Policies & Procedures - Part 1

General Requirements for Health & Human Services Contractors

ACS Division of Financial Services

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INTRODUCTION AND OVERVIEW

This Fiscal Manual is organized in three (3) parts and replaces all previously issued provider manuals concerning these three areas:

Part 1: General Requirements for Health and Human Services Contractors

Part 2: HHS Accelerator Financials

Part 3: EarlyLearn NYC and Subrecipients

The following addendums issued by Financial Services cover additional program specific matters:

1. Preventive
    a. General Preventive (ACS Division of Financial Services, Budget. Issue Date: July 1, 2018)
2. Child and Family Well Being
    a. Community Partnership Program (ACS Division of Financial Services, Budget. Issue Date: July 1, 2018)
3. Close to Home
    a. Non-Secure Placement (NSP) and Aftercare Services (ACS Division of Financial Services, Budget. Issue Date: July 1, 2018)
    b. Limited Secure Placement (LSP) and Aftercare Services (ACS Division of Financial Services, Budget. Issue Date: July 1, 2018)
4. Foster Care and Maintenance
    a. SSPS Demographic/Movement Template (NYS Office of Children and Family Services)
    b. Reports Distribution Agency File Upload Job Aid (NYS Office of Children and Family Services)
    c. SSPS Reconciliation & Post Payment Reporting Tool (NYS Office of Children and Family Services)
    d. Foster Care SSPS Payroll Schedules (ACS Division of Financial Services, Payments. Issue Date: FY18 through FY20)
5. Foster Care Special Payments
    a. Guide to Foster Care Special Payments (ACS Division of Financial Services, Payments. Issue Date: July 1, 2018)
    b. Detail Sheets Guide to Foster Care Special Payments (ACS Division of Financial Services, Payments: Issue Date: July 1, 2018)
    c. Special Payment Processing Template Reference Guide (ACS Division of Financial Services, Payments)

The Administration for Children's Services (ACS) Fiscal Manual is a set of instructions documenting the applicable policies and procedures to be followed by ACS Health and Human Services Contractors for recordkeeping, bookkeeping, accounting, financial reporting,

billing/invoicing, budgeting, cost allocating, payment, and audit. ACS requires all contractors Board Members, management and financial staff to adhere to the policies and procedures included herein. The goals of the Fiscal Manual are to ensure compliance with all applicable Federal, State and City regulations and other financial requirements, as well as to support sound financial and accounting practices. To this end, all expenditures must be made in accordance with the terms and conditions of the service agreement contract.

The requirements outlined in the Fiscal Manual apply to **Child Welfare (Foster Care and Preventive), EarlyLearn and Juvenile Justice programs.** The manual is located on the ACS public websites through the following links:

Child Welfare: **http://www1.nyc.gov/site/acs/about/child-welfare-providers.page**

Juvenile Justice: **http://www1.nyc.gov/site/acs/about/juvenile-justice-providers.page**

EarlyLearn NYC **http://www1.nyc.gov/site/acs/early-care/early-learn-nyc-finance-documents.page**

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SECTION 1.2 APPLICABLE CONTRACTS

1.2.1 Applicable Contracts

This manual applies to all entities that hold one or more HHS contracts with ACS, including, but not limited to:

Child Welfare

- Agency Boarding Home (ABH)
- Child Success New York City (CSNYC)
- Family Foster Care (FFC)
- General Preventive (GP)
- Group Home (GP)
- Group Residence (GR)
- Hard To Place: Institution (HTP INST)
- Intensive Family Preventive Services (IFPS)
- Intensive Family Preventive: Home Based Family Therapy (HB)
- Intensive Family Preventive: Multi Track Therapy (MT)
- Promising Practice
- Residential Care
- Special Medical Needs
- Specialized PC: Center Based Respite
- Specialized PC: Families with Children Who Have Been Sexually Exploited
- Specialized PC: Family Treatment/Rehabilitation (FTR)
- Specialized PC: Family with Children or Parents Who Are Deaf or Hearing Impaired
- Specialized PC: Special Medical and Developmental Preventive Program
- Specialized Teen Preventive Services
- Stability Initiatives
- Therapeutic Foster Boarding Home (TFBH)

Preventive Services

- Brief Strategic Family Therapy

Division of Youth and Family Justice

- Close to Home – Limited Secure Placement & Aftercare Services (LSP)
- Close to Home – Non-Secure Placement & Aftercare Services (NSP)
- Family Assessment Program (FAP)
- Juvenile Justice Initiative/Juvenile Delinquency (JJI/JD)
- Non-Secure Detention (NSD)

Child and Family Well Being

- Community Partnership Initiative (CPP)
- EarlyLearn NYC (EL)

Discretionary

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SECTION 1.3 CONTRACTORS' FINANCIAL POLICIES & PROCEDURES MANUALS

1.3.1 General Requirements for Health & Human Services Contractors

Contractors are required to maintain Financial Policies & Procedures Manuals in keeping with all aspects of financial management, including internal controls as it relates to ACS contracts. *Part 1: General Requirement for Health and Human Services Contractors* provides an overview of the major financial practices and fiscal practices and duties contractors are required to utilize to ensure compliance with all applicable Federal, State and City regulations, and other financial requirements.

Internal controls are the combination of policies, procedures, job responsibilities, personnel and records that together create accountability in an entity's financial system and safeguards its cash, property and other assets. ACS expects all funded contractors to comply with the new requirements of the New York Not-for-Profit Corporation Law, as mandated by the Non-Profit Revitalization Act signed into law in 2013. In particular (and without limitation), ACS expects all funded Not-for-profit contractors to maintain and follow a conflict of interest policy. Contractors with 20 or more employees and annual revenue in excess of $1,000,000, must institute a "whistle-blower" policy. Compliance with the requirements of the Non-profit Revitalization Act is subject to verification by ACS staff and/or ACS's contracted audit firms.

Effective internal controls must include:

- Documentation of staff payroll;
- Use of payroll documentation to generate reports on costs;
- Allocation of time expenses by contractors to the appropriate activities, including:
  - Eligible and ineligible activities
  - Direct and indirect activities
- Segregation of duties and responsibilities which must be divided among different staff members to reduce the risk of error or fraud;
- Proper execution of transactions and events which should be authorized only by persons acting within the scope of their authority;
- Documentation of transactions and availability of all documents for inspection;
- Secure physical and financial Assets: An organization must safeguard its assets, including cash and equipment. It is recommended that periodic inventory checks will help prevent loss or unauthorized use of the organization's assets.

1.3.2 Contractors' Financial Policies and Procedures Manuals

The Financial Policies and Procedures Manuals (PPM) should address all aspects of the contractors' fiscal management practices, including, but not limited to:

1. Fiscal Operations
2. Generally Accepted Accounting Principals
3. Accrual Accounting
4. Fund Accounting
5. Financial Management System
6. Accounting Calendar
7. Chart of Accounts
8. General Ledger
9. Journal Entries
10. Bank Accounts
11. Bank Reconciliations
12. Check and signing authority
13. Credit/Debit Transactions
14. Petty Cash transactions
15. Travel Costs
16. Allowable Costs
17. Disallowed Costs
18. Fund Raising
19. Reconciliation
20. Conflict of Interest
21. Records Retention
22. Loans to employees
23. Procurement
24. Cost Allocation Plan
25. Filing payroll taxes
26. Filing Form Charitable 500
27. Filing Form 990
28. 501 C3 Tax Exempt Certificate
29. Written personnel and payroll manual
30. Performing Audits

1.3.3 Fiscal Operations

All Contractors must implement measures to ensure that their fiscal operations reflect the following:

- Conformance with all applicable City, State and Federal statutes, regulations, and policies;
- Written financial policies and procedures are created and followed;
- Maintenance of an automated accounting and record-keeping system adequate for effective oversight; and
- Conformance with staff qualifications and competency requirements, as outlined below:

1.3.4 Generally Accepted Accounting Principles (GAAP)

All contractors should adhere to Generally Accepted Accounting Principles (GAAP) for Nonprofit Organizations as set by the Financial Accounting Standards Board (FASB). The GAAP are uniform minimum standards and guidelines to financial accounting and reporting. Contractors should follow FASB announcements in order to ensure their accounting systems are up to date with new GAAP requirements. Accounting records must be established and maintained in accordance with GAAP. It is essential that contractors maintain accurate, complete and permanent financial records that are available for inspection by ACS.

1.3.5 Accrual Accounting

All contractors must follow the accrual basis of accounting.

1.3.6 Fund Accounting

Contractors must establish and maintain separate accounts (fund) for every funding source they obtain from ACS or any other funder.

1.3.7 Financial Management Systems

An organization's financial management system should include at least the following elements:

- Chart of accounts
- Cash receiving system and cash receipts journal
- Cash disbursements
- Payroll
- General ledger

The financial management system of each organization must provide for the following:

1. Identification, in its accounts, of all City, State and Federal grants received and expended and the programs under which they were received;
2. Maintenance of an automated accounting and record-keeping system adequate for effective oversight;

3. Accurate, current and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements. If an HHS awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system;
4. Records that identify adequately the source and application of funds for federally-funded activities;
5. Effective control over, and accountability for, all funds, property and other assets;
6. Comparison expenditures with budget amounts for each Federal award;
7. Written procedures to implement payment requirements; and
8. Written procedures for determining allowable costs in accordance with Subpart E [Cost Principles] and the terms and conditions of the grant.

All contractors must establish and maintain efficient and effective reporting systems that generate official reports for Federal, State, and local authorities, as required by applicable law.
Not-for-Profit organizations contracting with ACS are required to comply with all applicable State and Federal laws with respect to required filings. In keeping with Federal reporting purposes, Not-for-Profit Organizations are required to file an information return (e.g. the I.R.S. Form 990). Organizations may be required to register with the Charities Bureau of the New York State Attorney General's Office in accordance with New York State laws. Additionally, organizations that solicit from the public are required to file with the NYS Attorney General's Office, financial forms that vary depending on the organization's gross revenues.

All contractors must ensure that the following reports are generated monthly:

- *Variance Reports showing budget versus actual* - Variance reporting is used in budgetary analysis in order to gauge performance by measuring and analyzing the budget against actual spend.
- *Monthly Financial Statements* - These statements are used to accurately track financial data which is critical for running day-to-day operations. Also, these statements help to determine cash flow and simplify the filing of taxes.

- *Credit/Debit Card Expenditures* - When a credit/debit card is used to make a reportable expenditure, the expenditure must be reported by identifying the name and address of the vendor who sold the goods or services. The date, amount, and purpose of the expenditure must also be disclosed, in addition to other information. When the bill for the credit/debit card transaction is paid, the payment must also be reported using the appropriate existing disbursement schedule.

- *Accounts Payable Reports* - The voucher activity report of accounts payable provides details of payment vouchers made over a specific time period and meeting specific criteria. Approval of vouchers is necessary to generate payments.

- *Accounts Receivable reports* - These reports can be used to facilitate the review and management of customer accounts.

- *Statements of Cash Flow* – A statement of cash flow is a financial statement that shows how changes in balance sheet accounts and income affect cash and cash equivalents, and breaks the analysis down to operating, investing and financing activities.

