

STATE OF WASHINGTON
OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION

RFQQ 2020-30: Independent Federal Audits and Subrecipient Monitoring
Addendum 01 – Questions and Answers

Note to potential respondents:

All amendments, addendums, and notifications will be posted on the OSPI web site and released via the Washington Electronic Business Solution (WEBS) web site.

1. How many institutions in the WA CACFP, and subject to audits in 2020, expend \$750,000 or more in federal funds?
In 2019-20 OSPI CNS has eighty (80) institutions which are required to have a Single Audit. However, all of these institutions are responsible for contracting out with audit firms of their own choice except for Mountainview Daycare Nutrition Program (Kirby Enterprises) which is audited by an OSPI contracted firm.
 - Can OSPI provide a list of these institutions that includes their address information or county location?
This is not applicable since only one family daycare home expends over \$750,000 in federal funds and is audited by an OSPI contracted firm.
 - If these institutions are sponsors of child care centers, adult day care centers, or family day care homes, can OSPI provide the numbers of sponsored sites by institution?
Please see the attached worksheet for Mountainview Daycare Nutrition Program – Centers.
2. How many institutions in the WA CACFP, and subject to program audits in 2020, expend less than \$750,000 in federal funds?
Sixty (60) for profit CACFP institutions will be subject to a program audit in 2020.
 - Can OSPI provide a list of these institutions that includes their address information or county location?
We have provided a list of the institutions and the number of sponsored sites (See the attached list).
 - If these institutions are sponsors of child care centers, adult day care centers, or family day care homes, can OSPI provide the numbers of sponsored sites by institution?
3. How many program audits does OSPI plan to assign to each contractor?
Ten to twelve (10-12).
4. How long does OSPI typically budget to perform single audits and program audits?
OSPI budgets an average of 60 hours per program audit.
5. Will OSPI notify contractor of all assigned institutions subject to audit at the beginning of the contract period or will assignments be made throughout the 2020 contract period?
The Audit Manager will assign institutions subject to audit at the beginning of the contract period. Additional audits will be assigned as warranted.
6. For audits of institutions receiving less than \$750,000 in federal funds, will the contractor be required to use the OSPI audit/review tools, workbooks and processes for CACFP audits/reviews? **Yes** Or will contractor be required to use their own tool? **No**
7. For the program audits, is OSPI anticipating an agreed-upon procedures report to be submitted? **Yes**
 - If so, can OSPI share the current procedures for these program audits?
We will share these procedures after entering into contracts with the selected audit firms.

- Are any of these program audits required to be unannounced?
We expect the audit firms to contact the institutions in advance to schedule field audits.
 - Please indicate if there are specific tasks that must be performed on site. Are there tasks that can be performed as a desk review? If tasks can be completed via desk review, can OSPI provide any further detail on the percentage of tasks that can be performed remotely.
We prefer that auditors work on site. Audit reports can be written off site. We expect the auditors to obtain corrective action plans by the field exit and to forward a copy to OSPI CNS.
8. Does the scope of program audits include inspecting 100% of all records (e.g., daily meal attendance, purchase receipts, menu of food served, etc.), or does OSPI allow sampling the records for accuracy with an error threshold to expand if exceeded?
We encourage the auditors to sample records for accuracy with an error threshold to expand samples if necessary.
 9. What are OSPI requirements for the test period? Is the test period one program month, one quarter, one prior year, etc.? If the test period is a month, under what circumstances would the contractor be required to examine additional months beyond the audit test month?
For FY 2018 the test period included three (3) claim months.
 10. For program audits, will the contractor be responsible for determining the correct reimbursement amount if different than the claim for reimbursement?
OSPI CNS will provide pre-calculation tool which will automatically calculate questioned costs.
 11. Does OSPI anticipate that the contractor would conduct any additional procedures other than the single audit on those institutions expending \$750,000 per year or more?
No
 12. What are OSPI requirements for handling corrective actions and issuing serious deficiencies?
The auditors will be expected to followup on prior year review and/or audit exceptions. The auditor is required to obtain the corrective action plan from the auditee and ensure that it adequately addresses compliance and control issues.
 13. Will the contractor be given access to the Washington Integrated Nutrition System?
Yes, the contractor will be give query access only to WINS.
 14. Will OSPI provide training related to their CACFP-specific policies, procedures, and systems? Will this training be on site, remote, or both?
OSPI will provide CACFP technical training to sponsors across the state. We strongly encourage auditors to participate in the one-day training event. Also, you can access CACFP materials on our K12.wa.us website.
 15. Please clarify if the travel time associated with conducting the program audits is billable to OSPI? If travel time is not billable, would OSPI consider regional rates to account for the differences in travel throughout the state?
Travel expenses will be incorporated into the billable audit rate.
 16. Is there an existing contractor currently completing this work?
All audit contract work for FY 2018 has been completed at this time.