COUNTY AGENDA REQUEST

Department:	Finance	Presenter(s):	Mary S Holland
Meeting Date:	Thursday, March 28, 2013	Type of Request:	Consent

Wording for the Agenda:

Approval of request from FACTOR Fayette Family Connection for Fayette County to serve as the fiscal agent for the Family Connection State Grant for the period July 1, 2013 through June 30, 2014, and authorization for the Chairman to sign the Designation and Acceptance Agreement.

Background/History/Details:

Over the last ten years, FACTOR Fayette has been in partnership with the Fayette County Board of Education serving as their fiscal agent for the Family Connection State Grant. In light of the current fiscal issues surrounding the school board, FACTOR is requesting Fayette County serve as the fiscal agent on its behalf.

FACTOR is a 501(c)(3) non-profit, Fayette County Family Connection collaborative umbrella organization and is part of the GA Family Connection Network, a statewide public/private network working to improve the quality of life for Georgia's children, families, and communities. The Collaborative is the body responsible for all decisions associated with the budgeting of funds, while the Fiscal Agent provides financial oversight of the state grant. The FY2013 grant amount is $45,000 awarded through the Georgia Department of Human Resources.

What action are you seeking from the Board of Commissioners?

Approval for Fayette County to serve as the FY 2014 Fiscal Agent for the Family Connection State Grant awarded to FACTOR Fayette and for the Chairman to sign the Designation and Acceptance Agreement.

If this item requires funding, please describe:

Not Applicable.

Has this request been considered within the past two years?	No	If so, when?	
Is Audio-Visual Equipment Required for this Request?*	No	Backup Provided with Request?	Yes

**** All audio-visual material must be submitted to the County Clerk's Office no later than 48 hours prior to the meeting. It is also your department's responsibility to ensure all third-party audio-visual material is submitted at least 48 hours in advance.***

Approved by Finance	Yes	Reviewed by Legal	
Approved by Purchasing	Not Applicable	County Clerk's Approval	Yes
Administrator's Approval			

Staff Notes:

Note: This request allows the county to come to the aid of a local nonprofit organization doing work within our county and another is another display of intergovernmental cooperation by taking this accounting burden from the Fayette County Board of Education.

Fiscal Agent Designation and Acceptance Agreement **COUNTY:** Fayette

The Fayette County Board of Commissioners agrees to serve
(official name of agency or board)

as the fiscal agent for the Fayette Family Connection Collaborative
(name of Georgia Family Connection collaborative)

for the period of July 1, 2013 through June 30, 2014.

The fiscal agent certifies they 1) understand this is a 12 month commitment, 2) understand expenses are reimbursable on a quarterly basis, 3) agree to receive all financial correspondence and payments relating to the funds, and make all records available for any required financial audit, 4) have appropriate accounting and financial systems to document costs incurred and claims made under this contract, and 5) agree the local Family Connection collaborative board is the body responsible for all decisions associated with budgeting of these funds, but will ensure such decisions shall be in compliance with the fiscal agent's own policies and procedures.

Mail signed agreement with signed W-9 to:

FY 2014 Fiscal Agent Information
Georgia Family Connection Partnership
235 Peachtree Street
Suite 1600
Atlanta, GA 30303-1422

Deadline: February 15, 2013

Family Connection Collaborative Chair:

(Signature in blue ink)

(Print Name in Block Letters)

Date:

Fiscal Agent:

(Signature of agency representative legally responsible to enter into contract. Signature in blue ink)

STEVE BROWN
(Print Name in Block Letters)

Title: CHAIRMAN
(Print Title in Block Letters)

Date:

Family Connection Coordinator:

(Signature in blue ink)

(Print Name in Block Letters)

Date:

Attach completed W-9 form and mail to address given above.
Note: Information entered into CIMS system by collaborative will be source for contract preparation.