1.3.8 Accounting Calendar

Contractors should maintain an accounting calendar as a schedule of anticipated dates for financial activities throughout the month. The accounting calendar should have transaction due dates for deposits, journal entries, payments, bank reconciliations, billing transactions, and audits. This will help with the production of trial balance and financial statements. Books must be closed monthly as ACS requires monthly reporting.

1.3.9 Chart of Accounts

A chart of account is a listing of all the accounts in an accounting system. These accounts provide the framework for recording every transaction in an organization. A separate Chart of Accounts must be maintained for each program. Contractors must establish a chart of accounts that lists accounts in the following order:

- Assets
- Liabilities
- Net Assets
- Revenues
- Expenses

Contractors must maintain a separate Chart of Accounts for each funding stream and may follow the format of the United Chart of Accounts (UCOA) which is designed to provide a framework that meets the reporting needs for IRS and IRS Form 990 filing.

1.3.10 General Ledger

The General Ledger (GL) is the core of the contractor's financial records and contains all of the financial accounts, as well as off-setting debit and credit accounts. Every transaction must be recorded in the GL and become part of the history of all financial transactions. Contractors with multiple programs/funding must maintain a separate GL for each funding source or have the ability to run GL reports at the individual funding/program level.

1.3.11 Journal Entries

All Contractors must follow accounting guidelines for developing internal policies and procedures for journal entries. All journal entries must be properly approved and supported by source documentation. Documentation must show that costs charged were:

- Incurred during the reporting period;
- Actually paid out (or properly accrued);

- Expended on eligible items; and
- Approved by the appropriate official(s)

Source documentation must explain the basis of the costs incurred and the actual dates of any expenditure. For example:

- Source documentation for payroll would include employment letters, authorizations for rates of pay, benefits and time and attendance records.
- Source documentation on supplies would include purchase orders or purchase requisition forms, invoices from vendors, canceled checks made to vendors, information on where supplies are stored and the purpose for which they are being used.

1.3.12 Bank Accounts

Contractors must establish and maintain bank accounts in a New York Charter Bank located in New York City and/or a bank authorized to do business in New York State which must be used solely in connection with funds received from ACS. Each contractor should establish one bank account to receive all ACS payments. A waiver of this requirement can be requested in writing to the ACS Division of Financial Services (ACS DFS) Audit and Banking Department. If approved, the contractor may use a general bank account or a set of accounts for deposits and disbursements.

Contractors must notify ACS of the names, locations and account numbers of all bank accounts in which any funds are maintained, or any change in the names, locations, or account numbers of such accounts within five (5) days of such establishment or change. The respective banks must have branches located in New York City, unless otherwise approved by ACS Division of Financial Services.

Contractors must notify the ACS DFS of the names, titles, and business addresses of those persons authorized to receive, handle or disburse monies under ACS contracts, including the names and addresses of companies where such persons are not employees of the contractor. Such notification must be in writing and furnished to the ACS DFS within five (5) days from the execution of the contract, and within five (5) days of subsequent change or substitution of authorized signatories.

1.3.13 Bank Reconciliation

Bank reconciliation of all accounts must be prepared on a monthly basis, reviewed and approved by the appropriate staff and kept on file for examination by ACS, when requested.

1.3.14 Checks and Signing Authority

ACS requires all contractors to develop policies and procedures which demonstrate sound internal controls. The following examples are best practices in internal control for processing checks:

(a) In order to reduce the risk of forgery, all blank checks should be kept in a secure location;

(b) Identify persons authorized to prepare and endorse checks, including the names of at least two (2) persons authorized to endorse checks. (A waiver must be requested from ACS for a single signatory on check issuance); and

(c) All federal regulations with regard to issuance of checks must be followed for accounting and bank transactions.

1.3.15 Credit/Debit Card Usage

It is the responsibility of the contractor to ensure that credit/debit cards are kept in a secure location and only used by authorized individuals. The use of the credit/debit card must conform to the contractor's written policies and procedures which must be updated, as necessary. The credit/debit card must only be used for official purposes related to the needs of the contractor and not used for personal transactions or loaned/shared. The card must have a pre-set limit that may not be exceeded unless approved by an authorized officer. The credit/debit card cannot be used for purchases from any business in which a family member of the contractor has an interest. Expense reports for credit debit card charges must be kept on file together with supporting documentation.

1.3.16 Petty Cash and Cash Transactions

Petty cash funds are made available to contractors to facilitate payments for small purchases that would not normally be handled by check payment. Petty cash funds must be managed in the same way as other assets of the contractor and are subject to the same regulations as expenses paid by check. It is the contractor's responsibility to establish policies for use of petty cash and also to monitor transactions. A contractor can set a specified dollar limit so that any transaction exceeding the specified amount can only be processed by check payment or a purchase order. All petty cash transactions should include the date, amount and general description and must be reconciled to the general ledger monthly. The replenishment schedule for each contractor will vary depending on each contractor's flow of business. The regulations regarding security of cash transactions should be followed for petty cash.

Contractors must develop and follow written policies which ensure that:

- Cash is counted and recorded as soon as it is received;
- When cash has been counted, it is *kept in a secure location* that can only be accessed by authorized individuals;
- Cash is kept in a locked cash box in the custody of a designated responsible party;
- There is adequate coverage so that at least two (2) persons must be present during cash transactions;
- Cash is deposited regularly to avoid having significant amounts of cash on hand; and
- Cash disbursements are supported by receipts or signature of individuals confirming receipt of cash)

1.3.17 Travel Costs

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees travelling on official business. All contractors must compile travel policies and procedures and follow their travel policies and procedures to ensure that all travel costs are pre-authorized and documented.

1.3.18 Allowable Costs

Allowable costs shall be determined in accordance with the applicable cost principles. All contractors must follow the guidelines in their financial policies, accounting procedures and contractual agreement pertaining to what costs are considered allowable and unallowable under the terms and conditions of the appropriate funding source agreement; what and how direct and indirect costs are allocated; who approves these costs; and what procurement method must be used to obtain goods and services.

Allowable costs must meet the following general criteria:

- Be necessary and reasonable for proper and efficient performance and administration of the contract;
- Be authorized or not prohibited under state or local laws or regulations;
- Be consistent with policies, procedures and regulations that apply uniformly to both federal awards and other activities of the governmental unit;
- Be accorded consistent treatment; a cost may not be assigned to the contractor as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the program as an indirect cost;
- Be determined in accordance with GAAP;
- Be the net of applicable credits (that is, any credits such as discounts or price adjustments must be deducted from the total costs charged);
- Be adequately documented; and
- For subrecipients, costs must be allocable to the federal award under the provisions of the OMB Uniform Guidance and cannot be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior period, except as specifically provided by federal law or regulation.

1.3.19 Disallowed Costs

Any cost found by ACS to be improperly incurred by the contractor shall not be subject to reimbursement.

- Purchase disallowed under Federal, State or City laws and regulations;
- Lack of supporting documentation;
- Bonus payments;
- Severance;
- Fundraising;
- Credit transactions handled incorrectly;

- Non-compliance with procurement guidelines;
- Improper disbursement of Cost of Living Adjustments (COLA);
- Claiming a cost as both direct and indirect;
- Failure to retain on file or update a written cost allocation plan and/or indirect/direct plan;
- Improper allocation of costs;
- Year-end spending issues, e.g. outstanding year-end balance;
- Lack of a formal system for recording obligations; and
- Interest, fees and penalties.

Corporate Taxes for Sub-recipients
Profit is any amount in excess of allowable direct and indirect costs. Since no funds may be paid as a profit to sub-recipients, the charging of corporate taxes as an expense is unallowable.

1.3.20 Fund-Raising
Fundraising costs are not reimbursable.

1.3.21 Reconciliation
Recoupment of Disallowances, Improperly Incurred Costs and Overpayments
ACS may, at its option, either require the contractor to reimburse ACS or withhold for the purposes of set-off, any monies due to the contractor under this Agreement up to the amount of any disallowance or improperly incurred costs resulting from any audits of contractor, and/or the amount of any overpayment to contractor with regard to this Agreement or to any other agreement between the parties hereto, including any agreement(s) that commenced prior to the commencement date of this Agreement. Prior to the imposition of withholding for the purposes of set-off, ACS will provide the contractor with an opportunity to be heard upon at least (10) days prior written notice.

Failure to Spend Funds
In the event that Contractor fails to spend funds for any part of the Budget within the time indicated therein (i.e. the fiscal year unless otherwise indicated) or at the level of expenditures indicated therein, ACS reserves the right, in its discretion, to recoup any funds advanced and not spent. If Contractor fails to spend funds in the Budget, ACS reserves the discretion to reduce the Budget going forward to account for the expected future level of expenditures. Interest paid is not an allowable expense and must be paid with non-restricted, non-ACS funds.

1.3.22 Conflict of Interest
A conflict of interest arises whenever an individual's personal, financial or professional interest or other business concerns are potentially at odds with the best interests of the organization.
The contractor must:

- Establish a written conflict of interest policy that stipulates measures to prevent employees, consultants, members of governing bodies, and others who may be involved in grant-

supported activities from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial gain for themselves or others, such as those with whom they have family, business, or other ties; and

- Ensure independence of internal or external auditors from parties that may have financial interest in the business being audited.

1.3.23 Governance

The directors of an organization owe it a duty of loyalty. The duty of loyalty requires a director to act in the interest of the organization rather than in his/her personal interest or that of some other person or organization. In particular, the duty of loyalty requires a director to avoid conflicts of interest that are detrimental to the organization. Contractors must adopt a written policy to address potential conflicts of interest involving their directors, trustees, officers, and other employees.

1.3.24 Retention of Records

- The contractor shall maintain and make available all financial records and accounts reflecting payments made by the contractor in connection with the applicable contract agreement, all applicable licenses and permits, board member lists and all minutes and attendance sheets (dated and signed) for meetings of the Board of Directors and any of its committees responsible for the oversight of the program(s) funded under the applicable contract agreement.

- Records maintained in accordance with Article V of the HHS Contract shall be subject to the retention period in Section 5.02 of Appendix A except that if this Agreement is a federally funded subrecipient agreement, the retention period shall be the maximum allowed under 2 CFR §200.333.

1.3.25 Loans to Employees

It is prohibitive to use funding from ACS for the purpose of providing loans to employees.

1.3.26 Procurement

All contractors must establish written procurement policies and procedures for purchasing services, supplies and other expendable property, equipment and real property. Procurement procedures and practices must comply with the requirements of the contract and applicable laws and regulations.

Procurement guidelines should also be defined in a manner that outlines the various methods that can be used to purchase goods and services and the dollar threshold in which certain purchases would follow. All costs charged must: (1) be approved by authorized personnel (director, supervisor, etc.); (2) be determined as reasonable; (3) be allocable to the program for which the grant was awarded; (4) be permitted under the appropriate cost principles; (5) not include costs restricted or prohibited by the terms and conditions of the contract; (6) be in accordance with generally accepted accounting principles (GAAP); (7) be consistent with policies and procedures

that apply uniformly to both federally-financed and other activities of the organization; and (8) be adequately documented and accorded consistent treatment.

