

**AUDIT GUIDELINES FOR
CHILD CARE CONTRACT ORGANIZATION
Section I**

**ACS Division of Financial Services
Effective July 1, 2011**



**Michael R. Bloomberg, Mayor
John B. Mattingly, Commissioner**

**AUDIT GUIDELINES
FOR
CHILD CARE CONTRACT
ORGANIZATION
TO OBTAIN AUDIT COVERAGE FOR
FISCAL YEAR 2011**

Section I

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ADMINISTRATION FOR CHILDREN'S SERVICES

FINANCIAL SERVICES – CHILD CARE
150 WILLIAM STREET, 10TH FLOOR, NEW YORK, NY 10038

AUDIT GUIDELINES
FOR
CHILD CARE CONTRACT
ORGANIZATION
TO OBTAIN AUDIT COVERAGE FOR
FISCAL YEAR 2011

Section I

T A B L E O F C O N T E N T S

-Continued-

INFORMATION FOR CPA AUDIT FIRMS & CONTRACT ORGANIZATION

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ADMINISTRATION FOR CHILDREN'S SERVICES
FINANCIAL SERVICES – CHILD CARE

ADMINISTRATION FOR CHILDREN'S SERVICES

AUDIT GUIDELINES FOR CHILD CARE CONTRACT ORGANIZATION To OBTAIN AUDIT COVERAGE FOR FISCAL YEAR 2011

SECTION I: INFORMATION FOR CPA AUDIT FIRMS AND CONTRACT ORGANIZATION

1. REQUIRED AUDITS

All Contract Child Care Programs are required to submit a Fiscal Year-end Audit. The number, size, and type of program providing services determine which audit is required. Federally funded Group and Family Child Care Programs can submit an OMB Circular A-133 Audit (Single Audit or Program Specific Audit) or an ACS Program Audit. Limited Purchase of Services Programs must submit an Administration for Children's Services (ACS) Program Audit. ACS will reimburse the appropriate cost of the audit.

A. OMB Circular A-133 Audit (Single Audit or Program-Specific Audit)

For an A-133 Single Audit or a Program-Specific Audit, the auditor is to consult the Federal OMB Circular A-133, the Single Audit Act Amendments of 1996 and the July 24, 1997 and June 27, 2003 revisions. These provide that non-Federal entities that expend \$500,000 or more in a year in Federal awards must have either a Single or A Program-Specific Audit conducted for that year. The Circular's definitions of Single and Program-Specific Audits are the following: the Single Audit is an agency-wide audit that includes both the financial statements and the Federal awards; whereas the Program-Specific Audit is an audit of one particular Federal program performed in accordance with program-specific guidelines.

ACS is requiring that all organizations that have contract with ACS perform a single Audit if they meet the \$500,000 threshold.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

B. ACS Program Audit

An ACS Program Audit is to be completed when the OMB Circular A-133 Single Audit or Program-Specific Audit is determined to be inappropriate. The ACS Program Audit is an audit of the entity's contract with ACS and the entity's financial statements. The audit will be performed in accordance with the American Institute of Certified Public Accountants' (AICPA) Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS) and the contract.

The ACS Program Audit for all programs must include:

- i. Auditor's Report on Financial Statements including Auditor's opinion on the ACS Schedules.
- ii. Financial Statements:
 - a. Statement of Assets and Liabilities and Fund Balance segregated by ACS, UPK, CACFP, and Private Tuition Funds.
 - b. Statement of Revenues and Expenditures Budgeted and Actual.
- iii. Footnotes to Financial Statements. (Cost Allocation Plan footnotes should be included for LPOS Program).
- iv. ACS Schedules:
 - a. Fully funded and Family Child Care Programs (See Exhibits III through VIII)
 - b. LPOS Programs (See Exhibits IX, X and XI)
- v. Auditor's Report on Compliance with major and non-major findings.
- vi. Auditor's Report on Internal Controls with major and non-major findings.
- vii. Payroll Distribution (except for LPOS).
- viii. Follow-up on prior audit findings.

C. Regardless of the type of audit that is determined to be appropriate, the attached ACS Schedules, Exhibits III through XI must be included for each program.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

2. SCHEDULES REQUIRED BY ACS FOR FISCAL YEAR 2011 AUDITS

All listed schedules are part of the Audit Report and will be subject to all audit procedures and requirements.

