFP agreement number:** \_\_\_\_\_

**Name of institution:** \_\_\_\_\_

**Institution fiscal year** (check the fiscal operating cycle covered by this report):

July 1, 2018 – June 30, 2019

October 1, 2018 – September 30, 2019

January 1, 2019 – December 31, 2019

Other (indicate): \_\_\_\_\_ through \_\_\_\_\_

**Total amount of federal awards** expended during the fiscal operating cycle covered by this report (approximate amount from all federal sources): \$ \_\_\_\_\_

**Check one box only:**

**Audit exemption:** This CACFP institution has expended total federal awards of less than \$750,000 for the fiscal year indicated above, and therefore is **not required to have an annual organization-wide audit** performed in accordance with the provisions of the [Uniform Grant Guidance, 2 CFR Part 200 Subpart F](#) and the applicable [Compliance Supplement in 2 CFR Part 200, Appendix XI \(revised August 2019\)](#) to be used in conjunction with that audit. However, all records must be available for review or audit by appropriate officials of the federal agency, the CSDE, or other pass-through agency, and the Government Accountability Office.

**Single audit (organization-wide audit) required:** This CACFP institution has expended \$750,000 or more of total federal awards for the fiscal year indicated above, and therefore, **will submit a copy of its annual organization-wide audit** within six months from the end of the institution's fiscal year.

\_\_\_\_\_  
Signature of Authorized Representative  
(Signature # 1 ED-099)

\_\_\_\_\_  
Date

Revised December 2019