Form **W-9**
(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)
Fayette County Board of Commissioners

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☐ Other (see instructions) ▶

☑ Exempt payee

Address (number, street, and apt. or suite no.)
140 Stonewall Ave W. Suite 101

Requester's name and address (optional)

City, state, and ZIP code
Fayetteville, GA 30214

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
☐☐☐ - ☐☐ - ☐☐☐☐

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number
58 - 6000826

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ Mary J Holland CFO Date ▶ March 13, 2013

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

Fayette Alliance Coordinating Teamwork, Outreach and Resources DBA FACTOR
P.O. Box 142518 Fayetteville, GA 30214

February 14, 2013

Fayette County Board of Commissioners
140 Stonewall Ave. W., Suite 100
Fayetteville, GA 30214

Dear Chairman and Board,

FACTOR Fayette Family Connection Collaborative has been in partnership with FCBOE for the last 10 years where they have served as the Fiscal Agent for the Family Connection State Grant. Preparation for contract renewal each year begins with an agreement/commitment to serve as fiscal agent for the upcoming 12 month period. Unfortunately due to the current fiscal issues surrounding our school system, they feel compelled to ask us to secure another county agency to take on this responsibility.

For this reason I am asking our County Government to consider partnering with us to serve on our behalf as the fiscal agent for the current state Family Connection Grant. The 12 month period begins July 1, 2013 and ends June 30, 2014. The Collaborative is the body responsible for all decisions associated with the budgeting of these funds, while the Fiscal Agent provides financial oversight of the state grant. Our budget is very straightforward and is a single line item: Per diems, Fees & Contracts. The state grant is a means to provide salary for a coordinator. Our current method includes our issuing a Request for Pay bi-weekly and FCBOE Finance Department issues a check. FY2013 contract amount is $45,000. We will use that figure for our FY2014 budget- the final amount is determined during the legislative session.

The state contract comes through the Georgia Department of Human Services who serves as fiscal agent for GA Family Connection legislative appropriation for county collaboratives. Completion of a quarterly report is required for reimbursement from DHS (outlined in document "Fiscal Year 2012 Reports").

I have enclosed documents that layout roles and responsibilities, how to get reimbursed and requirements for record retention and audit reporting.

- Fiscal Agent Roles and Responsibilities
- (*How to Get Your Money*) Fiscal Year 2012 Reports
- DHS FY 2014 Contract Record Retention & Audit Reporting Requirements

Thank you for considering this request. Please call me with any questions or concerns. I look forwarding to hearing from you.

Becky Smith

Becky Smith
Executive Director

FACTOR is a 501(c)(3) non-profit, Fayette County Family Connection collaborative umbrella organization and is part of GA Family Connection Network, a statewide public/private network working to improve the quality of life for Georgia's children, families, and communities.

Georgia
FamilyConnection
Partnership

November 2009
Finance Team

Local Family Connection Collaborative Fiscal Agent Roles and Responsibilities (Details for New Fiscal Agent)

Introduction

There are two fiscal agents responsible for the management of the appropriation the Georgia Legislature has made annually for Family Connection counties:

- The Department of Human Services (DHS), which is the fiscal agent for all of the legislative appropriation for county collaboratives, and
- The entity chosen by the local Family Connection county collaborative to serve on its behalf as the fiscal agent for the current state Family Connection grant

This document covers the roles and responsibilities of the local entity chosen to serve as the fiscal agent on behalf of the county's Family Connection collaborative.

County collaboratives have many partners. The county collaborative's fiscal agent is one of those partners in collaboration. Collaborative partners bring much to the table. Some collaborative partners have expertise in providing direct services; others advocate for children and families; some bring to the experiences of families receiving direct services; and others reflect the skills of business and industry.

The fiscal agent may have expertise in one or more of these areas, but in addition, they contribute to the collaborative by providing ongoing financial oversight and advice and by helping the local Family Connection collaborative manage its state grant.

