

EARLY LEARNING COALITION OF OSCEOLA COUNTY

SCHOOL READINESS PROVIDER POST ATTENDANCE AUDITS

ITEM: 430A.03

EFFECTIVE DATE: 12-20-07

REVISED: 2-16-10

Page 1 of 2

POLICY STATEMENT

The Coalition is responsible for conducting monitoring activities to ensure the accuracy of the payments of the monthly reimbursement requests. This will be accomplished through post audit monitoring of school readiness providers who received reimbursement at some point during the fiscal year.

PROCEDURE

School Readiness Provider Attendance Records Maintenance Requirements

1. To ensure provider payment accuracy, all School Readiness providers are required to comply with the following requirements:
 - A. Maintain attendance records that are supported by daily sign in/sign out sheets that identify the child and contain the signature of the parent or responsible party signing the child in and out of the provider's care. The use of a recognized child care attendance software program capturing daily attendance through keypad codes, touch screen sign in/sign out, or fingerprint recognition are also acceptable methods of tracking attendance providing written reports can be generated upon request. Any other methods of recording attendance must meet the approval of the Coalition prior to reimbursement.
 - B. Maintain all attendance records for a minimum of two (2) years from the child's date of entry to the provider's child care program.

Audit Requirements of School Readiness Provider Attendance Records

1. At least a 50% random sample of School Readiness providers must be audited at least one time during the fiscal year. Any on-site audit visits may be announced or unannounced. If perfect attendance is observed for three (3) consecutive months, an on-site monitoring visit is warranted.
2. The central agency may at any time select a provider for audit if there is a reason for concern, as well as re-selecting a previously audited provider. The Coalition or its designee may audit the attendance records at any time either on-site or through requesting documentation and may extend an audit back to any period in which the provider received school readiness funding.
3. Unless otherwise warranted, the post audit monitoring will be based on the reimbursement request of the early education and care providers of those selected, for one of the previous three (3) months at the selection of the central agency. The audit will evaluate the reimbursement with the provider's attendance documentation. Attendance verification may be maintained by the provider in one location, or in individual classrooms, but it should be secured for purposes of retention.
4. Providers' records that fail to substantiate the reimbursement reconciliation may result in a disallowed subsidy payment. These are adjusted from future reimbursement payments. In the event future payments are not available, the central agency will make reasonable attempts to collect the funds, including but not limited to, the use of a collection agency.

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5. When auditing a school readiness provider, the following process shall be used:
 - A. All school readiness children attending an informal, registered or licensed family child care home must be validated.
 - B. Early education and care centers serving forty (40) or less school readiness children, must audit each school readiness child.
 - C. For child care centers serving more than 40 school readiness children, the audit sample will encompass 40 school readiness children and 10% of the remaining school readiness population. {For example – 67 school readiness children are served in the center. The first 40 are reviewed. The sample size is determined by the total # of children (67) minus the children audited (40) equals remaining children (27). Multiplying 27 children by 10% (27 x .10) equals = 2.7 additional children. Since you cannot have part of a child, you must always round up. Therefore, the central agency must review the records of three (3) additional children.}
 - D. The central agency must also determine the error rate made by the provider. This is determined by dividing the number of records with errors, by the total number of school readiness records. For example, if of the 43 children reviewed, three (3) had errors, that creates an error rate of 11% (divide the # of children with errors (3) by the total # of children (43) equals .069 (rounded up) or 7%. In this case, the audit found an overall error rate of less than 10%, so corrections would be noted and payment adjustments made on those children identified. No further auditing is needed. However, if the counselor found more than five (5) cases with errors in the child reconciliations, they must continue to monitor files as long as they find the overall error rate higher than 10%.
 - E. All errors must be reconciled financially by either a repayment from the provider or withholding money from future payments. Providers are required to return any overpayments.
 - F. If the provider was underpaid, then the central agency will promptly pay the provider the difference, unless extenuated circumstances are present. If extenuating circumstances are present, the central agency will refer the matter to the Coalition's Executive Director for review and final decision.
 - G. Providers with an error rate higher than 10% must be provided technical assistance related to acceptable verification and record keeping. A second attendance audit must be completed within the next three (3) months of the first audit to verify progress in achieving greater attendance record accuracy.
 - H. A report shall promptly be completed by the central agency and given to the provider with the outcome. Copies of documentation related to monitoring and site visits will be maintained in the provider file.
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PARTIES AFFECTED

All School Readiness Providers

ASSOCIATED DOCUMENTS / FORMS

Provider Attendance Records, Post Audit Form