ACS needs the required Schedules for Group and Family Child Care Programs to fully identify Fiscal Year and account for ACS funds for each and every program separately for preparation of cash closeout reconciliation to determine balance due, if any, to ACS or, the program at the end of each and every Fiscal Year. In the absence of this, it would not be easy to recoup unspent amounts from the program and pay the amounts due to the programs, if any, on a regular and timely basis.

Each of the following schedules must be prepared separately for each program.

A. For fully funded Group and Family Child Care Programs.

- | | | |
|------|---------------------------------------------------------------|--------------|
| i. | Statement of Revenues and Expenditures –
Budgeted & Actual | Exhibit III |
| ii. | Detailed Expenditures Voucher Report | Exhibit IV |
| iii. | Detailed Explanation of Questioned Costs | Exhibit V |
| iv. | Schedule of Consultants | Exhibit VI |
| v. | Schedule of Fixed Assets Inventory | Exhibit VII |
| vi. | Schedule of Quantitative Program Results | Exhibit VIII |

B. For Limited Purchase of Service (Group and Family Child Care Programs), the following Schedules are Required:

- | | | |
|------|-------------------------------------------------------------------------------------|------------|
| i. | Schedule of Allocated Costs | Exhibit IX |
| ii. | Schedule of Unallocated Costs | Exhibit X |
| iii. | Additional Information Required with
Schedule of Allocated and Unallocated Costs | Exhibit XI |

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

- C.** Footnote for Centrally Paid Costs for Group and Family Child Care Centers.
- D.** A separate footnote of accounts receivable and accounts payable for each and every ACS program is required.
- i. The accounts receivable footnote should contain an analysis of each individual receivable balance contained in the Statement of Assets, Liabilities and Fund Balance. Each receivable balance should be separated into current year and prior year(s).
 - ii. The accounts payable footnote should contain an itemized detailed list of each account payable showing vendor name, date paid, the amount that was payable as of the period ended, and the amount unliquidated as of the end of field work. Accounts payable should have been liquidated within seventy-five (75) days after the report. Accounts payable balances should be separated into current year and prior year(s).
 - iii. All accounts receivable and accounts payable are to be fully disclosed in the Notes to Financial Statements.
 - iv. Also must be included in the notes related party transactions, lease commitments and a description of the cost allocation plan reflected in the financial statements and ACS Schedules.
- E.** Programs on Calendar Year

CPA audit firms auditing programs that are on a calendar year, must use information from two (2) calendar years; Calendar Year ending December 31, 2010 (for the period July 1, 2010– December 31, 2010) and Calendar Year ending December 31, 2011 (for the period January 1, 2011 – June 30, 2011) to prepare the ACS Schedules for the audit reports. The ACS Schedules must be for the period July 1, 2010 – June 30, 2011.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

**Section I: Information for CPA Audit Firms & Contract Organization
Cont'd**

3. CRITERIA FOR USING A SINGLE AUDIT, A PROGRAM-SPECIFIC AUDIT, OR AN ACS PROGRAM AUDIT

Each agency must determine the federal awards expended for eligible programs. Refer to Fiscal Year 2011 budgets for all programs receiving federal funds.

<u>Total Federal Awards Expended</u>	<u>Only One Program</u>	<u>More Than One Program</u>
\$ 0 - 499,999	ACS Program Audit	ACS Program Audit
\$ 500,000 and more	A-133 Single Audit or Program Specific Audit	A-133 Single Audit

4. THE CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER, AND PERCENTAGE OF FEDERAL, STATE & NEW YORK CITY FUNDING

For Fiscal Year 2011, CFDA # and percentage of Federal Funding for all fully funded Group and Family Child Care, and limited funded Group and Family Child Care programs are as follows:

ACS

CFDA # 93.575

Federal: 64 %

State: 7 %

City: 29%

If your agency has other Federal funding, and you need assistance obtaining CFDA # and percentage of Federal Funding for other programs, contact the funding agencies.