Requirements of a County Family Connection Collaborative Fiscal Agent

The entity the county collaborative chooses as its fiscal agent enters into a contract with the DHS to receive the Family Connection grant portion of the legislative appropriation. As part of this contract "The fiscal agent certifies they:"

- "Understand this is a 12 month commitment"
- The collaborative may not change fiscal agents during the course of the contract (unless there are extraordinary circumstances).
- "Understand expenses are reimbursable on a quarterly basis"
- This means the fiscal agent agrees to pay all expenses for the collaborative in advance each quarter. This usually amounts to approximately one-fourth of the total grant, or approximately $8,000 to $9,000. At the end of each quarter (a 3 month period) the collaborative fiscal agent submits its reimbursement request (Annex B – Part 1, "Contract Budget and Quarterly Expenditure Report FY __"). If the expenditure report matches the current collaborative budget and is in accord with DHS expenditure guidelines, the fiscal agent receives a reimbursement check from DHS. However, in accord with the contract DHS may withhold payments identified as audit exceptions.

online system - then hard copy submission

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- "Agree to receive all financial correspondence and payments relating to the grant, and make all records available for any required financial audit"
- The fiscal agent must not only receive and respond to correspondence, but it must also be able to document they conduct annual audit. In addition, it must allow the state and federal government and DHS full and complete access to all consumer/customer/client records of all kinds (including such documents as email correspondence, papers, books, memoranda, and management reports). It must retain all records for six years—or longer if there is an audit, litigation, or other issue.
- "Have appropriate accounting and financial systems to document costs incurred and claims made under this contract"
- The fiscal agent must be able to verify it uses commonly accepted accounting practices, keeps appropriate records, and has an acceptable annual audit.
- "Agree the local Family Connection collaborative board is the body responsible for all decisions associated with budgeting of these funds, but will ensure such decisions shall be in compliance with the fiscal agent's own policies and procedures"

The Family Connection collaborative board makes decisions about how local Family Connection collaborative funds are expended in compliance with the policies and procedures of the fiscal agency. These decisions are reflected in the budget proposal the collaborative submits with its annual plan. This budget proposal becomes "Annex A Part 4, Budget Proposal" of the contract between the fiscal agent and DHS.

In return, the fiscal agent is responsible for advising the local collaborative about its own policies and procedures for allowable expenditure of funds, and for managing the money in accord with the Budget Proposal (and any revisions)—which is part of its contract with DHS.

Other Responsibilities of a Fiscal Agent

The local Family Connection fiscal agent fulfills many responsibilities that are key to the success of the collaborative. Fiscal agents are expected to:

- Participate in the development of the proposed annual budget and any necessary budget revisions for a local Family Connection collaborative, including but not limited to the Family Connection state grant.
- Attend collaborative meetings.
- Maintain written procedures for compensation and benefits, purchasing, contracting and reimbursement of travel and other expenses and share fiscal procedures with collaborative.
- Pay invoices approved by the local Family Connection collaborative for payment and in accord with collaborative's Budget Proposal (Annex A, Part 4 of the DHS Contract) and all subsequent revisions – following the fiscal agent's own rules and regulations.
- Prepare and submit completed reports required by the Family Connection contract:
  - Contract Budget and Quarterly Expenditure Report for the Fiscal Year (Annex B Part 1)
  - Quarterly Subcontractor Report (Annex B Part 2)
  - ~~Detailed Inventory for Equipment~~.
  - Quarterly Narrative Report (Annex C Part 1), which is prepared **in coordination with the collaborative** (I do Annex C)
  - Budget revisions, if required during the year.
- Prepare and maintain accurate financial records of local Family Connection collaborative funding activity for the grants the fiscal agent is managing on behalf of the collaborative. (I use Quarterly Report for recurrly Reports) I submit final report
- Assist collaborative through ongoing financial oversight on behalf of the collaborative
- Present written monthly financial reports to the collaborative board
- Maintain an official file of the collaborative contracts managed by fiscal agent.
- Maintain a file of interagency financial agreements/ memoranda of understanding (MOUs and MOAs) for the local Family Connection collaborative I will write MOU if you agree to become FA

- Record all the revenue streams managed by the fiscal agent of the local Family Connection collaborative.
- Attend fiscal agent training offered by Family Connection Partnership when possible.
- Ensure audit reports meet state standards