No payment shall be made to or obligation undertaken in connection with the ACS Contract (including but not limited to consulting services) with (a) any person who is a relative of a director or officer or principal of the Contractor, or (b) any entity that has a director, officer or principal who is a relative of the director, officer or principal of the contractor.
Contractors should also establish procedures, such as competitive bids, that ensure that the organization is receiving fair value in the transaction.

1.3.27 501 (C) (3) Tax Exempt Certificate

Sales tax is not an allowable cost.

Upon approval of the Application for Recognition of Tax Exemption by the IRS, non-profit organizations are granted tax exempt status. This certificate exempts qualifying non-profit organizations from payment of sales tax on purchases. It is the responsibility of the contractor to have this certificate available upon request.

1.3.28 Written Personnel and Payroll Manual

The contractor must develop, follow and regularly update written policies and procedures regarding payroll and personnel practices that comply with Federal, State and City laws. Personnel and payroll policies and procedures should address:

- **Personnel**
  - Hiring
  - Termination
  - Engagement of paid and non-paid consultants or subcontractors, including volunteers
  - Employee conflict of interest
  - Sexual harassment
  - Gender orientation
  - Freedom of religion
  - Protection for “whistle-blowers”
  - Workplace diversity
  - Workplace violence
  - Americans with Disabilities Act (ADA) in the workplace

- **Payroll**
  - Attendance
  - Vacation and sick leave
  - Executive compensation
  - Incentives
  - Bonuses
  - Pension

Contractors must ensure that all vacation and sick leave is paid out by June 30th or ninety (90) days after the close of the fiscal year. ACS will not recognize any rolled over vacation and sick leave for any contractor's employees. The contractor, and not ACS, shall be responsible for the payment of any accrued vacation and sick leave rolled into the new fiscal year, regardless of any agreement between the contractor and the Union for carry-over of balances. No payment for accrued leave shall be made from revenue budgeted for the new fiscal year. Upon termination of employment, it is the sole responsibility of the contractor to pay for any accrued leave which was not paid at the end of the fiscal year coinciding with any staff member's termination of employment.

1.3.29 Compensation

Contractors are required to establish personnel policies that specify salary rates and fringe benefits. The contractor's compensation practices must comply with the requirements of the contract and applicable laws and regulations. Compensation for personnel includes all remuneration, paid currently or accrued, for services rendered during the period of performance under the HHS contract, including but not necessarily limited to salaries, fringe benefits, perquisites and related insurance.

Salary and wage schedules must be reasonable and fair when taking into account wage comparability information, the responsibilities of the position, and the qualifications of the employee. If your organization is unionized, you must follow the salary schedules in the Collective Bargaining Agreement. All compensation, except those specifically excluded by the contract, applicable laws or regulations, must be reported in the employee's annual Form W-2.

Bonus and Incentive Compensation

Bonus payments are not allowable. Incentive payments are only allowable within strict guidelines and when the following conditions are met:

- The incentive program must be published in the contractor's policies and procedures manual and the employee hand book; and
- The incentive program must be implemented prior to any qualified activity.

The Fair Labor Standards Act (FLSA) outlines the basic rules regarding incentive pay.

1.3.31 Executive Compensation

In accordance with NY State Executive Order No. 38, every contractor receiving State funding must be in compliance and not exceed salary caps for executive compensation. Salaries, fringe benefits and other specific expenses are considered for the purposes of calculating executive compensation. Mandated benefits (e.g., Social Security, worker's compensation, unemployment insurance and short-term disability insurance) and other benefits such as health and life insurance premiums, retirement and deferred compensation plan contributions shall not be included in the calculation of executive compensation.

1.3.32 Minimum Wage

The FLSA establishes minimum wage, overtime pay and other standards for Federal, State and local government employees. Effective December 31, 2017, the minimum wage for NY State is $12.00 per hour for employers with 10 or fewer employees, and $13.00 per hour for employers with 11 or more employees.

Effective December 31, 2017, the minimum salary level to be considered exempt as an executive, administrative or professional employee is $900 per week ($46,800 annually) for NYC employers with 10 or fewer employees and $975 per week ($50,700 annually) for employers with 11 or more employees.

1.3.33 Cost of Living Adjustments

Cost of Living Adjustments (COLA), if provided by the various funding sources, will be applied at the rate being paid to the contractor. Each contractor applies for a COLA increase in accordance with the terms of their funding for the fiscal year base funding level and based on directions from ACS.

SECTION 1.4 COST ALLOCATION

1.4.1 Cost Allocation Plan

A Cost Allocation Plan (CAP) is a written account of the methodology used by the contractor to allocate program costs among its various funding sources. A CAP is required based on contractual agreement with ACS and in accordance with federal regulations. Contractors shall accurately and equitably allocate costs which are attributable to the operation of two or more programs or which are attributable to two or more funding sources. The goal is to ensure that each program bears its fair share of the total cost of any item. The requirement to allocate the costs of shared resources can be met by using logical and rational methods. Generally, the methods used to allocate a shared cost should be the simplest, most straightforward way of allocating this type of cost fairly.

The following requirements should be considered when allocating space at a facilities:

- Use floor plans, blueprints or measurements;
- Assign square footage to individual programs to the extent possible;
- Calculate percentages of shared use from assigned square footage;
- Apply percentages of shared use to square footage which can't be assigned to individual program (common areas);
- Make sure all space is accounted for; and
- Factor in amount of time used to equitably apportion shared space.

1.4.2 Cost Allocating Plan

All contractors are required to have a CAP. Allocating between direct and indirect costs refers to the distribution of costs between direct/programmatic and indirect/administrative funds which, taken together, equal the total cost of the program.

1.4.3 Indirect (F&A) Costs

Facilities and Administration (F&A) Classification:

For nonprofit organizations, indirect (F&A) costs must be classified within two broad categories as defined below:

(a) "Facilities" is defined as depreciation on buildings, equipment, and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.

(b) "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel, and all other types of expenditures not listed specifically less than one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable).

Administration for Children's Services

SECTION 1.5 BUDGET

1.5.1 Annual Budget Narrative Requirements for all Contracts

On an annual basis, unless waived by ACS, the contractor must submit a budget narrative for each ACS contract within 60 days prior to the start of the City fiscal year or contract period. If the start of the contract is not tied to the beginning of the City fiscal year, the narrative is due 60 days prior to the start of the contract for the prorated period of the City fiscal year. For contracts with budgets in HHS Accelerator Financials (HHS AF), the budget must be submitted prior to, or at the same time the budget information is entered in HHS AF. ACS reserves the right to request supporting documentation, such as payroll registers, lease agreements, etc.

There are twelve required categories (A-L below) of an ACS contract budget narrative to justify the annual budget.

1. Provide a detailed budget narrative and justification that identifies the amount of funds and a description of the intended use of program and administrative operations by the following sections. If a category is not allowable in the contract, include in the budget narrative and indicate as "not applicable."
    a. Personnel Services Salary (programmatic and administrative positions directly charged to the contract by title, salary, FTE) The Payroll Roster is a record of employees to be included in each payroll cycle in addition to annual salaries; health and pension benefits; medical costs; insurance; workman's compensation, payroll, unemployment and Social Security taxes.
    b. Personnel Services Fringe (description of fringe components and overall fringe rate for the program)
    c. Staff Development
    d. Travel for Staff (if required by the contract)
    e. Equipment (equipment with a useful life greater than one year and with acquisition cost over $5,000)
    f. Transportation for Recipients or Clients (if required by the contract)
    g. Medical Supplies and Expenses (if required by the contract)
    h. Facilities and Maintenance (rent [include rent on leased equipment in this category], utilities, maintenance, repairs, etc.)
    i. Room and Board – Residential Treatment (if required by the contract)
    j. Service Payments (if required by the contract)
    k. Other than Personnel Services (OTPS) i.e., supplies, dues, consultants [include programmatic and administrative consultants by nature of service provided and basis of charge, etc.] and audit fees, if applicable.
    l. Indirect or Administrative costs (if allowed by the contract)
    m. Attachment 1 (current copy of the Contractor's Financial Policies and Procedures Manual including sections on Human Resources/Personnel and Purchasing)

The total of the twelve sections must equal the total of the fiscal year budget. If the budget in HHS AF is separated into sub-budgets by site or borough, etc. there must be a summary of each sub-budget that ties to the amount entered in HHS AF.

2. Demonstrate the proposed budget supports all direct costs and indirect or administrative costs.

3. Demonstrate funds are budgeted to provide all required comprehensive programmatic services to eligible children and families in a cost-effective manner consistent with the Program Design and Approach to Service Delivery in your ACS contract.

4. Describe your organization's financial and property management systems and internal controls in place to maintain effective control of and accountability for funds, property and other assets. Include the name of the accounting software, length of use and describe the ability of the software to generate required reports by to ACS funding or contract. Provide the name of the equipment inventory control software if one is used.

5. If applicable, demonstrate the ability to meet any administrative cost limitation required by your contract.

6. Submit a cost allocation plan for any proposed costs to be shared between or among programs, including shared staff. Indirect or administrative costs must be included in the cost allocation plan. If a site is used for more than one program, including programs funded by other City, State or Federal agencies, provide the allocation methodology for rent, utilities, and custodians, etc.

7. Provide a detailed explanation and supporting documents for any proposed use of contract funds for facilities maintenance/repairs or equipment purchases greater than $5,000 per individual item. Identify all proposed sources of funding for facilities activities.

8. Provide an explanation of the method of procurement to be used for any proposed equipment purchases over $3,500 (minimum threshold for micro-purchase).

9. If applicable, identify each source of matching funds, including the estimated amount per source and the valuation methodology. Demonstrate that the amounts and sources that will contribute to the required match of the total budget period are allowable sources. If the application proposes a waiver of any portion of the match requirement the narrative must detail how much can be met the current budget period and the reasons for the current shortfall and how the match will be met in the following budget period(s). Discuss the source and amount of cash, donated goods and services, and other resources proposed such as State and/or local grant funds, etc. to support allowable match to the project.

10. If applicable, provide a detailed narrative for the planned use of any cost-of-living adjustment (COLA) increases included in the projected funding level for the budget period. Describe the plans to increase the hourly rate of pay for staff and the pay scale. Specify the other planned uses of the funds to offset higher operating costs. Demonstrate how the COLA increase was provided to all staff directly funded by the contract.

Administration for Children's Services

SECTION 1.6 HHS ACCELERATOR

1.6.1 HHS Accelerator

(Refer to Part 2 of the Financial Policies & Procedures Manual)

HHS Accelerator is the City's online financial system designed to simplify and expedite the contract process and deliver services directly to clients and communities. HHS Accelerator has the functionality to manage finance data electronically. Contractors can manage and monitor budgets, invoices and payments in the system. HHS Accelerator Financials enables a paperless process and facilitates increased accuracy in accounting. The system provides:

- A document vault,
- The standard budget template,
- A common interface for the City and contractors to conduct financial transactions, and
- Functionality to configure/modify/amend budgets and process invoices and payments.

