



**Office of Early Learning (OEL)  
2018-19 Update  
for ELC/RCMA  
CPA/Audit Firms**

**Supplemental Q&A  
September 17, 2019**



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**Early Learning**

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# 2018-19 Update to CPA/Audit Firms

The following slides contain additional updates, questions and answers from OEL related to FY2018-19 Enhanced Field System Modernization (EFS Mod) activities

- Updated status report as of 9-17-19
- Q&A updates for queries submitted through September 17, 2019
- Recap of Next steps

# 2018-19 Update to CPA/Audit Firms

## EFS Mod – Status of ELC activities

- OEL receives daily status reports
- *See attached status reports for FY2018-19*
  - “Children Paid” - records marked paid in EFS Mod
  - “% Paid” - percentage of records marked paid in EFS Mod
  - All status reports are raw data pulls prepared for OEL for informational purposes only; **these are not score cards**



# Status Report at 9-06-19

School Readiness Attendance/Payment Calculation Progress FY18-19							
Coalition	Child Attendance Records	Attendance Submitted	% Attendance Submitted	Child Payments Calculated	% Calculated	Children Paid	% Paid
ELC of Lake	20,744	20,614	99%	20,762	100%	20,748	100%
ELC of Escambia	40,357	39,865	99%	40,275	100%	40,207	100%
ELC of Okaloosa and Walton	19,948	19,948	100%	19,948	100%	-	0%
ELC of Palm Beach	144,710	144,710	100%	144,710	100%	-	0%
ELC of Santa Rosa	10,401	10,234	98%	10,347	99%	10,346	99%
ELC of Florida's Gateway	22,078	21,490	97%	21,956	99%	21,779	99%
ELC of Marion	35,817	35,018	98%	35,268	98%	35,268	98%
ELC of Southwest Florida*	63,883	62,642	98%	62,566	98%	-	0%
ELC of the Nature Coast	23,966	22,742	95%	23,219	97%	23,203	97%
ELC of Manatee	27,536	26,267	95%	26,765	97%	4,859	18%
ELC of St. Lucie	32,471	30,819	95%	31,212	96%	31,204	96%
ELC of Pinellas	74,822	70,732	95%	71,807	96%	70,959	95%
ELC of Indian River, Martin, Okeechobee*	26,978	24,914	92%	25,945	96%	-	0%
ELC of Northwest Florida	27,403	26,275	96%	26,316	96%	-	0%
ELC of Alachua	26,168	24,559	94%	24,764	95%	24,764	95%
ELC of Pasco and Hernando	45,153	40,646	90%	42,755	95%	-	0%
ELC of Sarasota County	14,150	12,755	90%	13,242	94%	13,211	93%
ELC of the Big Bend Region	59,571	56,245	94%	55,790	94%	42,981	72%
ELC of Flagler and Volusia	40,922	39,157	96%	37,888	93%	37,807	92%
ELC of North Florida/Episcopal Children's Services	49,193	45,774	93%	45,879	93%	45,188	92%
ELC of Polk	72,799	65,441	90%	66,098	91%	56,717	78%
ELC of Seminole	23,195	21,753	94%	21,148	91%	-	0%
ELC of Brevard	45,861	41,009	89%	39,751	87%	-	0%
ELC of Orange**	125,624	103,933	83%	102,829	82%	22,974	18%
ELC of Broward	128,834	109,582	85%	105,801	82%	-	0%
ELC of Florida's Heartland	21,834	17,926	82%	17,330	79%	17,330	79%
ELC of Osceola County**	23,513	19,188	82%	18,217	77%	3,074	13%
ELC of Hillsborough	156,007	127,152	82%	91,045	58%	11,437	7%
ELC of Miami-Dade/Monroe	279,710	226,514	81%	116,288	42%	86,324	31%
Redlands Christian Migrant Association	19,293	18,026	93%	698	4%	-	0%
ELC of Duval	102,883	3,575	3%	356	0%	354	0%
<b>Grand Total</b>	<b>1,796,876</b>	<b>1,516,561</b>	<b>84%</b>	<b>1,360,975</b>	<b>76%</b>	<b>620,734</b>	<b>35%</b>
Fiscal Year 2018-2019 Data as of September 9, 2019.							
Sorted by descending percentage of child payments calculated.							
* IRMO and Southwest reset payments to adjust match.							
** Orange and Osceola reset payments to adjust match.							