Considerations in Choosing a Fiscal Agent

- Sufficient operating funds to pay for the costs of the local Family Connection collaborative for four months or more.
- The fiscal agent must have a sufficiently large operating fund to cover the costs of such items as coordinator salary or contract, evaluation, office supplies, travel, computers, copier contracts and other budgeted expenditures for three months or more—until the reimbursement request is approved and paid by DHS. In addition, it must be able to financially maintain this commitment for 12 months.
- Cost of an audit.
- Government agencies, whether they are local, state, or federal, are audited annually, and the cost of this is already included in their budgets. Many local Family Connection collaboratives that are incorporated not-for-profits and serve as their own fiscal agents pay a minimum amount for the annual audit required to enter into the contract with DHS. Those counties with few cash resources outside the Family Connection state allocation pay these costs from their state grant thereby diminishing the amount of money they can allocate for their chief functions of planning, coordination and collaboration.
- Cost of daily bookkeeping/CPA.
- Entities such as government agencies, and the larger not-for-profits have already included the costs of accounting within their own budgets. The Family Connection state allocation is a small portion of their overall workload. Those local Family Connection collaboratives that are incorporated not-for-profits and serve as their own fiscal agents must pay for the services of a bookkeeper and a CPA to ensure they meet reporting and other financial requirements. As with the audit, this funding is often taken from their state grant. NOTE: for local Family Connection collaboratives who have incorporated and have no other revenue the cost of bookkeeping and the audit can consume nearly one/fourth of their state grant.
- Develop and maintain appropriate accounting and financial systems to document costs incurred and claims made.
- Established agencies, such as state and local governments, already have accounting and financial systems in place.
- Develop policies and procedures to meet the requirements of the DHS contract and those of Family Connection Standards.
- Established agencies, such as state and local governments, are familiar with meeting state and federal laws, rules and regulations governing such areas as non-discrimination in employment and service practices; in complying with the applicable provisions of the Americans with Disabilities Act; complying with the Drug-Free Workplace Act of 1988; in meeting the publicity requirements of the DHS contract, as well as those provisions governing inventions, patents, copyrights and publications and the certifications relating to lobbying. Incorporated collaboratives that choose to serve as their own fiscal agent will need to develop their own policies and procedures to ensure they meet these requirements
- Manage and retain all required records
- The fiscal agent must have sufficient staff and space to retain all records for the required six years or more.
- Fiscal agent as employer of collaborative staff.
- Entities such as government agencies and established corporate entities are already familiar with the tax and workplace requirements for employees and contractors. Local Family Connection collaboratives that are incorporated and serve as their own fiscal agents must ensure they have sufficient cash flow to pay the required federal tax payments associated with employees, and ensure they meet all work place requirements including the posting of required appropriate workplace notices. In addition, they must develop written policies and procedures for staff

INTRODUCTION

This document contains information and descriptions of Georgia Family Connection financial reports required for the reimbursement of state Family Connection grant funds: Annexes B and Annexes C. It includes a description of each part of Annexes B and C; the general requirements for completing the reporting forms; the deadlines for each quarterly reporting form, and example copies of the CIMS forms. These reports must be completed by all collaboratives and their fiscal agents—including those collaborative's for whom the Department of Family and Children Services (DFCS) serves as the fiscal agent, even though DFCS does not receive a contract but instead receives their funding through grant-in-aid (GIA). The quarterly reports must be entered into the Web-based reporting system known as the Collaborative Information Management System (CIMS) and printed from the system prior to the signing and mailing for reimbursement. Also, this document summarizes information often needed by the collaborative and their fiscal agent.

These reporting forms are developed only on CIMS. Samples of these forms and other financial tools are also available on the Georgia Family Connection Partnership's Web site. In addition to the forms this document, *How to Get Your Money* is also available. It can be found at www.gafcp.org under "Reporting Instructions & Timelines" in the section on "Quarterly Reports/Grant Contracts.

If you have any questions please call the Georgia Family Connection Partnership Contract Manager at 404-527-7394.

Financial Reports – Annex B

Annex B contains the expenditure reports for the grant. This annex has two parts.

FA

Annex B Part 1 is titled "Contract Budget and Quarterly Expenditure Report FY 13" and serves two functions (entered in and printed from CIMS):

- It is the contract expenditure report, used as the request for reimbursement
- It is the approved grant budget, used to request a change in the budget line items in a Budget Revision Request.