5. NOTES TO FINANCIAL STATEMENTS

Each amount appearing in the Statement of Assets, Liabilities, and Fund Balance must be fully explained and detailed in the Notes to Financial Statements.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

6. DUE DATES FOR AUDIT REPORTS

Audit reports for the Fiscal Year ended June 30, 2011 are due at ACS by October 31, 2011. Audit reports for the calendar fiscal year ended December 31, 2011 are due at ACS by April 30, 2012. Audit reports of Program whose fiscal year does not end on 6/30/2011 or 12/31/2011 are due by the last day of the fourth month following their fiscal year. (e.g. if fiscal year ends on September 30, 2011, audit report will be due by January 31, 2012).

The auditor must submit audit(s) to the Contract Organization within thirty (30) days after fieldwork is completed.

If the audit deadline cannot be met, the Contract Organization must submit a written explanation to ACS along with the expected audit completion date.

It is very important to note that late or non-submission of an audit for any given year will have an adverse impact on the Contract Organization future contracts with ACS and/or the contract may not be renewed or may be terminated.

In addition, any fiscal evaluation of your program cannot be satisfactory unless a Fiscal Year 2011 audit is provided by the due date.

7. REPORTING PARENTS' FEES IN AUDIT REPORTS

Due to the importance of parents' fees revenue to the program, all parents' fees are considered by ACS to be collectible from either the parents or the Contract Organization. This includes Parents' Fees for children no longer in the program. Therefore, the Parents' Fees receivable should always remain on the balance sheet of the Contract Organization as "Due from Contract Organization". Parents' Fees can never be written off nor can an allowance for doubtful accounts be established unless prior written permission is provided to the Contract Organization by ACS. The auditor should review the system of internal accounting control surrounding the collections of Parents' Fees and report any weaknesses in the audit report on internal accounting control.

Parents' Fees receivable must be shown in the balance sheet for each and every program showing balances outstanding for current and prior years and be separately detailed in the Notes to Financial Statements.

8. REPORTING PRIVATE TUITION FEES IN AUDIT REPORTS

(a) Private Tuition funds must be segregated from ACS contracted funds, and may be expended for any of the expenditures by the ACS budget categories. Attendance for Private Tuition paying children must be kept separate from other ACS eligible children.

(b) The auditor should receive written representation from the Contract Organization that the Contract Organization has provided the auditor with all the Private Tuition books of accounts or that there is NO Private Tuition funds and make a note thereof in the audit report.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

- (c) The Private Tuition Funds, if they exist, must be audited. Revenues and Expenditures must be included in the audit report. The audit report will be considered "INCOMPLETE" without the required accounting or relevant statement.
- (d) It is MANDATORY to include Private Tuition Funds in the audit report. ACS will not accept an audit report in which there is no accounting for Private Tuition Funds.

9. FUNDS USED FOR DAY CARE

Reporting and Auditing of all Funds used to administer the Child Care Program is essential in order to understand how the program is operating financially.

10. REVIEW AND ACCEPTANCE OF AUDIT REPORTS

All Audit Reports shall be subject to the review and approval of the Board of Directors and ACS prior to acceptance. Audit reports not in compliance will **not** be accepted until all audit requirements are met. The auditor will be required to correct or otherwise revise or adjust any report that the Contract Organization or ACS deems necessary within the terms of the signed Audit Engagement Letter. In no circumstance, will additional audit fees be allowed for amending, revising or correcting the audit report. Acceptance of all audit reports shall be a prerequisite to final payment of audit fees by ACS.

11. WORK PAPERS

The audit firm shall retain its work papers for a period of seven (7) years after delivery of the final audit report for the Fiscal Year(s) mentioned in the Audit Engagement Letter, and shall make the work papers available or submit them to the Organization, ACS and the New York City Comptroller's Office upon request.

12. INSURANCE

ACS strongly recommends that Contract Organization with CPA firms that can demonstrate that they carry liability insurance not less than one million (\$1,000,000) dollars per occurrence to protect the Organization, ACS, and the City of New York against any and all claims, loss or damage, whether in contract or tort, including claims for injuries to, or death of persons, or damage of property.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization Cont'd

13. INCOMPLETE / UNACCEPTABLE AUDIT REPORTS

Audit reports which do not contain the following required Statements/Schedules, will not be accepted, will be classified as "INCOMPLETE/UNACCEPTABLE", and will not be used for fiscal evaluation purposes:

- (a) Statement of Assets, Liabilities, and Fund Balance segregated by Child Care, Private Tuition Funds, U.P.K, and CACFP funds.
- (b) Statement of Revenues and Expenditures Budgeted and Actual.
- (c) Detailed Contract Organization Expense Voucher Report
- (d) Detailed Explanation of Questioned Costs
- (e) Schedule of Consultants
- (f) Schedule of Fixed Assets Inventory
- (g) Schedule of Quantitative Program Results
- (h) Schedule of Allocated Costs – For LPOS/VOL-FDC Programs only.
- (i) Schedule of Unallocated Costs – For LPOS/VOL-FDC Programs only.
- (j) Additional Information Required with Schedules of Allocated and Unallocated Costs – For LPOS/VOL-FDC Programs only.