# Status Report at 9-17-19

## School Readiness Attendance/Payment Calculation Progress FY18-19

Coalition	Child Attendance Records	Attendance Submitted	% Attendance Submitted	Child Payments Calculated	% Calculated	Children Paid	% Paid
ELC of Lake	20,744	20,614	99%	20,762	100%	20,751	100%
ELC of Palm Beach	149,941	149,941	100%	149,941	100%	149,940	100%
ELC of Escambia	40,363	39,842	99%	40,275	100%	40,207	100%
ELC of Marion	35,606	35,158	99%	35,559	100%	35,268	99%
ELC of Florida's Gateway	22,068	21,472	97%	21,964	100%	21,779	99%
ELC of Santa Rosa	10,401	10,234	98%	10,347	99%	10,346	99%
ELC of Okaloosa and Walton	19,663	19,670	100%	19,517	99%	19,502	99%
ELC of Northwest Florida	27,401	26,906	98%	27,017	99%	27,014	99%
ELC of North Florida/Episcopal Children's Services	49,225	47,966	97%	48,394	98%	48,340	98%
ELC of Southwest Florida	63,831	62,663	98%	62,653	98%	62,653	98%
ELC of Hillsborough	155,954	150,114	96%	151,847	97%	151,358	97%
ELC of St. Lucie	32,510	31,118	96%	31,536	97%	31,536	97%
ELC of the Nature Coast	23,952	22,704	95%	23,223	97%	23,203	97%
ELC of Indian River, Martin, Okeechobee	26,973	25,219	93%	26,118	97%	26,118	97%
ELC of Manatee	27,574	26,343	96%	26,700	97%	26,680	97%
ELC of Pinellas	74,829	71,402	95%	72,446	97%	45,458	61%
ELC of Seminole	23,171	22,401	97%	22,501	97%	-	0%
ELC of Pasco and Hernando	45,171	40,632	90%	42,920	95%	42,920	95%
ELC of Brevard	45,824	43,081	94%	43,524	95%	43,514	95%
ELC of Alachua	26,174	24,545	94%	24,764	95%	24,764	95%
ELC of Polk	72,789	68,186	94%	68,923	95%	66,065	91%
ELC of Sarasota County	14,152	12,743	90%	13,242	94%	13,211	93%
ELC of the Big Bend Region	59,594	56,100	94%	55,796	94%	54,943	92%
ELC of Flagler and Volusia	40,920	39,393	96%	37,834	92%	37,807	92%
ELC of Broward	128,822	111,202	86%	108,210	84%	108,210	84%
ELC of Orange	125,424	104,920	84%	103,161	82%	22,974	18%
ELC of Florida's Heartland	21,864	19,252	88%	17,330	79%	17,330	79%
ELC of Osceola County	23,511	19,251	82%	18,497	79%	3,074	13%
ELC of Miami-Dade/Monroe	278,972	228,987	82%	217,589	78%	113,552	41%
Redlands Christian Migrant Association	19,281	17,317	90%	1,032	5%	-	0%
ELC of Duval	102,989	14,708	14%	368	0%	354	0%
<b>Grand Total</b>	<b>1,795,811</b>	<b>1,566,806</b>	<b>87%</b>	<b>1,543,990</b>	<b>86%</b>	<b>1,288,871</b>	<b>72%</b>



# 2018-19 Update to CPA/Audit Firms

EFS Mod – Questions *cont'd*

**Q10:** Can OEL confirm it did not require any one specific method for processing provider payments?

**OEL Answer:** The ELCs/RCMA received instructions to determine their own system, to apply it consistently, document it sufficiently and use it until fiscal year end reconciliations/true-up processes were required.