Annex B Part 2 is the "Family Connection State Grant Quarterly Subcontractor Report". This report itemizes the quarterly expenditures in the category for Per Diem, Fees and Contracts (line item F in the Family Connection Approved Budget shown on Annex B Part 1).

Programmatic Reports – Annex C

Annex C is a report on the collaborative's activities for the quarter. Annex C has two parts:

I do this part

- Annex C Part 1, "Family Connection Quarterly Narrative Report." This is a summary report on the collaborative's programmatic progress during the quarter. It describes the collaborative's and the collaborative's partners work (including programs and activities) in collaborative development and operations, goal implementation and evaluation.
- Annex C Part 2, "Family Connection Status Report, FY 2013 Plan of Action." This document verifies that any required action plan is on track. This form is an additional first quarter reporting requirement for some counties who have received a letter from the Georgia Family Connection Partnership office requiring a plan of action for the Strategic Plan, and/or Annual Plan.

GENERAL REQUIREMENTS

The Department of Human Services (DHS) is the fiscal agent for the Georgia Family Connection legislative appropriation for county collaboratives. The completion and printing from CIMS along with submission of these annexes is required for reimbursement from DHS. This is true whether the fiscal agent is a governmental agency, a not-for-profit corporation, or DFCS (who does not receive the money through a contract, but receives it instead through their regular grant-in-aid (GIA) allocation).

DHS contracts are written for one year, beginning July 1, 2012 and ending June 30, 2013. No contracts can be extended beyond the June 30, 2013 end date. **All reports are prepared on CIMS and submitted with original signatures—no faxed copies can be accepted**. Reports must be reviewed and approved in the Georgia Family Connection Partnership office before they are submitted to DHS.

DHS DEADLINES FOR REQUIRED REPORTS

Deadlines for report submittal are part of the contract and grant requirements for all fiscal agents—including DFCS. It is important to meet these deadlines, as they are a contractual and grant responsibility.

Failure to comply could result in nonpayment, delay of payment, contract or GIA suspension, or in worst case, contract termination.

All counties have the same due dates. This is true for counties who receive their funding through a regular contract, and counties where DFCS serves as the fiscal agent and the collaborative receives its funding through grant-in-aid. The reporting quarters, the reports required, and the due dates for both counties with contracts and counties where DFCS serves as the fiscal agent are:

1st quarter (July, August, September)

- Annex B Part 1, "Contract Budget and Quarterly Expenditure Report FY13"
- Annex B Part 2, "Quarterly Subcontractor Report" (if required)
- Annex C Part 1, "Quarterly Narrative Report"
- Annex C Part 2, "FY 2013 Plan of Action" (if required)
- DHS Form 5111 "Detailed Equipment Listing" (if required)
- Medicaid Outreach Report

Due Dates: October 15, 2012 → 2013

2nd quarter (October, November, December)

- Annex B Part 1, "Contract Budget and Quarterly Expenditure Report FY13"
- Annex B Part 2, "Quarterly Subcontractor Report" (if required)
- Annex C Part 1, "Quarterly Narrative Report"
- Annex C Part 2, "FY 2013 Plan of Action" (if required)
- DHS Form 5111 "Detailed Equipment Listing" (if required)
- Medicaid Outreach Report

Due Dates: January 15, 2013 → 2014

3rd quarter (January, February, March)

- Annex B Part 1, "Contract Budget and Quarterly Expenditure Report FY13"
- Annex B Part 1, contract budget revision, if needed. See section below on Budget Revisions. All budget revisions needed before the end of the fiscal year must be entered and printed from CIMS by April 22, 2013, signed, and received in the Georgia Family Connection Partnership Office prior to May 1, 2013.
- Annex B Part 2, "Quarterly Subcontractor Report"
- Annex C Part 1, "Quarterly Narrative Report"
- Annex C Part 2, "FY 2013 Plan of Action" (if required)
- DHS Form 5111 "Detailed Equipment Listing" (if required)
- Medicaid Outreach Report

Due Dates: April 15, 2013 → 2014

4th quarter (April, May, June)

