



Vannessa Dorantes
Commissioner

DEPARTMENT of CHILDREN and FAMILIES

Making a Difference for Children, Families and Communities

Division of Contracts Management

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HARTFORD, CONNECTICUT 06106



Ned Lamont
Governor

To: DCF Contracted Provider
Chief Fiscal Officers

From: Melanie Sparks, Director, DCM

Date: June 3, 2019

Subject: **State Single Audit Submission**

As you begin to prepare for your annual audits, please be mindful of the following changes, to be implemented for conduct of your SFY 2019 State Single Audits:

- 1. Reconciliation by Program (Cost Center):** In addition to the requirements set forth in the State Single Audit Supplement, the Department is also requiring that the Schedule of Expenditures of State Financial Assistance identify DCF expenditures by program (to correlate with the cost centers established in your budget). Currently many State Single Audits, combine all of the expenditures from 1 SID and list them as 1 lump sum in the Schedule of Expenditures of State Financial Assistance:

Board/Care for Children- Foster 11000-DCF91100-16135 \$300,000

Beginning with the SFY 2019 Audit, the Department is requiring that, in cases where the major program identified in the State Single Audit Supplement is inclusive of multiple service types, the Schedule of Expenditures of State Financial Assistance identify the expenditures for each service type individually:

Caregiver Support	11000-DCF91100-16135	\$100,000
RTFT	11000-DCF91100-16135	\$100,000
Sibling Camp	11000-DCF91100-16135	\$100,000
Total Board and Care for Children- Foster:		\$300,000

- 2. Reconciliation by STATE Fiscal Year:** For agencies operating on a fiscal year differing from the State Fiscal Year, State Single Audits must include a reconciliation to the State Fiscal Year period. As an example, for agencies operating on a calendar fiscal year, it is the Department's expectation that the State Single Audit include a reconciliation of the expenses of the agency during the calendar year-broken out by the 2 State Fiscal Years encompassed during that calendar year:

	Grant Period		
	<u>Ended</u>		
RTFT	6/30/18	11000-DCF91100-16135	\$65,000
RTFT	6/30/19	11000-DCF91100-16135	\$35,000

- 3. TANF Claimed Funding:** Recognizing that somewhat ambiguous direction and explanation regarding TANF-claimed dollars has been conveyed to agencies in the past, beginning with submission of SFY 2019 Audits, the Department will expect the following:

The Temporary Assistance to Needy Families (TANF) program is a federal reimbursement service that allows states to submit for federal reimbursement for services provided to families meeting the federal guidelines for classification as a 'Needy' family. As the federally-designated lead agency for Connecticut, the Department of Social Services is charged with properly identifying those services eligible for federal reimbursement, and submitting them to the federal government for reimbursement.

As such, DSS has identified certain services provided by the Department as eligible for TANF reimbursement. For those services, the DCF costs are documented and sent to DSS for review on a quarterly basis. At DSS' sole discretion, any of the costs submitted by DCF may be claimed towards the TANF reimbursement. In some cases, DSS may elect to use all of DCF's submission towards the TANF claim, while in other cases they may claim only a part of DCF's payment to a provider towards the TANF reimbursement, and in some cases they may choose not to claim any part of DCF's payment towards the TANF reimbursement. **This fluctuates on a quarterly basis at the sole discretion of DSS.** Because of this, it should not be assumed that because a program in a contract shows as being funded under CFDA #93.558 that it has been funded through TANF, as only some or even none of the funding may have been classified as TANF for the period being audited. To that end, DSS is required to make public the amount of funding claimed towards TANF that was reimbursed by the federal government, by quarter, by provider and by program. This information is available at: <https://data.ct.gov/Health-and-Human-Services/DCF-Temporary-Aid-to-Needy-Families-TANF-Claimed-F/y2eg-swbq>. Please note that, while funds identified on this website are paid by DCF to our providers through a state SID(s), once DSS shows them as having been claimed towards TANF, the funding listed on this website must be considered federal funding.

In such cases, the TANF funding must be deducted from the Schedule of Expenditures of State Financial Assistance and included in the Schedule of Expenditures of Federal Assistance. If the level of federal funding does not meet the requirement for completion of a Federal Single Audit, the TANF-designated funding should be treated no differently than any other federal funding received by the agency.

Because the funding levels detailed on the website listed above can vary based on recalculation and recodes, to ensure consistency in completion and review of Audits, annually, no later than July 5th, the Department will export the master file from this website and distribute it via email to all contracted providers. This file is the file that each provider and Auditor should utilize when determining how much (if any) of their funding was designated as TANF in the prior year, and is the file that the Department will utilize during review and reconciliation once Audits are submitted. A link to the master file as well as a copy of this letter can be located in the "For Providers – Contract Management" section on the Department's website at: <https://portal.ct.gov/DCF>.

Hopefully this provides you with clarification on the TANF program and how it (potentially) impacts you as a DCF provider.

Thank-you for your continued partnership with the Department as we work towards implementation of more efficient and streamlined systems. If you have any questions, please do not hesitate to contact me (Melanie.Sparks@ct.gov / 860 550-6545) or Stacie Albert (Stacie.Albert@ct.gov / 860 550-6543).