



ILLINOIS DEPARTMENT OF
Healthcare and
Family Services

Bruce Rauner, Governor
Patricia R. Bellock, Director

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 782-1200
TTY: (800) 526-5812
Please notify within 30 days if
your address has changed.

September 21, 2018

Re: FY 2018 Federal Funding Notification and Single Audit Responsibilities and Guidance Letter

Superintendent Marianne Fidishin
MID VALLEY SPEC ED COOP
1304 Ronzheimer Aver
St. Charles, IL 60174-4450

RECEIVED

OCT 24 2018

MID VALLEY SPECIAL EDUCATION

Dear Superintendent Fidishin:

The Illinois Department of Healthcare and Family Services (HFS) is required by federal regulation, 2 CFR 200, to provide to you the program name, description, federal agency, and dollar amount of federal funds expended by your organization. 2 CFR 200 also requires that subrecipients of federal funds, such as your organization, conduct a "single audit" in accordance with 2 CFR 200, if the subrecipient expends \$750,000 or more in federal awards during the subrecipient's fiscal year. To determine the threshold, organizations need to include federal funds expended from federal awards received directly from federal agencies or as a pass-through federal award from non-federal sources such as HFS. The information listed below relates to federal funds claimed for your organization by HFS during **your fiscal year 2018**. This information includes the Catalog of Federal Domestic Assistance (CFDA) number, program description, and the federal agency making the award.

FY	CFDA	CFDA Description	Federal Agency	Federal Expended	Total Claimed
2018	93.778	Medicaid	Health & Human Services	\$59,396.98	\$59,396.98

Your Federal Expended amount should be reported in the single audit, if your organization is required to prepare one. Accounting system timing differences may result in variances from the HFS amounts provided above.

Please review the enclosed **Subrecipient's of Federal Funding Reporting Responsibilities and SEFA Preparation Guidance** which informs HFS' subrecipients what their reporting responsibilities are and provides guidance to assist in the preparation of the single audit's Schedule of Expenditures of Federal Awards (SEFAs). Also enclosed for you to complete are copies of the Single Audit Requirement Survey, Demographic Information and Personnel/Administrative Information forms referenced in the Guidance. Audit reports should be submitted in accordance with the guidance provided on the GATA- Grant Accountability and Transparency Act's (30 ILCS 708) web portal located at <https://www2.illinois.gov/sites/GATA/Pages/default.aspx>. **GATA reporting requirements now require most subrecipients to complete Consolidated Year-End Financial Reports (CYEFRs) and submit their financial statement audits irrespective of their single audit status.**

Please provide this information to the person or area within your organization responsible for fiscal activities. You are encouraged to provide this information to the certified public accounting (CPA) firm or individual responsible for preparing your organization's annual audit. **Failure to meet the requirements identified in this letter may result in suspension of funding from HFS.**

We appreciate your cooperation and assistance in providing us this information. If you have any questions or concerns regarding this letter, please call me at (217) 557-2007 or via email to Ron.McKechan@illinois.gov.

Sincerely,

Ronald J. McKechan CPA, CFE
A133 Unit Manager
Enclosure

FY 2018 HFS Subrecipients of Federal Funding Reporting Responsibilities and SEFA Preparation Guidance

The Illinois Department of Healthcare and Family Services (HFS) is required by federal regulation (2 CFR 200.500) to provide the program name, description, federal agency, and dollar amount of federal funds expended by your organization. 2 CFR 200.500 (which incorporates and rescinded OMB Circular A 133) also requires that subrecipients of federal funds, such as your organization, conduct an audit in accordance with 2 CFR 200.500, if the subrecipient expends \$750,000 or more in federal awards during the subrecipient's fiscal year. To determine the \$750,000 threshold, organizations need to include federal funds expended from federal awards received directly from federal agencies or as a pass-through federal award from non-federal sources such as HFS.

