

Dear CCDF Lead Agencies:

Attached for your awareness is Information Memorandum (IM) [IM-ACF-OA-2020-02](#) issued by the Administration for Children and Families (ACF) dealing with important updates to administrative flexibilities for human service activities related to, or affected by, Coronavirus Disease 2019 (COVID-19).

This new IM updates information previously provided in [IM-ACF-OA-2020-01](#). The Office of Child Care provided [information about how this prior IM related to the Child Care and Development Fund \(CCDF\)](#).

New [IM-ACF-OA-2020-02](#) extends two administrative flexibilities: (1) Allowability of Salaries and Other Project Activities, and (2) Extension of Single Audit Submission and COVID-19 Emergency Acts Fund Reporting. The table below provides additional information about how these flexibilities apply to CCDF. These flexibilities are set to expire on September 30, 2020, or sooner should Office of Management and Budget withdraw the authority. All other flexibilities have expired as of June 16, 2020 and are no longer available.

<b>ADMINISTRATIVE FLEXIBILITY</b>	<b>APPLICABILITY TO CCDF</b>
<b>Allowability of salaries and other project activities.</b>	Not applicable to CCDF. CCDF Lead Agencies should expend and account for CCDF funds in accordance with their own laws and procedures for expending and accounting for their own funds (45 CFR 98.67(a)). While guidance in IM-ACF-OA-2020-02 on the allowability of costs is not binding on CCDF, the IM provides flexibility to certain other ACF programs related to the charging of salaries and benefits and other costs. CCDF Lead Agencies may want to take this guidance into account when assessing how to expend and account for CCDF funds in accordance with their own laws and procedures. Child care providers who receive ACF grants may not use grant funds for costs that are reimbursed or compensated by other federal or state programs that provide for such benefits, including but not limited to the Small Business Administration’s Paycheck Protection Program, the Public Health and Social Services Emergency Fund, or unemployment compensation.
<b>Extension of Single Audit submission and COVID-19 Emergency Acts Fund reporting.</b>	ACF is allowing CCDF Lead Agencies and subrecipients that have not yet filed their single audits with the Federal Audit Clearinghouse as of March 19, 2020 that have normal due dates from March 30, 2020 through June 30, 2020, to delay the completion and submission of the Single Audit reporting package to six months beyond the normal due date. The due dates for audits with normal due dates from July 31, 2020 through September 30, 2020 are extended to three months beyond the normal due date. CCDF Lead Agencies and subrecipients do not need to seek approval for this extension, but should maintain documentation of the reason for the delayed filing.

CCDF Lead Agencies and subrecipients taking advantage of this extension may still qualify as a “low risk” auditee under the criteria of 45 CFR 75.530(a).

Additionally, in order to provide adequate oversight of the COVID-19 Emergency Acts funding and programs, recipients and sub-recipients must separately identify the COVID-19 Emergency Acts expenditures on the Schedule of Expenditures of Federal Awards and audit report findings. For CCDF, this includes supplemental CCDF funding appropriated by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Sincerely,

/s/

Shannon Christian  
Office of Child Care