Administration for Children's Services

SECTION 1.7 PAYMENTS

1.7.1 Advance Payments to Contractors Using City Tax Levy

New York City's revenue from real estate related taxes, income taxes, consumption and other taxes are used as tax levy dollars to provide advance payments to contractors.

1.7.2 Payments

ACS advances funds at the beginning of the fiscal year and reimburses based on submitted expenses.

1.7.3 Policy for Recoupment of Advances for Human Services Contractors, effective FY19

On May 16, 2017, a policy was issued informing Human Services contractors that, based on the recommendations from the Mayor's Office of Contract Services (MOCS) and the Nonprofit Resiliency Committee (NRC) advances of at least twenty-five percent [25%] will be issued to eligible Human Services contractors, allowing organizations to plan and manage their budgets and financial obligations more effectively. Advances will be based on the FY19 Active Budget.

ACS has agreed to three months' advance payments ahead of the fiscal year for providers. ACS will begin a six (6) month recoupment of FY 2019 advances beginning January, 2019. Advances will be recouped during months 7, 8, 9, 10, 11 and 12 of the fiscal year (January through June, 2019). The recoupment will be distributed equally over this six month period and must be completed prior to the end of FY 2019.

1.7.4 City of New York Payee Information Portal (PIP)

The Payee Information Portal of the City of New York is designed to facilitate vendor record maintenance and payment reconciliation.

Registered vendors can:

- Check payment status
- Update business information
- View agreements and invoices from City
- Enroll for commodity codes to receive solicitations from the City
- Update and report subcontracts and payments made to subcontractors
- Download applications forms

1.7.5 HHS Accelerator

ACS will use some of the major components of HHS Accelerator for financial transactions.

ACS will:

- Manage budgets and track payments through electronic financial transactions;
- Use the document vault for easy storage, access and sharing of electronic documents.

Administration for Children's Services

SECTION 1.8 AUDIT

1.8.1 Submission of Audited Financial Statements and ACS Specific Schedules

Determining Contractor or Subrecipient Designation

Contractors holding Head Start and Community Development Block Grant (CDBG) funding are designated as subrecipients.

1.8.2 Contractor and Subrecipients Requirement

Contractors and subrecipients are required to have an annual audit of their financial statements covering a fiscal period of one (1) year. Audits must be conducted by an independent certified public accountant (CPA), and must be performed in accordance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Government Auditing Standards (GAGAS), Non-profit Auditing Standards, ACS Audit Instructions, Federal laws including Audit of States, Local Governments and Non-Profit Organizations, including the Compliance Supplement (US OMB Single Audit) and shall contain a separate opinion of the adequacy of the contractor's internal controls of Federal Awards to safeguard its assets.

The Comptroller's Office maintains a Pre-Qualified Vendor List (PQL) of Certified Public Accounting firms for agencies to utilize when seeking auditing services. Any audits conducted by firms that are not on a PQL will be rejected by ACS.

Contractors must submit audited financial statements and audited schedules to ACS seven (7) months after the close of the fiscal year. The submission is due seven (7) months after the close of the calendar year for those contractors on a calendar year basis.

Financial Statements

Financial statements are designed to reflect the fiscal condition and gauge the financial health of an organization by showing how an organization finances its operations. Financial statements of nonprofits must follow generally accepted accounting principles (GAAP).
Financial Statements Reports consist of:

- Statement of Financial Position (Balance Sheet)
- Statement of Activities (Income Statement / Profit & Loss Statement)
- Statement of Cash Flows
- Statement of Functional Expenses
- Notes to Financial Statement

Notes to Financial Statement

Notes to Financial Statements are additional information at the end of financial statements to help explain specific items as well as provide a more comprehensive assessment of the grantee agency's financial condition. The auditors should indicate whether the auditee has a cost allocation plan and if the plan was implemented in the auditee's accounting system. ACS may request additional documents or provide additional instructions or requirements.

1.8.3 US OMB Single Audit

Subrecipient Requirement

A Single Audit is an organization-wide audit that includes both the entity's financial statements and the federal awards. The Office of Management and Budget (OMB) Uniform Guidance increased the Federal award expenditure threshold for filing a Single Audit from $500,000 to $750,000. Agencies spending at least $750,000 in federal funding from all sources (including Head Start and Early Head Start) are subject to the single audit requirement. Yearly audit instructions provide clear guidance on how to compute.

ACS requires submission of Single Audits nine (9) months after the end of the fiscal year (March). Auditors are required to follow the provisions of OMB Single Audit and program-specific guidance and instructions from ACS.

1.8.4 OMB Single Audit Exemption

If a subrecipient spends less than $750,000 in federal awards in a fiscal year, a Single Audit is not required but the contractor is still required to conduct an audit and to submit audited Financial Statements Report to ACS. The grantee must also comply with the program's rules, regulations and contract or grant agreements. If the subrecipient does not meet the threshold of $750,000 in federal awards and is therefore exempted from a Single Audit, a signed attestation (Appendix B) must be submitted to:

ACS Assistant Commissioner
Division of Financial Services/Audit and Banking
150 William St. 10th Floor New York, NY 10038

Generally Accepted Government Auditing Standards (GAGAS)

Single or Program-specific audits must be performed in accordance with GAGAS. GAGAS contains requirements and guidance in relation to ethics, independence auditor's professional judgment, quality control, the performance of fieldwork, and reporting.

1.8.5 Compliance Monitoring

Subrecipients and contractors may be monitored for compliance with requirements by appropriate officials of the Federal Agency, the General Accounting Office (GAO) and ACS.

1.8.6 Audit Findings and Corrective Action Plan

At the completion of the audit, the contractor shall prepare a corrective action plan to address each audit finding included in the current year's auditor's report. The contractor is responsible for addressing all findings. The corrective action plan shall provide the name of the contact person responsible for the corrective action, the required corrective action and the anticipated completion date. If the contractor does not agree with the audit findings or believes corrective

action is not required, then the corrective action plan shall include an explanation with specific reasons.

The annual closeout process involves procedures to be undertaken by ACS and its contractors at the completion of contracts to reconcile all funds and facilitate fair and accurate PASSport ratings. Each contract is closed at the end of the fiscal year or grant period. Contractors must perform all contracted services and receive all goods and services from its vendors by the last day of the contracted operating period.

Administration for Children's Services

SECTION 1.9 DIGITAL AUDIT POLICY

1.9.1 Digital Audit Policy

All certified public accountants (CPAs) hired by City agencies, or auditors authorized by City agencies to conduct audits of human service contracts, must collect documents during the audit planning exclusively through the HHS Accelerator Document Vault. The Document Vault may also be used to transfer additional documents needed by the CPA or authorized auditor during the audit. This excludes audit sample documents that would be reviewed on site by the auditors.

Folder 1: CHAR500, IRS – 990 Audit

1. CHAR500
2. IRS Form-990

Folder 2: Organizational documents and policies

1. Certificate of Incorporation.
2. Corporate by-laws.
3. IRS determination letter (501c3).
4. All correspondence with the IRS regarding tax exempt status from the last 3 years.
5. New York State sales tax exemption certificate.
6. Organizational charts for the Organization and for accounting department.
7. Personnel Policy Manual.
8. Financial Policies & Procedures Manual (If too voluminous, copy of table of contents only.
9. Board of Directors List (showing titles if they are officers).
10. Conflict of Interest policy.
11. Board Minutes.
12. Anti-Nepotism policy.

Folder 3: Agency Program Audit

1. Agreements / policies in effect for fringe benefits claimed to the contract (i.1. Retirement benefit, health insurance etc.).
2. Insurance policies in effect (top sheets only showing the summary of coverage).
3. All required payroll tax returns.
4. Consulting agreements.
5. Lease Agreements and mortgages.
6. Claiming Billing Reports if reimbursement-based.
7. Budget and budget modifications if reimbursement-based.
8. Bank reconciliation statements.

Folder 4: Financial Statements and Tax Returns

1. Copies of any audits from: IRS, NYS Charities Bureau or other government sources conducted in the last 3 years.
2. Check signatories / staff authorized to conduct banking.
3. Chart of accounts including funds maintained (restricted, etc.) and cost centers; final trial balance from previous fiscal year.
4. A list of who has an Organization credit card, and type of card (Amex, etc.).
5. Copies of audited Independent CPA audit reports.
6. Latest Single Audit and management letter.
7. Cost allocation methodology for Personnel Services and Other Than Personnel Services.

SECTION 1.10 PAYMENT OF TAXES AND OTHER FILINGS

1.10.1 Payment of Taxes and Other Required Filings

All contractors are subject to monthly, quarterly and annual tax requirements in addition to federal income tax withholding and social security tax. These two taxes must be withheld from employees' pay and the contractor must make monthly and/or quarterly federal tax deposits and employer-share contributions to social security.

Tax reports include the following:

Federal Filing

IRS Form 941

This is an employer's quarterly Federal tax return. All contractors are responsible for withholding Federal income tax and other payroll taxes from employees' earnings and remitting the taxes to the IRS. Each filing of Form 941 reports the total amount of tax withheld during the quarter.

IRS Form 990

All non-profit organizations must file Form 990 with the IRS. Form 990 is an annual report that certain federally tax-exempt organizations must file with the IRS.

The IRS uses this form to assess compliance with the Internal Revenue Code. It provides information on the filing organization's mission, programs, and finances. The form lists organizational assets, receipts, expenditures, and compensation of officers.

State Filing

CHAR500

All non-profit organizations must file a CHAR500 with New York State. All registered organizations, even those meeting annual report exemption requirements, must file with the Charities Bureau every year on form CHAR500.

Policies & Procedures - Part 2

HHS Accelerator Financials

ACS Division of Financial Services

Version 1

Date of Issue: July, 2018

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Administration for Children's Services

SECTION 2.1 INTRODUCTION

2.1.1 INTRODUCTION

The Health and Human Services (HHS) Accelerator is the City's online budget system designed to simplify and expedite the contract process and deliver services directly to clients and communities. HHS Accelerator has the functionality to manage financial data electronically. Section III provides guidelines for navigating HHS Accelerator Financials (AF), a component of HHS Accelerator, so that contractors can manage budgets, invoices and payments in the system.

In addition to standardizing financials for health and human services and administrative contracts across City Agencies, AF enables a paperless process and facilitates increased accuracy in accounting. Financial transactions in AF interface with the City's Financial Management System (FMS) to provide:

- A standard budget template;
- A common interface for City agencies and contractors to conduct budget transactions;
- City agencies use the same process to configure/modify/amend budgets, invoices and payments; and
- A more holistic picture of contract data and financials for HHS Accelerator City Agencies.

The purpose of Part 2 is to standardize the budget planning, budget modification and invoicing function for ACS contractors using AF. Where necessary, this section will detail guidelines which are only applicable to specific contractors.