SEFA Report Preparation Guidance:

If your organization is required to complete a single audit, the amount to include on your Schedule of Expenditures of Federal Awards (SEFA) is based on the amount of Federal funds your organization EXPENDED during your fiscal year and **NOT** the amount of funds you may have received from HFS as reimbursement for your claims.

According to 2 CFR 200.500, the determination of when an award is expended should be based on when the activity related to the award occurs. It would **NOT** be based on when reimbursement of your claims is received. For SEFA preparation, your organization should recognize its expenditure of federal funds based on the service dates included when you make a claim for reimbursement. Therefore, there should be no timing differences resulting from when you may actually receive reimbursement, such as in a subsequent fiscal year, or due to the basis of accounting your organization may follow (i.e., cash basis, accrual or modified accrual basis of accounting).

For the Medicaid program (CFDA 93.778), you should only report on your SEFA the **TOTAL** of your quarterly administrative claim amounts submitted for your fiscal year. **DO NOT reduce it by the Administrative Assessment of 4%**, since the amount of funds you claimed to have expended for administrative costs is your total Administrative claim. **DO NOT report Fee for Service amounts**, which are for payments for program services provided. Since the Administrative claims are considered a quarterly expenditure claim, we would not require an allocation within a given quarter, in as much as the October-December administrative claim is not made until December, which would be included in a subsequent fiscal year for fiscal years ending on November 30th.

For organizations expending funds related to the Child Support Enforcement Program (CFDA 93.563), the amount to report on your SEFA would be for those Federal funds expended and claimed to HFS during your fiscal year and not reimbursements received on those claims.

SEFA Report Preparation Worksheet Example: CFDA No:

- | | |
|--|------------|
| 1.) FY20XX (your fiscal year) Amount Claimed Per HFS Funding Letter: | \$ |
| 2.) Less: FY20XX (your fiscal year) Claimed Amount (per your claim records): | (\$ _____) |
| Difference*: | \$ _____ |

***NOTE:** If your records conflict with the above claim amount per HFS' records, please contact the A133 Unit manager since HFS is required to reconcile differences between subrecipient SEFA reporting and HFS records. If you have already issued your single audit before receipt of this guidance, we will contact you and resolve any reconciliation issues during our review of your issued single audit.

FY 2018 Single Audit Requirement Survey

Organization: _____
 FEIN: _____
 Fiscal Year End: _____
 DUNS Number: _____

The response to this survey should be based on federal funding, in total from all agencies, **expended** by your organization for your fiscal year **2018**. Please check the appropriate item below and provide any pertinent information or reports required, as applicable. **YOU MUST CHECK ONE OF THE BOXES BELOW.**

Our organization is exempt from the federal audit requirements of 2 CFR 200.500 because we expended **less than \$750,000 of federal funds** for our fiscal year **2018**. We will follow the additional audit reporting requirements of GATA- Grant Accountability and Transparency Act's (30 ILCS 708).

Our organization expended **OVER \$750,000 of federal funds** for our fiscal year **2018** and is subject to the single audit requirements. We will follow the additional audit reporting requirements of GATA- Grant Accountability and Transparency Act's (30 ILCS 708).

NOTE: If you are a school or special education cooperative/district, please also submit ONLY the cover page (example below) of your FY18 Annual Financial Report that you filed with the Illinois State Board of Education which shows your agency's Single Audit Status.