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Section I: Information for CPA Audit Firms & Contract Organization

Exhibit I

CPA FIRM'S LETTERHEAD

AUDIT ENGAGEMENT LETTER

(Illustrative)

1. This letter sets forth our understanding of the terms and objectives of our engagement, the nature and scope of the services we will provide, including the various reports and schedules required, the related fee arrangement, and timetable for delivery of the audit reports.
2. We will audit the organization's financial statements as of and for the year ended (date), in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (June 2009 Revision) and with the provisions of the Single Audit Act Amendments of 1996 and the Office of Management and Budget Circular A-133 revised June 24, 1997 and June 27, 2003.
3. As part of our audit, we will consider the organization's internal control structure and assess control risk, as required by generally accepted auditing standards, for the purpose of establishing a basis for determining the nature, timing, and extent of auditing procedures necessary for expressing our opinion concerning the financial statements, and not to provide assurance on the internal control structure. The management of (NAME OF ORGANIZATION) is responsible for establishing and maintaining an internal control structure. To fulfill this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs for internal control structure policies and procedures. The objectives of an internal control structures are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against from unauthorized use of disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of its inherent nature, errors and irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure of future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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Exhibit I

Audit Engagement Letter (Cont'd)

4. We will prepare a separate written report on our understanding of the organization's internal control structure and the assessment of control risk made as part of the financial statement audit. Our report will include:
 - a. The scope of our work in obtaining an understanding of the internal control structure and in assessing the control risk;
 - b. The organization's significant internal controls or control structure, including the controls established to ensure compliance with laws and regulations that have a material impact on the financial statements; and
 - c. The reportable conditions, including the identification of material weaknesses found as a result of our work in understanding and assessing the control risk. As required by OMB Circular A-133, we will also prepare a written report on our understanding, assessment, and testing of the internal control structure as it relates to major federal award programs.
5. Our audit will include procedures designed to provide reasonable assurance of detecting errors and irregularities that are material to the financial statements. As you are aware, however, there are inherent limitations in the auditing process. For example, audits are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that such matters, if they exist, may not be detected. Also, because of the characteristics of irregularities, including attempts at concealment through collusion and forgery, a properly designed and executed audit may not detect a material irregularity.
6. Similarly, in performing our audit, we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts having a direct and material effect on the determination of financial statements amounts will be detected.

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Exhibit I

Audit Engagement Letter (Cont'd)

7. Compliance with laws, regulations, contracts, and grants applicable to (NAME OF ORGANIZATION) is the responsibility of name of organization's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of (NAME OF ORGANIZATION'S) compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective is not to provide an opinion on overall compliance with such provisions.

The auditor's report on Compliance which shall state that the auditor has performed tests of the agency's compliance with certain provisions by laws, regulations and the contract, non-compliance with which could have a direct material effect on the determination of financial statement amounts.

8. As required by Government Auditing Standards, we will prepare a separate written report on our tests of compliance with applicable laws and regulations. This report will contain a statement of positive assurance on those items not tested, and a description of all material instances of noncompliance.
9. Likewise, compliance with provisions of laws, regulations, contracts, and grants that govern federal programs is the responsibility of management. As required by OMB Circular A-133, we will determine and report on whether the organization complied in all material respects with the laws and regulations that apply to its major federal award programs. With regard to transactions selected from non-major programs, our report on compliance will obtain a statement of positive and negative assurances, as discussed above.
10. At the conclusion of the engagement, (NAME OF ORGANIZATION'S MANAGEMENT) will provide to us a representation letter that, among other things, will confirm management's responsibility for the preparation of the financial statements in conformity with generally accepted accounting principles, the availability of financial records and related data, compliance with provision of laws, regulations, contracts, and grants that govern federal programs, the completeness and availability of all minutes of board of directors (and committee) meetings, and the absence of irregularities involving management or those employees who have significant roles in the control structure.