Administration for Children's Services

SECTION 2.2 ACS CONTRACTORS

2.2.1 ACS CONTRACTORS

Improved Outcomes for Children (IOC)

General Preventive

Intensive Family Preventive

Family Treatment/Rehabilitation

Specialized Preventive:

- Center Based Respite
- Family with Children or Parents Who Are Deaf or Hearing Impaired
- Families with Children Who Have Been Sexually Exploited
- Special Medical and Developmental Preventive Program
- Specialized Teen Preventive

Non-IOC

Parent Advocates

Family Assessment program

Juvenile Justice Initiatives/Juvenile Delinquency

Clinical Consultation

Community Partnership Program

EarlyLearn NYC

NOTE: Throughout this manual, general and contract specific instructions will be highlighted with a color-coded star as show below. General instructions are applicable to all contractors while contract-specific instructions are only applicable as indicated. In the absence of a star indicator, the instructions are applicable to all contractors.

General: ★

EarlyLearn: ★

IOC/Preventive: ★

SECTION 2.3 KEY DEFINITIONS

2.3.1 KEY DEFINITIONS

- **Annual Closeout:** The annual closeout process involves procedures to be undertaken by ACS and its contractors at the completion of contracts to reconcile all funds and facilitate fair and accurate performance evaluations. Each contract is closed at the end of the fiscal year or grant period.

- **Budget Modification:** Changing lines within a budget without affecting the total budget. This is an aspect of budget planning and not a method of correcting unauthorized spending. If requests for modification are not submitted and approved prior to line overspending, ACS may deny reimbursement. Any modification that results in a 10% or greater change in budget line must be approved by ACS and shall include a comprehensive program narrative and justification.

- **Budget Narrative:** The budget narrative is sometimes referred to as the budget justification. The narrative explains how the costs were estimated and it justifies the need for the cost.

- **Contractor:** When ACS advances funds from a Federal award to a non-federal entity, the non-federal entity receiving the funds is classified as a subrecipient or a contractor, based on the nature of the agreement and the criteria.

- **Corrective Action Plan (CAP):** A corrective action plan outlines what is needed to solve a problem and help an organization meet its goals. A CAP should include a clear statement identifying the problem, a statement of the desired situation going forward and specific steps to be taken to solve the identified problem.

- **Cost Allocation Plan (CAP):** A CAP is a written account of the methodology used by contractors to allocate program costs among its various funding sources.

- **Employee Register:** The employee register contains information about your employees, such as address, telephone numbers, job title etc.

- **Equipment:** Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by ACS, which is $5,000.

- **Fringe Benefit Justification:** The justification is a categorical description of the proposed costs for fringe benefits.

- **Indirect Cost Rate:** An Indirect Cost Rate applies to subrecipients with multiple funding sources or contracts with sub-awards and may be limited to the Administrative Cost Limitations according to regulations for each funding source, e.g. 15% for Head Start. Subrecipients are not required to obtain a negotiated indirect cost rate.

- **Insurance Policy Contract:** The insurance policy is a contract between the insurer and the insured, known as the policyholder, which determines the claims which the insurer is legally required to pay. In an insurance contract, the insured, pays a specified amount of money, called a premium, to the insurer. The insurer, in turn, agrees to compensate the insured for specific future losses. The losses covered are listed in the contract, and the contract is called a policy.

- **Lease Agreement:** A lease agreement is a contract between a landlord and a tenant that covers the renting of property for long periods of time, such as 12 months or more.

- **Other Than Personnel Services (OTPS):** The OTPS schedule of the budget delineates the allowable costs other than wages and fringe benefits that are applicable to the contract.

- **Payroll Register:** A payroll register is a record of all pay details for employees during a specific pay period. The payroll register lists information about each employee for regarding gross pay, net pay and deductions. The register also lists the totals for all employees combined during the period.

- **Provider:** A provider is an ACS subrecipient, or under contract with ACS as a not-for profit/for profit entity.

- **Recipient:** A recipient is an entity that receives a federal award directly from a federal awarding agency to carry out an activity under a federal program. It usually refers to, but is not limited to, agencies. The term recipient does not include sub-recipients. What we think of as the **"grantee"** is the recipient of the Federal award.

- **Rent/Lease:** Rental of facilities or equipment must be justified at fair market value at the time of lease negotiations and copies of all leases currently in effect must be submitted to ACS.

- **Single Audit:** A Single Audit is an audit that includes both an entity's financial statements and its federal awards (from all applicable federal programs). Subrecipients that expend Federal awards of $750,000 or more in a year must conduct a Single Audit.

- **Subrecipient:** A subrecipient is an agency that receives a sub-award from a grantee or pass-through entity to carry out part of a federal program. Under the Head Start Program Performance Standards, "Agency" would fall within the definition of sub-recipient under Part 75.

- **Utility Invoice:** The amount a contractor is expected to pay for telephones, electricity, water and/or gas each month. Utility bills vary according to usage.

Administration for Children's Services

SECTION 2.4 BUDGET MANAGEMENT

2.4.1 BUDGET OVERVIEW

After a contract is awarded and configured in HHS Accelerator by ACS, contractors must prepare and submit a baseline budget for the proposed services and contract terms. The purpose of the budget review process is to provide approval of all budgets and budget modifications submitted by ACS contractors. An approved budget also allows ACS to provide an advance of funds at the beginning of the year.

Individual contracts are assigned to specific ACS Department of Finance (DFS) Program Contract Managers and Budget Analysts. Budgets and Budget Modifications must be submitted through HHS Accelerator Financials for routing to the assigned Budget Analysts. After review by the Analysts, the budgets/budget modifications are routed to a second level of review for final approval.

Line Item Budget

ACS uses a line item method of reimbursement for documented, actual, allowable and budgeted expenses. Contractors can reallocate funds to line items that may have been under-funded. This method allows budget-holders to focus on specific expenditure categories and also lends itself to control and accountability for use of funds.

Budget Narrative

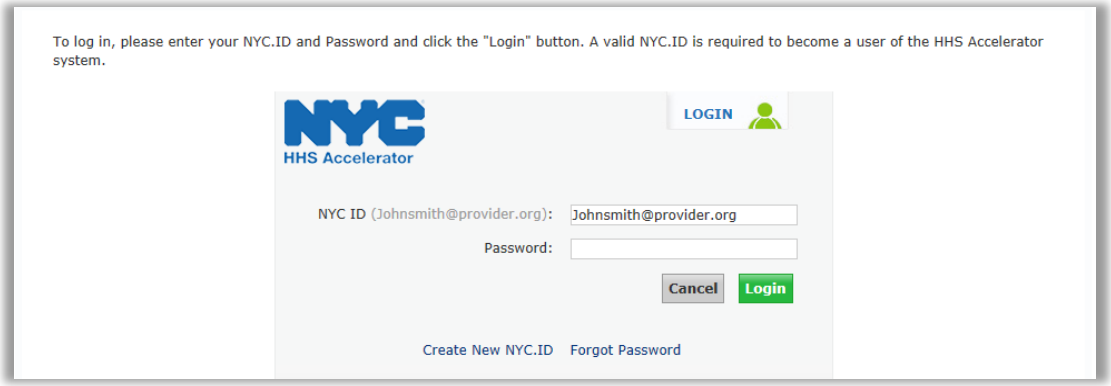
Effective FY19, each contractor will be required by ACS to include a budget narrative with the budget submission, based on the outline below. The budget narrative/justification must state clearly and concisely the source of the values in each budget category and what is covered. All expenses should relate clearly to the budget narrative. Additionally, the budget narrative must detail clearly which budget items will be covered by matching funds or leveraged resources, when applicable. (*See Appendix IV for details*)

The budget narrative should detail/include:

- Personnel: The hours, wages, and duties of each contract-related position.
- Fringe benefits: List all employment-related costs, such as FICA, workers compensation, health insurance, and retirement benefits.
- Travel (if required by the contract): Cover mileage, airline tickets, taxis, car rentals, mileage reimbursements, parking fees, tolls, tips, and per diems for lodging and meals.
- Contracts: Specify contract services, such as leases, consultants' fees, and training.
- Equipment: List all purchases for items with a life span of (usually) three years or more, such as furniture, computers, copy/fax machines, lab equipment, telephones, and software.
- Materials/Supplies: Include short-lived items needed to run an office, such as paper, envelopes, pens and pencils and staples, etc.
- Facilities, maintenance and repairs.

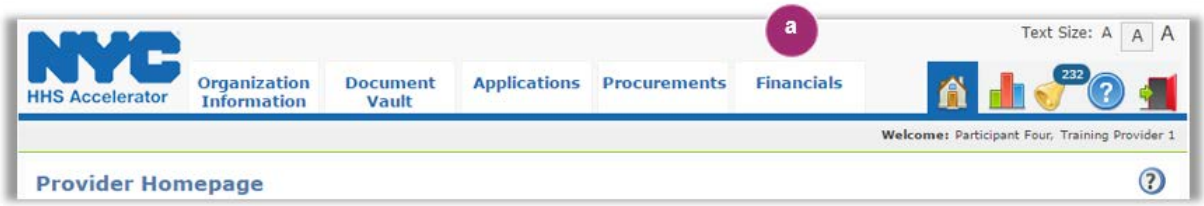
2.4.2 ACCELERATOR FINANCIALS

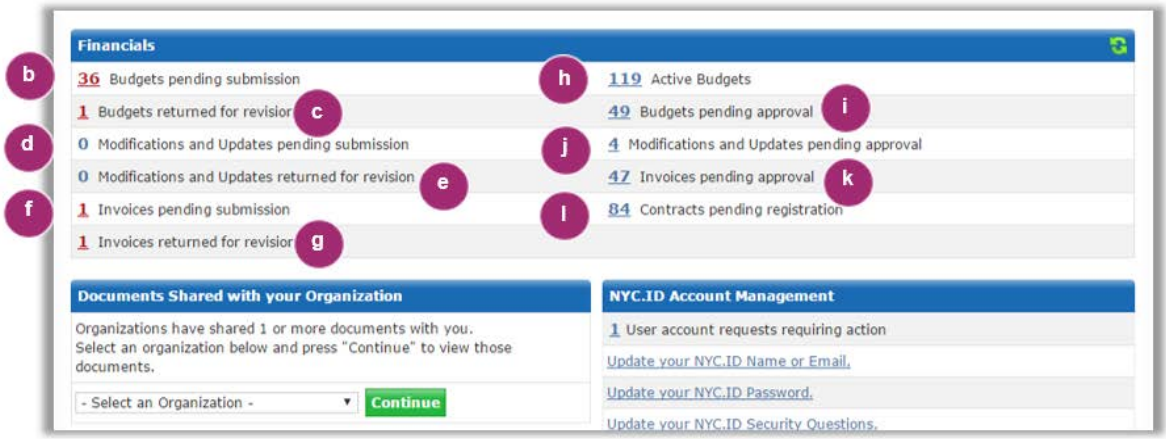
To access the Health and Human Services Accelerator (HHS Accelerator) Provider Homepage, log into https://a069-hhsaccvp.nyc.gov/HHSPortal/portal/hhsweb.portal using the email address and password that you activated to access the system.



Navigating the Provider Homepage

After logging in, you will be on the Provider Homepage. Below the main tabs navigation icons are dashboards that give an overview of your Organization's HHS Accelerator Application status, Filing status, Procurements, Financials, Documents Shared with your Organization and NYC.ID Account Maintenance. From the homepage, your organization can use the financial links on the dashboard or use the main Financials tab at the top of the page.to access key financial functions.