<p><small>Date of RFE on Friday, October 13, 2017 Due to ISBE on Tuesday, November 14, 2017 30-2417</small></p> <p style="text-align: center;"><input checked="" type="checkbox"/> School District <input type="checkbox"/> Joint Agreement</p> <p style="text-align: center;">School District/ Joint Agreement Information <small>(Information is used for the RFE)</small></p> <p>School District/ Joint Agreement Number 100100XXXX</p> <p>County Name Cook</p> <p>Name of School District/ Joint Agreement School District 1</p> <p>Address 100 Main Street</p> <p>City Chicago</p> <p>Email Address 62100</p> <p>Zip Code 62100</p> <p style="text-align: center;">Annual Financial Report Type of Auditor's Report Issued</p> <p><input checked="" type="checkbox"/> Qualified <input type="checkbox"/> Unqualified</p> <p><input checked="" type="checkbox"/> Adverse <input type="checkbox"/> Disclaimer</p> <p>Reviewed by District Superintendent/ Administrator</p> <p>District Superintendent/ Administrator Name (Type or Print) Dr. Smith</p> <p>Email Address</p> <p>Telephone: 312-555-1234 Fax Number: 312-555-1234</p> <p>Signature & Date</p>	<p style="text-align: center;"><small>ILLINOIS STATE BOARD OF EDUCATION School Business Services Division 100 North First Street, Springfield, Illinois 62777-0001 217/782-8779</small></p> <p style="text-align: center;">Illinois School District/ Joint Agreement Annual Financial Report * June 30, 2017</p> <p style="text-align: center;">Accounting Basis:</p> <p><input checked="" type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL</p> <p style="text-align: center;">Filing Status: Submit electronic AFR directly to ISBE</p> <p style="text-align: center;">Click on the Link to Submit: Submit to ISBE</p> <p style="text-align: center;">Single Audit Status:</p> <p>YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> Are Federal expenditures greater than \$750,000?</p> <p>YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> Is all Single Audit information completed and attached?</p> <p>YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> Were any financial statements or financial audit findings issued?</p> <p>Reviewed by Township Treasurer (Cook County only)</p> <p>Name of Township</p> <p>Township Treasurer Name (Type or Print)</p> <p>Email Address</p> <p>Telephone: Fax Number:</p> <p>Signature & Date</p>	<p style="text-align: center;">Certified Public Accountant Information</p> <p>Name of Auditing Firm: Smith CPA</p> <p>Name of Audit Manager: John Smith</p> <p>Address: 300 MARIE STREET</p> <p>City: Chicago State: IL Zip Code: 62100</p> <p>Phone Number: 312-555-1234 Fax Number: 312-555-1234</p> <p>IL License Number (if applicable): 000-000001 Expiration Date: 11/30/2018</p> <p>Email Address:</p> <p>Reviewed by Regional Superintendent Cook ICS</p> <p>Regional Superintendent ICS Name (Type or Print) Dr. Smith</p> <p>Email Address</p> <p>Telephone: 312-555-1234 Fax Number: 312-555-1234</p> <p>Signature & Date</p>
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I certify the above information is correct.

Name (printed) _____ Title _____

Authorized signature _____ Date _____
 (Signature of CEO, CFO, Superintendent or Equivalent)

E-mail Address: _____

This completed form must be emailed/ returned within 30 days to:

Illinois Department of Healthcare and Family Services
 Division of Finance, A-133 Unit
 2200 Churchill Road
 Springfield, IL 62702-3406
 Attention: Ron McKeachan
 Fax: 217-558-4720
Email: Ron.McKeachan@illinois.gov

PERSONNEL & ADMINISTRATIVE INFORMATION

Please complete this form and return it with your financial report submission.

Organization Name: _____ FEIN#: _____

Number of employees in agency on the last day of the most recent fiscal year? _____

Number of newly hired employees during the most recent fiscal year? _____

Number of budgeted vacancies on the last day of the most recent fiscal year? _____

Supplementary Fiscal Information:

Please list the names and titles of all bonded employees:

Name:	Title:
_____	_____
_____	_____
_____	_____
_____	_____

Please list the names and titles of all employees issued corporate credit cards:

Name:	Title:
_____	_____
_____	_____
_____	_____
_____	_____

Please list the current members of the Board of Directors and their terms, identifying the officers:

Name:	Title:
_____	_____
_____	_____
_____	_____
_____	_____

(Please attach additional pages, if necessary, or a separate listing)

Please indicate the frequency of the entity's Board of Directors' regular meetings: _____

Please provide the dates of the three (3) most recent Board meetings:

Meeting Date(s)