ACS - Child Care Audit Guidelines - Fiscal Year 2011

Section I: Information for CPA Audit Firms & Contract Organization

Exhibit I

Audit Engagement Letter (Cont'd)

11. We understand that our reports on the internal control structure as part of the financial audit and on compliance with laws and regulations are intended for the information of the audit committee, management, and other within (name of organization) and (specify Fiscal Year legislative or regulatory body).
12. All ACS required schedules will be completed and submitted with the audit.
13. Our fees for the audit will be (DESCRIBE FEE ARRANGEMENT). Final cost will be based upon the actual work performed, by number of hours and rate for each level of staff. We anticipate completing the engagement by (DESCRIBE TIMETABLE), unless unexpected factors are encountered. This timetable has been discussed with and agreed to by your ORGANIZATION, which will provide assistance to us in the audit. Should circumstances prevent (NAME OF ORGANIZATION), from providing this assistance, our timetable and fee are likely to be affected. (On fixed-fee engagements, the auditor may include wording indicating that he or she may have to revise the fee estimate and timetable for unexpected factors of which he or she becomes aware after the engagement has begun.)
14. We shall retain our work papers for a period of seven (7) years after delivery of the final audit report for the Fiscal Year(s) mentioned in this Audit Engagement Letter, and shall make the workpapers available or submit them to the organization, the Administration for Children's Services / Child Care (ACS) and the New York City Comptroller's Office upon request.
15. All Audit Reports required by this engagement shall be subject to the review and approval of the Organization and ACS prior to acceptance. Audit reports not in compliance will not be accepted until all audit requirements are met. We will be required to correct or otherwise revise or adjust any report that the organization or ACS deems necessary within the terms of the signed Audit Engagement Letter. Under no circumstances will additional audit fees be allowed for amending, revising or correcting the audit report. Acceptance of all audit reports shall be a prerequisite to final payment of audit fees by the Organization or ACS.

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Exhibit I

Audit Engagement Letter (Cont'd)

16. We can demonstrate that we carry liability insurance not less than one million (\$1,000,000) dollars per occurrence to protect the Organization, ACS, and the City of New York against any and all claims, loss or damage, whether in contract or tort, including claims for injuries to, or death of persons, or damage of property.

We shall be pleased to discuss this letter with you.

NAME OF CPA AUDIT FIRM

Date

Signature

Print Name and Title

ACCEPTED BY:

Signature

Print Name and Title

Date

Name of Organization

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Section I: Information for CPA Audit Firms & Contract Organization

Exhibit II

CPA FIRM'S LETTERHEAD

AUDIT FIRM PROFILE

To: _____
(Sponsoring Organization)

Re: _____ **Fiscal No.** _____
(Child Care Program, if more than one, attach a listing)

Dear Sir(s):

In connection with the proposal to perform an audit for year ended June 30, 2011
Of the Child Care program (s) above, we are submitting the following data about our firm:

1. Name, Address and Telephone Number of contact person:

2. Indicate "Yes" or "No"

If 2a or 2b is "Yes" goes to #4. If 2c is, "Yes" go to #3.

- a. I am a Sole Proprietor _____
- b. We are a Partnership _____
- c. We are a Corporation _____

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Exhibit II

Audit Firm Profile (Cont'd)

6. I/We employ a total of _____ persons, including _____ Professional Staff (CPAs).

7. I/We (have) _____ (have never) _____ submitted a bid or proposal to do business with the City of New York (or one of its contracting entities such as a Child Care sponsoring organization) under a different name. If "have" is checked, attach list of contracts or subcontracts and name under which it was submitted.

8. I/We (have) _____ (do not have) _____ an outstanding bid or proposal for contracts with the City of New York (or one of its contracting entities such as a Child Care sponsoring organization). If "have" is checked, attach a list of the bids and/or proposals.

9. I/We (have) _____, (do not have) _____ a current contract award from the City of New York or one of its contracting entities such as a Child Care sponsoring organization. If "have" is checked, list contract (s).