- Annex B Part 1, "Contract Budget and Quarterly Expenditure Report FY13"
- Annex B Part 1, contract budget revision, if needed. See section below on Budget Revisions. All budget revisions needed before the end of the fiscal year must be entered and printed from CIMS by April 22, 2013, signed, and received in the Georgia Family Connection Partnership Office prior to May 1, 2013.
- Annex B Part 2, "Quarterly Subcontractor Report" (if required)
- Annex C Part 1, "Quarterly Narrative Report"
- Annex C Part 2, "FY 2013 Plan of Action" (if required)
- DHS Form 5111 "Detailed Equipment Listing" (if required)
- Medicaid Outreach Report

Due Dates: August 15, 2013 → 2014

NOTE: The final date to enter a budget revision into CIMS is Monday, April 22, 2013. This only happens if there is increase/decrease from Legislative Session

Please make every effort to submit the quarterly reports as soon as possible following the last day of the quarter, in order to not delay the fiscal agent's payments. Your fiscal agent will appreciate your attention to this matter. Expenditure reports cannot be entered into CIMS or accepted prior to the end of the quarter; however, entering information for the quarterly narrative report can begin prior to that time.

Mail all signed CIMS forms to:

Contract Manager
Georgia Family Connection Partnership
235 Peachtree Street – Suite 1600
Atlanta, GA 30303-1422

Georgia FamilyConnection Partnership

Finance
October 2012

DHS FY 2014 Contract
Record Retention and Audit Reporting Requirements

RECORD RETENTION REQUIREMENTS

In the contract signed by the collaborative's Fiscal Agent with the Georgia Department of Human Services, records retention requirements are in the paragraph related to access to records and investigation. The limit is six years–and in case of litigation, may be more. And basically everyone has to keep everything. The contract paragraph is reproduced below.

PARA #113 ACCESS TO RECORDS AND INVESTIGATION:
A. The state and federal government and the Department shall have full and complete access to all consumer/customer/client records, administrative records, financial records, pertinent books, documents, papers, correspondence, including e-mails, management reports, memoranda, and any other records of the Contractor and subcontractor (collectively, "records") for the purpose of conducting or reviewing audit examinations, excerpts, and transcripts. Contractor and subcontractor record retention requirements are six years from submission of final expenditure report. If any litigation, claim, or audit is started before the expiration of the six-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.

Department of Family and Children Services (DFCS):
Collaboratives with DFCS serving as their fiscal agent should follow the above guidance.

Targeted Case Management (TCM) Documents Retention
If in the past, your collaborative **EVER** participated in the Family Connection "Children At-Risk Targeted Case Management" (TCM) program with Medicaid, then all case files and notes must be retained for six years. These records include:

- The client's signed consent form
- The client's Individual Service Plan, updated and signed as periodically required
- Brief Follow-Up notes and records, and
- Extended Follow-Up notes and records.

The case file should contain notes and records of all client contact.

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AUDIT REPORTING REQUIREMENTS—BY FISCAL AGENT TYPE

The Department of Human Services Contract audit requirements by contractor type are referenced in Paragraph # *402 Audits and Financial Reporting Requirements* of the FY14 Contract. Following is the information by fiscal agent type.

Boards of Education:

Contractor agrees to provide within nine (9) months after the close of the Contractor's fiscal year, two (2) copies of the audit report conducted by the Georgia Department of Audits and Accounts or by an independent Certified Public Accountant approved by the State Department of Audits and Accounts to:

Georgia Department of Audits and Accounts
Education Audit Division
270 Washington Street, S.W.
Atlanta, Georgia 30334-8400

Contractor understands that failure to comply with the above audit and financial reporting requirements could be cause for DHS to suspend payments, to terminate this contract, to require a refund of all monies received under this contract and to prohibit the Contractor from receiving funds from any state organization for a period of twelve (12) months from the date of notification by DHS or the Georgia Department of Audits and Accounts

Local Government

Contractor agrees to provide within 180 days after the close of the Contractor's fiscal year, one (1) copy of the audit or annual report required of local governments by Section 36-81-7 of the Official Code of Georgia Annotated and one (1) copy of the additional reports, statements, schedules and forms outlined in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions, to the:

Director, DHS Office of Inspector General
Room #30.450
Two Peachtree Street, N.W.
Atlanta, Georgia 30303-3142

Contractor understands that failure to comply with the above audit and financial reporting requirements could be cause for DHS to suspend payments or to terminate this contract.