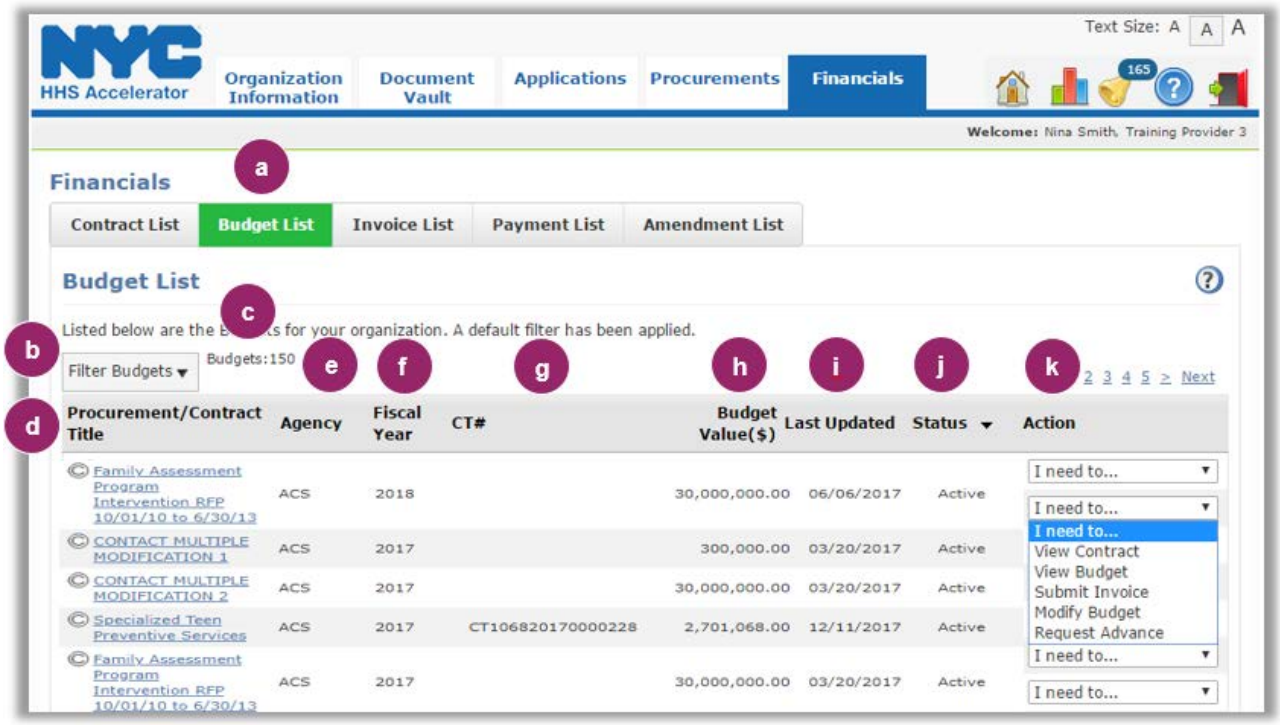


a.	Select the “Financials” tab to access the HHS Accelerator Financials.
b.	Budgets pending submission for your organization are listed.
c.	Budgets returned for revision that your organization needs to address.
d.	Modifications and Updates pending submission by your organization.
e.	Modifications and Updates returned for revision by the funding Agency.
f.	Invoices pending submission by your organization.
g.	Invoices returned for revisions by an Agency.
h.	Active budgets for your organization are listed.
i.	Budgets pending approval by the funding Agency.
j.	Modifications and Updates pending approval by the funding Agency.
k.	Invoices pending approval by the funding Agency.
l.	Contracts pending registration for your organization are listed.

Key financial functions are listed in two columns on the homepage. The left hand column highlights in red financial transactions your organization must take action on. The right column are key financial functions your organization can monitor.

View Your Organization's Budget List

The Budget List, located in the Financials section of the HHS Accelerator System, is accessed by clicking the Financials tab, then clicking the Budget List tab. The Budget List displays your organization's Health and Human Services budgets that are managed in the system. From the action drop down, your organization can submit, view, and modify a budget, as well as request an advance.



a.	Click on the Budget List tab to access the Budget List.
b.	Click on the Filter Budgets button to change which budgets are displayed.
c.	Number of budgets displayed based on applied filters.
d.	Each Procurement/Contract Title is listed.
e.	Contracting Agency is listed.
f.	Fiscal Year of budget is listed.
g.	Contract # is listed.
h.	Budget Value ($) for the Fiscal Year for each budget.
i.	Date of Last Update of the budget information.
j.	This section displays the Status of the budget. Statuses include Pending Submission, Pending Approval, Returned for Revisions, Approved, Active, Closed, Suspended, and Cancelled.
k.	This section displays Actions that can be taken with the budget. Depending on the status of the budget, these include View Contract, View Budget, Submit Invoice, Modify Budget, and Request Advance.

Status of a Budget

All budgets with a status of Pending Submission, Pending Approval, Returned for Revision, Approved or Active, are visible on the Budget List. Budgets that are suspended, closed or cancelled do not appear on the budget list by default, but your organization can access them by using the Filter Budgets feature in the system.

NOTE: The terms Contract Budget and Budget are used interchangeably. The following descriptions define the life cycle of budgets in the system.

Status Type	Status	Definition
Contract Budget Status	Pending Submission	A budget must be submitted.
	Pending Approval	Your organization has submitted the Contract Budget and is awaiting approval from the ACS.
	Returned for revision	ACS has returned the Contract Budget to your organization to revise and re-submit.
	Approved	ACS has approved the budget and the contract is pending registration with the NYC Comptroller's Office.
	Active	The contract is registered and you can view the budget, submit an invoice, modify the budget and request an advance.
	Cancelled	ACS has cancelled the contract. No action necessary
	Suspended	ACS has suspended the contract. No action necessary.
	Closed	ACS has closed the contract. No action necessary.

Monitoring the Status of a Budget

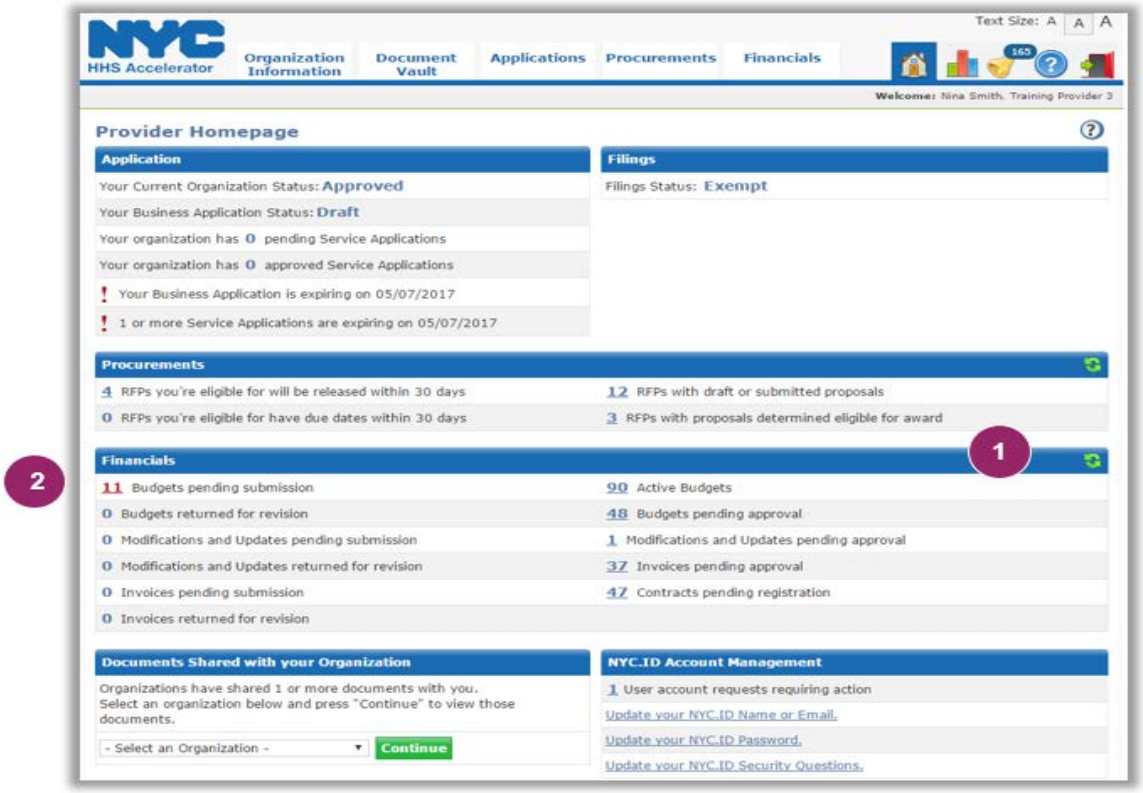
For listed contracts, your organization must use the HHS Accelerator Financials System to submit a budget, request an advance, modify the budget and submit invoices. A budget must be created for each contract that your organization holds. When input has been completed, the budget can be submitted to ACS for review. ACS will receive notification that the budget was submitted and begin the renew process.

2.4.3 STARTING A NEW BUDGET

General

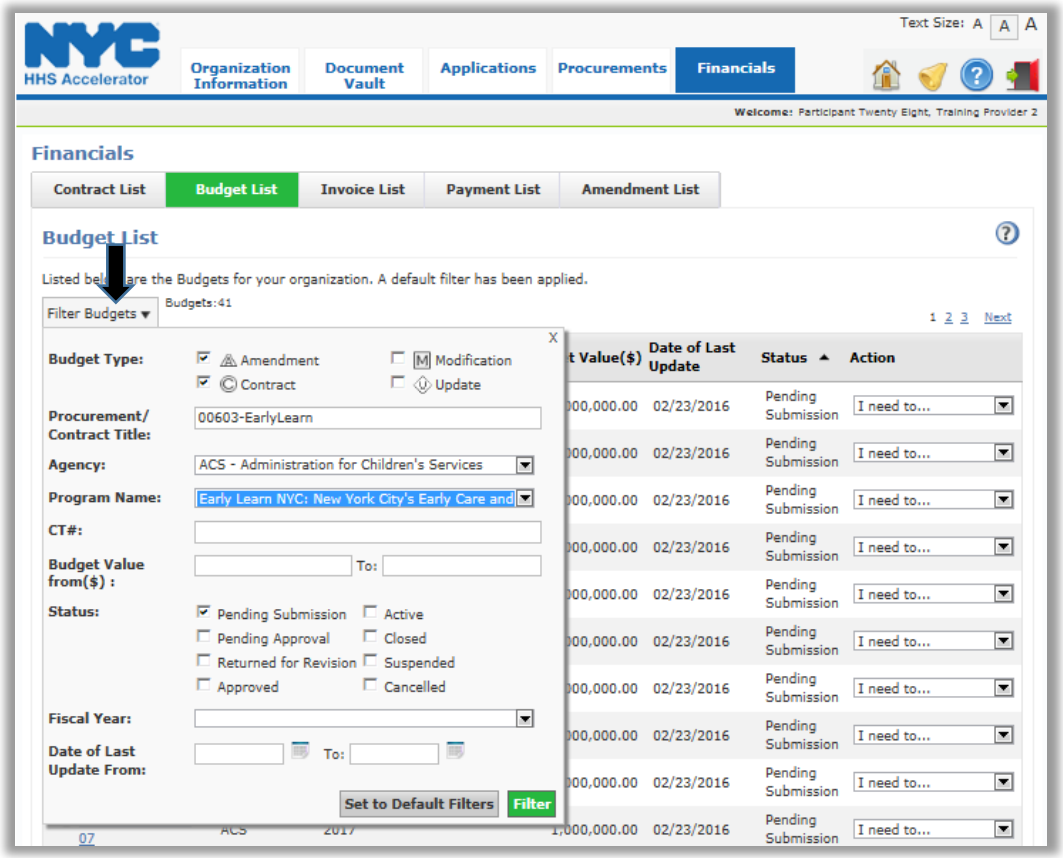
For contractors with multiple sites, site funding has been combined into one contract. Contractors will receive a budget task that includes a sub-budget for each site. The sub-budget for each site must be completed in order to submit the budget.