10. Is your firm on the list of New York City Comptroller's "Pre-qualified CPA List"?
Yes _____ No _____

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Exhibit II

Audit Firm Profile (Cont'd)

11. I/We do hereby certify Fiscal Year that this engagement will present NO conflict of interest for our organization and that there are no adverse ethical concerns connected with same.

12. If I/we am/are selected by your Organization as Auditor (s) for the aforementioned Child Care Program and audit period, I/we will immediately notify Fiscal Year your Organization and the Administration for Children's Services, Division of Financial Management of any development, prior to the date that a *Contract to Perform a Child Care Audit* is to be executed, or during the term of the contract, which makes untrue or incomplete any of the above statements.

13. I affirm under penalty of perjury that the information provided above is to the best of my knowledge, complete, accurate and true.

For Corporation Signature

By _____

(Name and Title of Authorized Officer)

**For Sole Proprietorship/
Partnership**

By _____

(Name of Owner or Authorized Partner)

Dated: _____, 200 ____.

(Please make sure that this Profile is duly signed and dated)

Send One (1) copy to: Attention: Hemang Patel, Director
Child Care Audit Review and Fiscal Compliance
Administration for Children's Services
150 William Street, 10th floor, Room 10-Q2
New York, New York 10038

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Exhibit III

CHILD CARE PROGRAM NAME _____
STATEMENT OF REVENUES AND EXPENDITURES- BUDGETED & ACTUAL
FOR YEAR ENDED _____

	Annual Approved Budget	ACS	Private Tuition	U.P.K	Actual CACFP	TOTAL	Favorable (Unfavorable) ACS	ACS Questioned Costs
REVENUES								
ACS	*	\$ \$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
Parent's Fees	*	\$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
Private Tuition Fees	*	\$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
Disability Deductions	*	\$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
Other	*	\$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
Total Revenue		\$ XXX,	XXX	XXX	XX,XXX	XX,XXX		
EXPENDITURES								
PERSONNEL COST:								
ACS Regular Salaries	XX,XXX	XX,XXX	XXX	XXX	XX,XXX	XX,XXX	XXX	
Employer's FICA	X,XXX	X,XXX	XXX	XXX	XX,XXX	XX,XXX	XXX	
Unemployment Insurance	XXX	XXX	XXX	XXX	XX,XXX	XX,XXX	XXX	
Welfare Fund	XXX	XXX	XXX	XXX	XX,XXX	XX,XXX	XXX	
Employer's FICA NYSUI	XXX	XXX	XXX	XXX			(XXX)	
Total Personnel Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
FACILITIES COST:								
Rent	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Maintenance and Repair	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Renovations	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Other Facilities Category Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Total Facilities Costs:	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Provider Parents Stipends								
Total Stipends Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Classroom Supplies/Equipment	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Household/Office Supplies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Services	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Services (UPK Supplement)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Other	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Total OTPS Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
Other CACFP Costs								
Food		XXX	XXX	XXX	XXX	XXX	XXX	
Non-Food Related Costs		XXX	XXX	XXX	XXX	XXX	XXX	
Total Expenditures		XXX	XXX	XXX	XXX	XXX	XXX	
Excess (deficiency) of Revenue								
Over or Under Expenditures	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

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CHILD CARE PROGRAM NAME _____
CONTRACT AGENCY PAYMENT SYSTEM _____
FOR YEAR ENDED _____

YEAR-TO-DATE REPORT _____ DATE _____
 12 CAPS RECEIVED _____ PAGE _____

NAME OF PROGRAM (CONTRACT AGENCY OR CENTER) _____ BUDGET PERIOD
 TYPE OF PROGRAM _____ BUDGET ID XXX-XXX-XX-XXX-XXXX-X
 ADDRESS _____ REPORT PERIOD
 SCHEDULE OF ADVANCES _____ (2=REGULAR, 3=IN KIND, 4=THIRD PARTY, 5=OTHER INCOME)

