



John R. Kasich, Governor
Paolo DeMaria, Superintendent of Public Instruction

**Office for Child Nutrition (OCN)
AUDIT POLICY
CACFP, School Meals, SFSP
For-Profit and Non-Profit Agencies**

The Ohio Department of Education will utilize the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 for all agencies (for-profit and non-profit) participating in federal Child Nutrition programs.

In January of each year the Office of School Finance compiles CRRS expenditure data from the previous program year to determine which for-profit and non-profit entities receiving CACFP and SFSP funds must have an audit performed in compliance with this policy. This information is part of a tracking log utilized by the Office of School Finance. The tracking log is reviewed monthly and any audits that have been released are collected at that time.

In addition, in June of each year the Office of School Finance reviews payment information generated by the Department of Education Accounting System and determines which entities have not remitted Audit reports for the previous Program year for all entities receiving federal funds by the Ohio Department of Education.

For the purpose of background information on the design of the State Accounting System, each entity is classified in one of four categories: (1) School districts over \$750,000, (2) school districts under \$750,000, (3) all other entities **over** \$750,000 and other entities **under** \$750,000. The Child and Adult Care Food Program entities are represented in the third classification group.

Entities expending \$750,000 or more in Federal awards during the entity's fiscal year must meet the audit requirements in 2 CFR 200.501 for that fiscal year. A tracking log is then maintained by the Office of School Finance to track whether entities have submitted audits.

Entities must submit the audit within nine (9) months from the end of the audit period to the Office of School Finance. Written request is made to those entities requiring remittance of audit reports for any entity that does not submit within the 9 months or does not post the audit report on the Federal Clearinghouse. Entities unable to produce audit reports will be declared seriously deficient, sent a Seriously Deficient certified letter and will be required to send Corrective Action (certified mail) with a 15-calendar day response time. Corrective Action Plans are reviewed by the OFSGM and the internal auditor and appropriate follow-up completed (i.e. telephone calls, correspondence, etc.).

A letter of "Intent to Terminate" (with the ability to appeal clause) is sent certified mail to entities failing to submit a satisfactory Plan of Corrective Action by the due date. Entities have 15 calendar days to appeal the decision to terminate. In accordance with Section 17(d)(5)(D) of the Richard B. Russell National School Lunch Act, reimbursement will continue to be paid during the complete 45 day cycle or, if the action has been appealed, until a hearing decision has been made final.

Upon expiration of the period of time allowed for the filing of an appeal, a Final Termination Letter will be sent (certified mail) to the entity. The letter will include the termination date as the first day following the deadline to appeal.

Effective 1/1/02; Revised 1/7/09, Revised 10/1/09, Revised 3/31/10, Revised 5/28/2010, Revised 10/29/2012, Revised 5/9/2017.