Community Service Board:

Contractors that expend $500,000 or more in **Federal funds** during their fiscal year agree to have a **single entity-wide audit** conducted for that year in accordance with the provisions of the Single Audit Act Amendments of 1996 (Public Law 104-156) and their implementing regulation, OMB Circular A-133 entitled, "Audits of States, Local Governments, and Nonprofit Organizations." The audit reporting package shall include

the documents listed in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractors expending $100,000 or more in **State funds** during their fiscal year agree to have an **entity-wide audit** conducted for that year in accordance with Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants. The audit reporting package shall include the documents listed in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractors expending at least $25,000 but less than $100,000 in **State funds** during their fiscal year agree to prepare **unaudited entity-wide financial statements** for that year. Assertions concerning the basis of financial statement preparation must be made by the president or other corporate official as described in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractor further agrees to submit the required audit or financial statements in the quantities set forth below, within 180 days after the close of the Contractor's fiscal year:

One (1) copy to:

Director, DHS Office of the Inspector General
Room #30-450
Two Peachtree Street, N.W
Atlanta, Georgia 30303-3142

One (1) copy to:

State Department of Audits and Accounts
Nonprofit and Local Government Audits Division
270 Washington Street, S.W., Suite 1-156
Atlanta, Georgia 30334-8400

Contractor understands that failure to comply with the audit and financial reporting requirements in the preceding paragraph could be cause for DHS to suspend payments, to terminate this contract, to require a refund of all monies received under this contract and to prohibit the Contractor from receiving funds from any state organization for a period of twelve (12) months from the date of notification by DHS.

Board of Health

Contractors that expend $500,000 or more in **Federal awards** during their fiscal year agree to have a **single entity-wide audit** conducted for that year in accordance with the provisions of the Single Audit Act Amendments of 1996 (Public Law 104-156) and their implementing regulation, OMB Circular A-133 entitled, "Audits of States, Local Governments, and Nonprofit Organizations." The audit reporting package shall include the documents listed in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractors expending $100,000 or more in **State funds** during their fiscal year agree to have an **entity-wide audit** conducted for that year in accordance with Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants. The audit reporting package shall include the documents listed in the

Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractors expending at least $25,000 but less than $100,000 in **State funds** during their fiscal year agree to prepare **unaudited entity-wide financial statements** for that year. Assertions concerning the basis of financial statement preparation must be made by the president or other corporate official as described in the Department of Human Services On-line Directives Information System POL 1244, External Entities Audit Standards and Sanctions.

Contractor further agrees to submit one (1) copy of the required audit or financial statements within 180 days after the close of the Contractor's fiscal year to the:

Director, DHS Office of the Inspector General
Room #30-450
Two Peachtree Street, N.W.
Atlanta, Georgia 30303-3142

Contractor understands that failure to comply with the above audit and financial reporting requirements could be cause for DHS to suspend payments, to terminate this contract, to require a refund of all monies received under this contract and to prohibit the Contractor from receiving funds from any state organization for a period of twelve (12) months from the date of notification by DHS.

Private Nonprofit
Contractors that expend $500,000 or more in **Federal funds** during their fiscal year agree to have a **single entity-wide audit** conducted for that year in accordance with the provisions of the Single Audit Act Amendments of 1996 (Public Law 104-156) and their implementing regulation, OMB Circular A-133 entitled, "Audits of States, Local Governments, and Nonprofit Organizations." The audit reporting package shall include the documents listed in Policy 1244 of the DHS Directives Information System.

Contractors expending $100,000 or more in **State funds** during their fiscal year agree to have an **entity-wide audit** conducted for that year in accordance with Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants. The audit reporting package shall include the documents listed in Policy 1244 of the DHS Directives Information System.

