



wisconsin department of  
**children & families**

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Governor Scott Walker  
Secretary Eloise Anderson

Division of Safety and Permanence

March 25, 2013

Child Welfare Licensing Memo Series 2013-01L

To: Private Child Placing Agencies  
Residential Care Centers for Children and Youth  
Group Home Providers  
Child Placing Agency Directors  
Shelter Care

From: Ron Hermes   
Bureau Director

RE: Audit Report Requirements

All agencies that receive more than \$25,000 in funding from the Department for the purchase of care and services are required to have an annual audit in accordance with the State Single Audit Guidelines (SAAG), unless required by contract to have an audit in accordance with the Provider Agency Audit Guide (PAAG). This is a reminder that it is important that audit reports be submitted to the Department in accordance with the following requirements:

- For agencies that are required to have an audit in accordance with the PAAG, audits are due no more than 6 months after the fiscal year covered by the audit. For most agencies, that date is June 30<sup>th</sup>.

We encourage agencies to make arrangements with their accountants and auditors *now* to ensure that their audits are filed timely. The Department may impose sanctions and penalties, including revocation of licenses, order to close placements, delaying payments and non-renewal of contracts, on those providers who fail to comply. The Department will not grant any extensions.

We are again requesting that auditing firms who audit agencies that receive DCF funding update their work papers and spreadsheets. We will reject audits that do not correctly cite DCF funding and programs. We encourage you to discuss this with your auditor to ensure that any necessary changes are made now.

In addition, we would prefer that you file any audit reports with us electronically by emailing them to [DCFAuditors@wisconsin.gov](mailto:DCFAuditors@wisconsin.gov).

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