From the Provider Homepage, click on the **Refresh** button located on the right side of the Financials box. Next, click on the number hyperlink for "**Budgets pending submission"**.

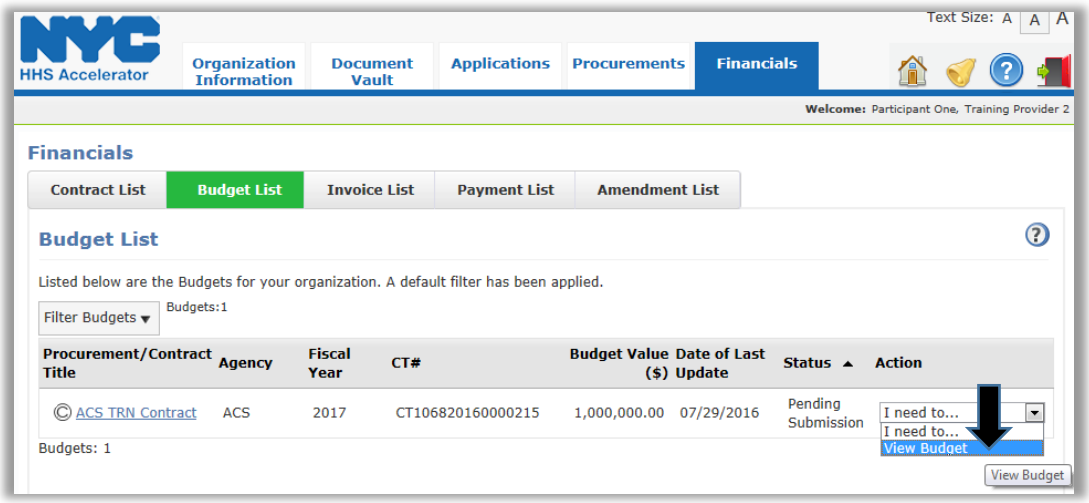


EarlyLearn Contracts

If your organization has other contracts with ACS and/or with other City Agencies, use **"Filter Budgets"** to drill down to the EarlyLearn Contract.



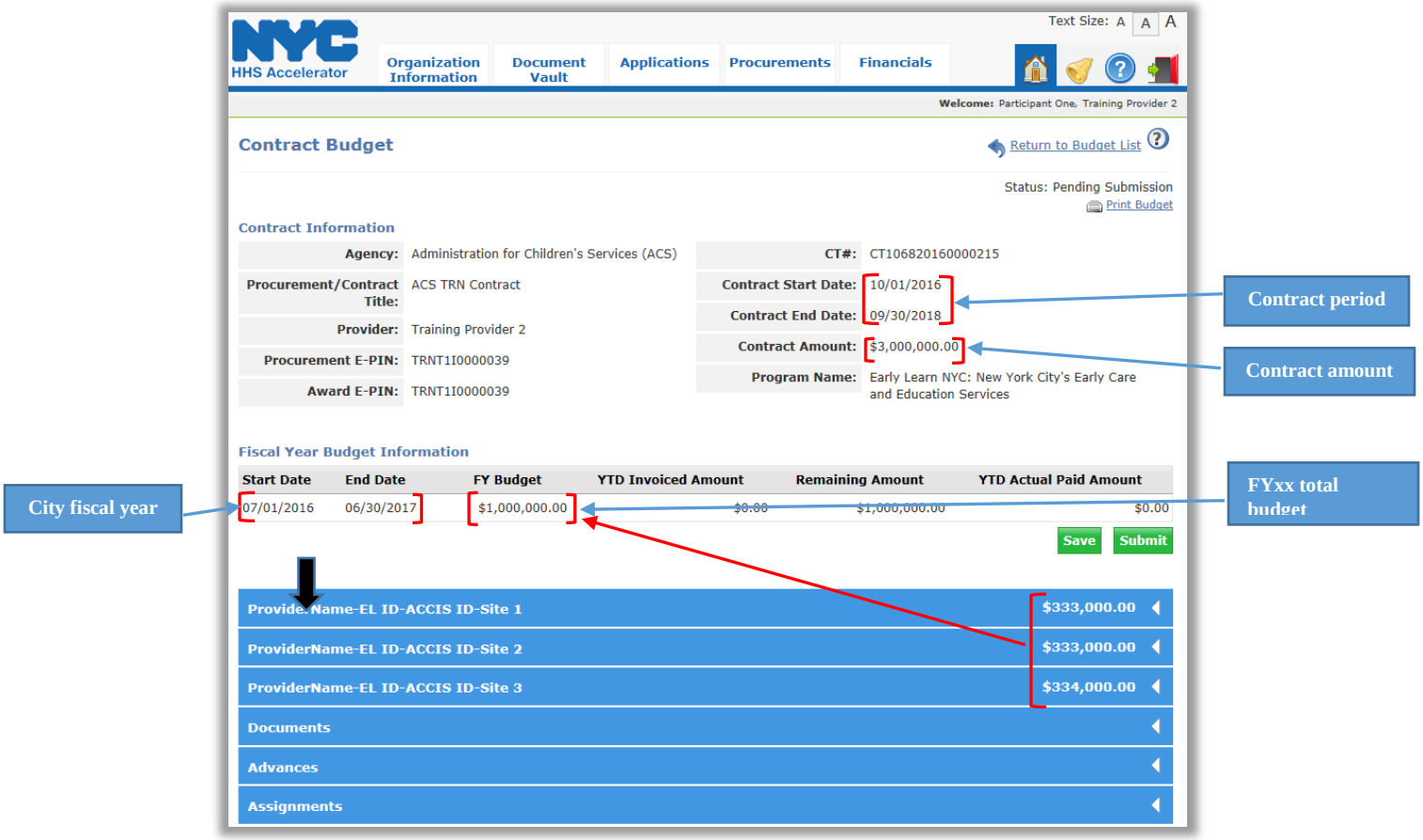
Select **"View Budget"** from the Action drop down menu.



Next, click on the first blue header under **"Fiscal Year Budget Information".** The basic information associated with the contract is displayed.

The Contract Budget page has two sections. The Contract Information section displays details of the EL contract, and the Fiscal Year Budget Information section which details the FYxx Budget amount for each site. There will be separate sub-budgets for each site under the EL contract. If an organization has multiple sites, the information for each site must be entered separately.

All EL Contractors are required to download instructions from the Document Vault with regard to completing the ACS-EL Supporting Schedules which must be submitted with the budget for approval. (*Refer to Appendix III*)



2.4.4 PERSONNEL SERVICES

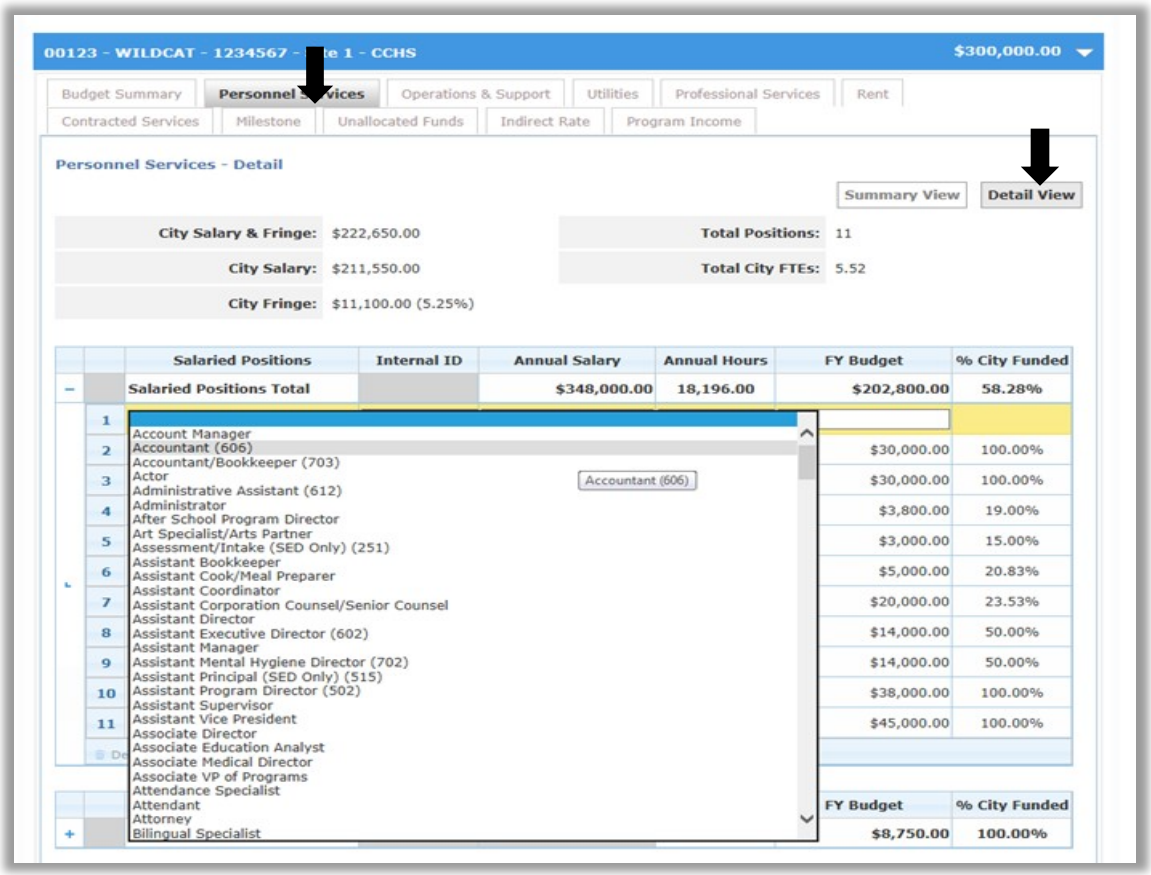
EarlyLearn Contracts

Staff requirements for Child Care services must meet the standards outlined in Article 47 of the NYC Health Code. Every Position Title must be entered in the Personnel Services tab. For example, if there are 26 employees at a site, including 9 Teacher Assistants, there must be 9 entries of "Teacher Assistant". If a position is vacant, the word "**Vacant"** must be entered under **Internal ID** for the corresponding line.