Exhibit IV ACS will complete Columns A & B

J	A	B	C	D	E	F	G	H	I
AMT	CONTRIBUTED GOODS AND SERVICES					ACCRUED		QUEST	
BUDGET CATEGORIES	APPROVED	REPORTED	AUDITORS	EXPENDITURES	EXPENSES	TOTAL	QUESTIONED	COSTS	DUE
AMOUNT DUE	BUDGET	EXPENSES	ADJUSTMENTS	PER AUDIT	PER AUDIT	EXPENSES	COSTS	CODE	DUE
LINE	AGENCY	AGENCY							
ACS	CODE	AGENCY							
1	NET SALARIES	1120-7	*	*	*	*	*	*	*
2	FEDERAL	1131-2	*	-	*	*	*	*	*
3	STATE	1132-0	*	-	*	*	*	*	*
4	CITY	1133-9	*	-	*	*	*	*	*
5	FICA	1134-7	*	-	*	*	*	*	*
6	OTHER DEDUCTIONS	1144-4	*	*	*	*	*	*	*
7	EMPLOYERS FICA	1210-6	*	*	*	*	*	*	*
8	UNEMPLOYMENT INS	1220-3	*	*	*	*	*	*	*
9	OTHER PERS COSTS	1300-5	*	*	*	*	*	*	*
10	PHYSICAL FACILITIES	2100-8	*	*	*	*	*	*	*
11	CONSUMABLES	2200-4	*	*	*	*	*	*	*
12	SERVICES (UPK - SUPP)	2200-4	*	*	*	*	*	*	*
*			*	*	*	*	*	*	*
*			*	*	*	*	*	*	*

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Exhibit V

NAME OF CONTRACT ORGANIZATION

PROGRAM I.D. # _____

DETAILED EXPLANATION OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 20XX

Salaries:

Current period questioned costs:

The program exceeded the fringe
Benefit budget line for the year \$ X, XXX

Mr. John Doe was paid in excess
of the amount budgeted for his
position during the year \$ X, XXX

\$XX, XXX

Consumable Supplies:

Current period questioned costs:

Invoice number 1263 dated 11-2-XX
From No Good Supply Company
Contained a credit for returned
Merchandise that was originally
Charged to the consumable supplies
Budget line and the Contract Agency
Did not record the credit XXX

No supporting documentation was
available for the following disbursements:

<u>Check Number</u>	<u>Amount</u>
1125	\$ XXX
1368	X,XXX
1572	X, XXX
1573	X, XXX
2143	<u>XXX</u>

X, XXX
\$ X, XXX

No support documentation was available for a
Cash disbursement with check number 982 \$ X, XXX

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Exhibit VI

NAME OF CONTRACT ORGANIZATION

PROGRAM I.D. # _____

SCHEDULE OF CONSULTANTS
YEAR ENDED JUNE 30, 20xx

Provide the following information:

Name of consultant

Service provided

Basis for charge (i.e., contract, retainer, or hourly or daily basis)

Amount paid and accrued in the financial statements

Program consultant provided services to

Note: If there are no consultants, state so.

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Exhibit VII

NAME OF CONTRACT ORGANIZATION

PROGRAM I.D. #

SCHEDULE OF FIXED ASSETS INVENTORY

JUNE 30, 20xx

Description

Date Purchased

Cost

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Exhibit VIII

NAME OF CONTRACT ORGANIZATION
SCHEDULE OF QUANTITATIVE PROGRAM RESULTS
YEAR ENDED JUNE 30, 20XX

If applicable to the program under audit, this schedule should include the percentage or administrative expenditures to total expenditures.

EXAMPLE

1. Average Daily Attendance
 - A. The average daily attendance at this center for the twelve months under audit (July-June) was _____ children.
 - B. This center is contracted to service at least _____ children a day.
2. Average Number of Meals Served
 - A. The average number of meals served daily at this center for the twelve months under audit (July-June) was _____ children.
 - B. This center is contracted to serve an average of _____ meals per day.
3. Average "Raw Food" Cost Per Meal
 - A. The average raw food cost per meal for the twelve months under audit was \$_____.
 - B. This center's contract specifies that raw food cost per meal should not exceed \$_____.