Contractors expending at least $25,000 but less than $100,000 in **State funds** during their fiscal year agree to prepare **unaudited entity-wide financial statements** for that year. Assertions concerning the basis of financial statement preparation must be made by the president or other corporate official as described in Policy 1244 of the DHS Directives Information System.

Contractor further agrees to submit the required audit or financial statements in the quantities set forth below, within 180 days after the close of the Contractor's fiscal year:

One (1) copy to:

Director, DHS Office of the Inspector General
Room #30-450
Two Peachtree Street, N.W.
Atlanta, Georgia 30303-3142

One (1) copy to:

State Department of Audits and Accounts
Nonprofit and Local Government Audits Division
270 Washington Street, S.W., Suite 1-156
Atlanta, Georgia 30334-8400

Contractor understands that according to the provisions of Title 50, Chapter 20, Sections 4 and 6 of the Official Code of Georgia, failure to comply with the above audit and financial reporting requirements could be cause for DHS to suspend payments, to terminate this contract, to require a refund of all monies received under this contract and to prohibit the Contractor from receiving funds from any state organization for a period of twelve (12) months from the date of notification by DHS or the Georgia Department of Audits and Accounts.

Department of Family and Children Services (DFCS)
Audit requirements are handled by the state Division of Family & Children Services (DFCS) office. The county DFCS office does not submit an audit for the Family Connection state grant.

DHS Budget Preparation Allowable Costs
Categorization of Expenses
FY 2014

Type of Expense	Includes but not limited to:	Category	Non-Reimbursable
Contracts	Grant writer	**Per Diem Fees and Contracts**	**XXX**
Advertising/Fiscal Agent Management Fees	Costs to advertise, market programs, manage Family Connection funds	**Regular Operating**	**XXX**
Audit	Fees associated with performance of an audit	**Regular Operating**	
Client Benefits/Transportation	Baby-sitting services, etc.	**Other**	
Participant Transportation	Costs to transport participants	**Other**	
Computer, Computer Software	Computer (less than $1,000), prepackaged software	**Regular Operating**	
Consumer Support	Consumer meetings/planning	**Regular Operating**	
Contracts	Agreements for delivery of services evidenced by a written agreement	**Per Diem Fees and Contracts**	
Equipment (Office)	Items costing more than or equal to $1,000	**Equipment**	
Equipment Maintenance/Repairs	Contracts for maintenance of equipment and costs of repairs	**Regular Operating**	
Fringe Benefits	Benefits associated with employees, health insurance, FICA, etc.	**Personal Services**	
Furniture and copier	Purchase of office furniture and copier	**Equipment**	**XXX**
Insurance/Bonding	Fidelity bonds on employees and hazard coverage on property	**Regular Operating**	
Meetings	Room rental, refreshments, audio visual equipment	**Regular Operating**	
Per Diem and Fees	Architects, attorneys, consultants, temporary services	**Per Diem, Fees and Contracts**	
Postage	Costs incurred in mailing materials	**Regular Operating**	
Printing	Letterhead stationery, imprinted envelopes, printed manuals, etc.	**Regular Operating**	
Rent	Rental estate rental	**Facility Costs**	**XXX**
Salaries	Employee wages (hourly or salaried)	**Personal Services**	
Subscriptions	Subscription to job-related publications/memberships in organizations	**Regular Operating**	
Supplies (Operational)	All types of consumable materials used in operations	**Regular Operating**	
Supplies (Program)	Curricula, workbooks, video, compact discs	**Regular Operating**	
Telecommunications/Telephone	Telephone, internet charges	**Telecommunications**	
Training/Conferences	Registration fees or tuition	**Regular Operating**	
Travel	Lodgings, meals, use of vehicle for job-related activities	**Travel**	
Utilities	Electricity, natural gas, fuel oil, water and sewer charges	**Facility Costs**	**XXX**
Expenses unique to a funding source/program	Specified by funding source or program	**Other**	

(9/2012)

NOTE: Personal Services and Travel costs are budgeted only for Family Connection staff on the Fiscal Agent/ contractor's payroll (If not on Fiscal Agent/ contractor's payroll these costs should be budgeted under "Per Diem, Fees & Contracts")

FACTOR Coordinator (Buddy Smith) is AN Independent Contractor