# 2018-19 Update to CPA/Audit Firms

## EFS Mod – Questions

**Q11:** Has OEL proposed any solutions to make sure the FY2018-19 information is recorded correctly?

**OEL Answer:** Yes, OEL provided two temporary OCA codes; *See OEL's OCA changes email, August 2019*

- SRRCN and VPRCN for the SR and VPK programs, respectively.
- These OCA codes will capture the costs of calculated SR or VPK provider payments for attendance records not yet fully processed in EFS Mod.
- ELCs/RCMA will reconcile monthly as prior period adjustments are processed, working toward a zero balance.



# 2018-19 Update to CPA/Audit Firms

EFS Mod transition – Questions *cont'd*

**Q12:** Does OEL have instructions if an ELC exceeds the annual administrative spending caps for FY2018-19? For FY2019-20?

- *Applicable spending caps are 5% and 4% for School Readiness and VPK, respectively*

**OEL Answer:** These caps are established by federal regulation or state statutes and OEL has no authority to waive them.

- ELCs/RCMA should maintain current cost reporting standards. If spending caps are exceeded in FY2018-19 or FY2019-20 due to EFS Mod, special notations in reporting documents may apply.





# 2018-19 Update to CPA/Audit Firms

EFS Mod – Questions *cont'd*

**Q13:** What materiality thresholds have been set to waive or “forgive” improper provider payments or other payment errors?

**OEL Answer:** OEL is currently researching this option. An amendment to the State’s CCDF plan and prior written approval from USDHHS would be needed for OEL to implement materiality and/or waiver processes.



# 2018-19 Update to CPA/Audit Firms

EFS Mod – Questions *cont'd*

**Q14:** OEL's contract/award includes audit instructions for testing timely/complete reconciliation records for EFS/SSIS activities for all 12 months in FY 2018-19. Will the CPA/audit firm be able to modify/reduce the scoped testing required?

**OEL Answer:** OEL's instructions for auditing/testing EFS reconciliation records have not changed.



# 2018-19 Update to CPA/Audit Firms

## EFS Mod – Questions *cont'd*

**Q15:** Who should be contacted to amend/increase the audit services contract if additional audit staff time for EFS Mod testing is required?

**OEL Answer:** CPA/audit firms that expect the EFS Mod-related circumstances to impact planned/budgeted FY2018-19 audit services should contact the audit client directly to negotiate any needed contract amendments.

- Annual audit fees are an allowable administrative cost for the SR program.



# 2018-19 Update to CPA/Audit Firms

## FY2018-19 Audit assistance – OEL's Next Steps

- Request CPA/audit firms contact each ELC/RCMA
  - Disclose possible audit issues/findings
  - Document discussions
  - Provide copies to ELCs/RCMA and OEL for FY2018-19 audit files
- Prepare draft disclosure language for this issue
  - OEL Programmatic/fiscal monitoring reports
  - May translate for use in Single Audits, too

# 2018-19 Update to CPA/Audit Firms

## FY2018-19 Audit assistance – OEL's Next Steps *cont'd*

- Prepare written summary of temporary or alternative processes put in place by OEL
- Continue efforts to contact USDHHS
  - Federal approval needed to modify CCDF State plan
  - Potential requests to modify processes for provider payments
    - Can OEL apply any materiality thresholds for small dollar corrections?



# 2018-19 Update to CPA/Audit Firms

FY2018-19 Audit assistance – OEL's Next Steps *cont'd*

- OEL staff will share more update at the CFO meetings in Ocala on September 25<sup>th</sup>, 26<sup>th</sup> & 27<sup>th</sup>
- ELCs/RCMA will continue to get EFS Mod updates from the EFS Mod team
- OEL will provide updates/support files to help your auditors as they complete your FY2018-19 audits







# Questions or comments

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