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Exhibit IX

PROGRAM NAME _____
SCHEDULE OF ALLOCATED COSTS
FOR YEAR ENDED _____

	TOTAL PROGRAM COSTS				PROGRAM COSTS SUBJECT TO ALLOCATION	COST ALLOCATED TO ACS	
	Total Cash Disbursed	Allocated (Indirect) Costs	Accruals & Account Payable	Total Program Costs	Amount	Percentage Of Costs	ACS Cost Per Child
PERSONNEL COSTS:							
Regular Salaries and Wages	\$ XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
Substitute Salaries	XX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX		
Employer's FICA	XX,XXX	XX,XXX	XX,XXX	XX,XXX	XX,XXX		
Unemployment Contribution	XX,XXX	XX,XX	XX,XX	XX,XXX	XX,XXX		
Fringe Benefits	XX,XXX	XX,XX	XX,XX	XX,XXX	XX,XXX		
Total Personnel Costs	XXX,XXX	XX,XXX	XX,XXX	XX,XXX	XX,XXX	XX%	XX,XX
FACILITIES							
Rent	XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
Utilities	XX,XXX	XX,XX	XX,XX	XXX,XXX	XXX,XXX		
Other Facility Related Costs	XX,XXX	XX,XX	XX,XX	XXX,XXX	XXX,XXX		
Total Facilities	XXX,XXX	XX,XXX	XX,XXX	XX,XXX	XXX,XXX	XX%	XX,XX
ITEMIZED OTPS							
Supplies	XXX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
Telephone	XX,XXX	XX,XX	XX,XX	XXX,XXX	XXX,XXX		
Health Services	XX,XXX	XX,XX	XX,XX	XXX,XXX	XXX,XXX		
Uniforms	XX,XXX	XX,XX	XX,XX	XXX,XXX	XXX,XXX		
Total OTPS Costs	XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
FOOD-SERVICE COSTS:							
Food	XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
Non-Food Costs	XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX		
Total Food Service Costs	XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX	XX%	XX,XX
Total Program Costs	\$ XXX,XXX	XX,XXX	XX,XXX	XXX,XXX	XXX,XXX		XX,XX
ACS Reimbursement Rate							
Per Child Day							
							===== \$XX,XX =====

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Exhibit X

PROGRAM NAME _____
SCHEDULE OF UNALLOCATED COSTS
FOR YEAR ENDED _____

	TOTAL PROGRAM COSTS	CACFP COSTS	PRIVATE & INDIRECT COSTS	TOTAL
PERSONNEL COSTS:				
Regular Salaries and Wages	\$ XXX,XXX	\$ XX,XXX	\$ XXX,XXX	\$ XX,XXX
Substitute Salaries	XX,XXX	X,XXX	XX,XXX	X,XXX
Employers' FICA	XX,XXX	X,XXX	XX,XXX	X,XXX
Unemployment Insurance Contribution	XX,XXX	X,XXX	XX,XXX	X,XXX
Fringe Benefits	XX,XXX	X,XXX	XX,XXX	X,XXX
Total Personnel Costs	\$ XXX,XXX	\$ XX,XXX	\$ XXX,XXX	\$ XX,XXX
FACILITIES:				
Rent	\$ X,XXX		\$ X,XXX	\$ X,XXX
Utilities	X,XXX		X,XXX	X,XXX
Other Facilities Related Costs	X,XXX		X,XXX	X,XXX
Total Facilities	\$ XX,XXX		\$ XX,XXX	\$ X,XXX
ITEMIZED OTPS:				
Supplies	X,XXX		\$ X,XXX	\$ X,XXX
Telephone	X,XXX		X,XXX	X,XXX
Health Services	X,XXX		X,XXX	X,XXX
Uniforms	X,XXX		XX,XXX	X,XXX
Total OTPS Costs	\$ XX,XXX		\$ XX,XXX	\$ X,XXX
FOOD-SERVICE COSTS:				
Food	\$ X,XXX		\$ X,XXX	\$ X,XXX
Non-food costs	XX,XXX		XX,XXX	X,XXX
Total Food-Service Costs	\$ XX,XXX		\$ XX,XXX	\$ X,XXX
Total Program Costs	\$ XXX,XXX	\$ XX,XXX	\$ XXX,XXX	\$ XX,XXX

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Exhibit XI

PROGRAM NAME _____
ADDITIONAL INFORMATION REQUIRED
WITH
SCHEDULE OF ALLOCATED AND
UNALLOCATED COSTS

The Schedule of Allocated and Unallocated Costs must include the following information:

1. Total number of all children served during the twelve-month period (July-June)

2. Total actual number of ACS children served during the twelve-month period (July-June)

3. Total actual number of child care days the program operated during the twelve-month period (July-June)

4. Total Attendance Hours – All Children

5. Total Attendance Hours – ACS Children