NOTE: The initial EarlyLearn FY19 budget is only valid for 3 months. If your contract is due to be extended, you will receive a FY19 Budget Amendment task separately. *Refer to Appendix I-A for the EarlyLearn Personnel Services guidelines.*

Go to the **"Personnel Services"** tab then click on "Detail View". Click on the **"+"** symbol next to the **"Salaried Employees Total"** row to expand the grid.

Add a new row by clicking the **"+ Add"** button under the **"Salaried Employees Total"** field. Click **"Save"** after each line entry.



Tab Headings

Internal ID: Optional with up to 7 characters.

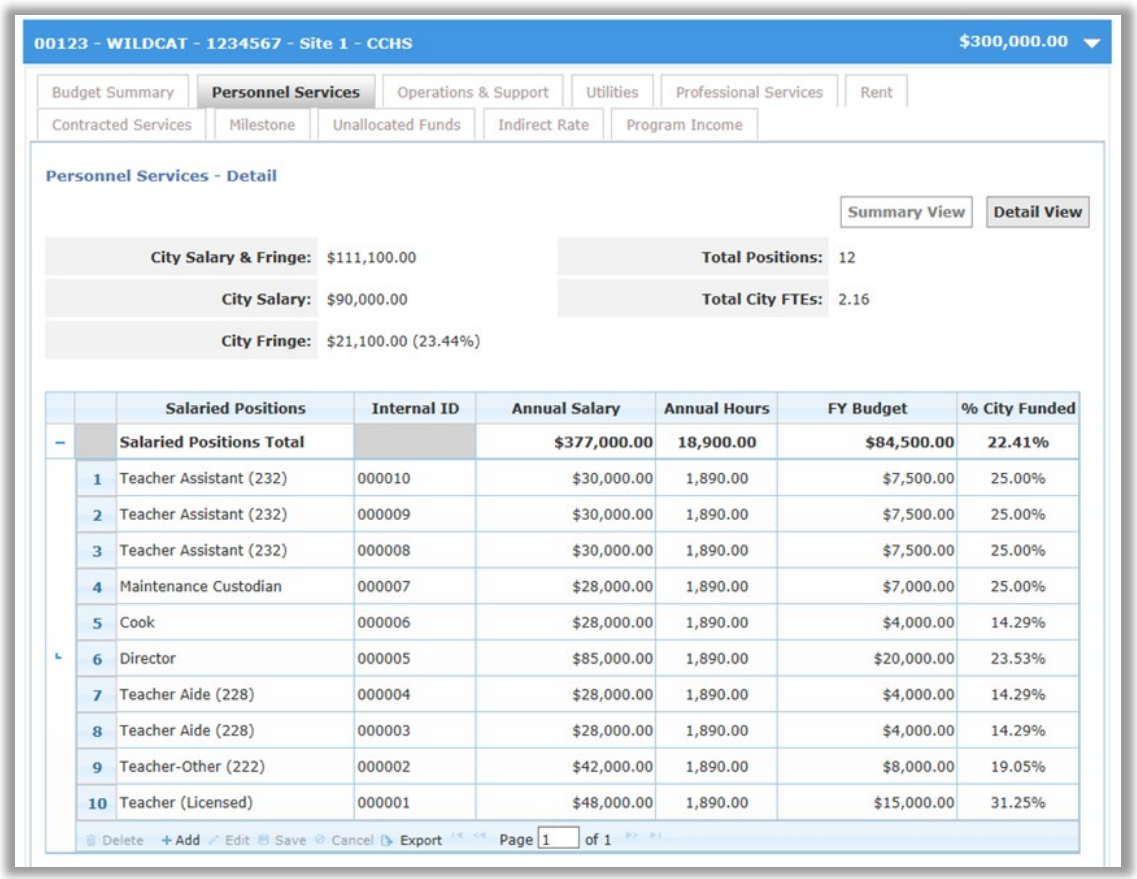
Rate: The organization's hourly rate of pay

Annual Salary: The total salary to be earned by the employee from the organization.

Annual Hours: The total number of hours the employee works for the organization.

FY Budget: The amount of funds from ACS for the fiscal year. The FY budget must be pro-rated 3 months for the initial FY19 budget.

% City Funded: Automatically calculated based on **FY budget** over the **Annual Salary**. This will be updated when the FY19 budget amendment is added to the initial FY19 budget.



	Salaried Positions	Internal ID	Annual Salary	Annual Hours	FY Budget	% City Funded
–	**Salaried Positions Total**		**$377,000.00**	**18,900.00**	**$84,500.00**	**22.41%**
1	Teacher Assistant (232)	000010	$30,000.00	1,890.00	$7,500.00	25.00%
2	Teacher Assistant (232)	000009	$30,000.00	1,890.00	$7,500.00	25.00%
3	Teacher Assistant (232)	000008	$30,000.00	1,890.00	$7,500.00	25.00%
4	Maintenance Custodian	000007	$28,000.00	1,890.00	$7,000.00	25.00%
5	Cook	000006	$28,000.00	1,890.00	$4,000.00	14.29%
6	Director	000005	$85,000.00	1,890.00	$20,000.00	23.53%
7	Teacher Aide (228)	000004	$28,000.00	1,890.00	$4,000.00	14.29%
8	Teacher Aide (228)	000003	$28,000.00	1,890.00	$4,000.00	14.29%
9	Teacher-Other (222)	000002	$42,000.00	1,890.00	$8,000.00	19.05%
10	Teacher (Licensed)	000001	$48,000.00	1,890.00	$15,000.00	31.25%

If required, populate the Hourly Positions using the guide above for Internal ID, etc. *Refer to Appendix I-A for EarlyLearn Personnel Services guidelines.*

		Hourly Positions	Internal ID	Rate	Annual Hours	FY Budget	% City Funded
–		**Hourly Positions Total**			**1,600.00**	**$5,500.00**	**25.46%**
	1	Other Support Staff (190)	000012	$13.50	900.00	$3,000.00	24.69%
	2	Teacher Aide/Assistant - Substitu	000011	$13.50	700.00	$2,500.00	26.46%

Delete + Add Edit Save Cancel Export Page 1 of 1

Fringe Benefits

Select the specific fringe benefit then click **"Edit"**. When you have entered the total value for each corresponding fringe benefit, click **"Save"**.

	Fringe Benefits	Rate	FY Budget
–	**Fringe Total**	**49.00%**	**$44,100.00**
	FICA		$8,000.00
	Life Insurance		$4,000.00
	Health Insurance		$25,000.00
	Unemployment Insurance		$100.00
	Long Term Disability		$0.00
	Short Term Disability		$0.00
	Workers Comp		$6,000.00
	Welfare Fund		$0.00
	MTA - NYC Commuter Taxes		$0.00
	Tuition Reimbursement		$0.00
	Retirement		$1,000.00
	Employee Assistance Program		$0.00
	FSA		$0.00
	Other		$0.00

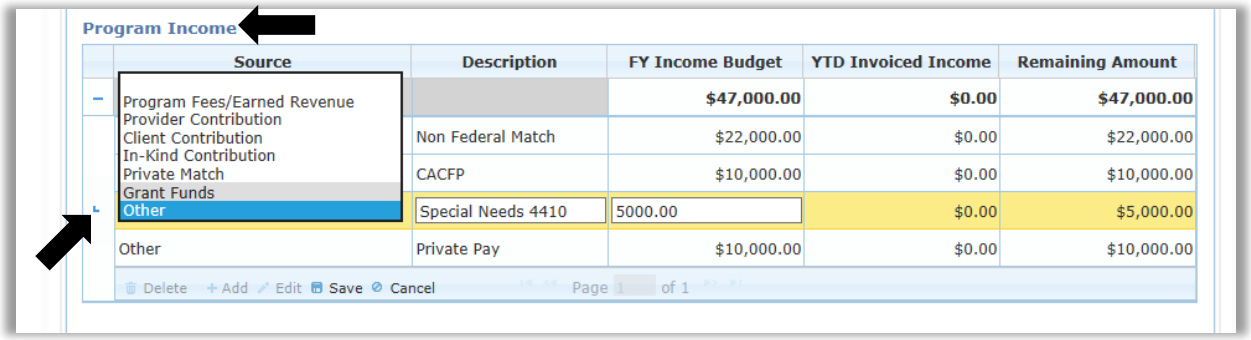
Edit Save Cancel Export

Program Income

There will be a section for Program Income on each tab to record how other income is used to fund each expense category in support of the program. This may be in the form of client fees or contributions, earned revenue, In-Kind contributions, private match or grant funds. At a minimum, the following line items related to the EarlyLearn contracts should be entered in HHS Accelerator for Program Income.

HHS Accelerator Line Item	EarlyLearn Equivalent
In-Kind Contribution (HS funded)	Non-Federal Match
Grant Funds	CACFP Income

Click on the Program Income Grid for the corresponding Budget category, then click **"+ Add"** to expand the field. Select from the drop down the type of income source, enter the description and amount and click **"Save"**.

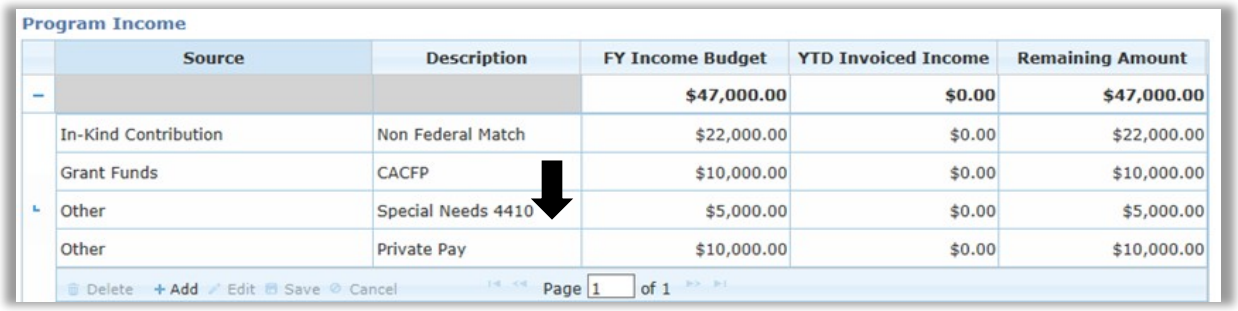


4410 Special Needs/Private Pay

New York State Education Law §4410 implements the Federal Individuals with Disabilities Education Act (IDEA) for children ages 3 to 5. For programs operating preschool special education services under Education Law Section 4410, specific allocation methods are required by regulation, and the method to be used varies by the type of special education program being operated.

If applicable, click "**+Add**" then select **"Other"** from the drop down menu. Enter **"Special Needs 4410"** and/or **"Private Pay"** under **"Description"**. Enter the FY budgeted amount, and click **"Save"**.

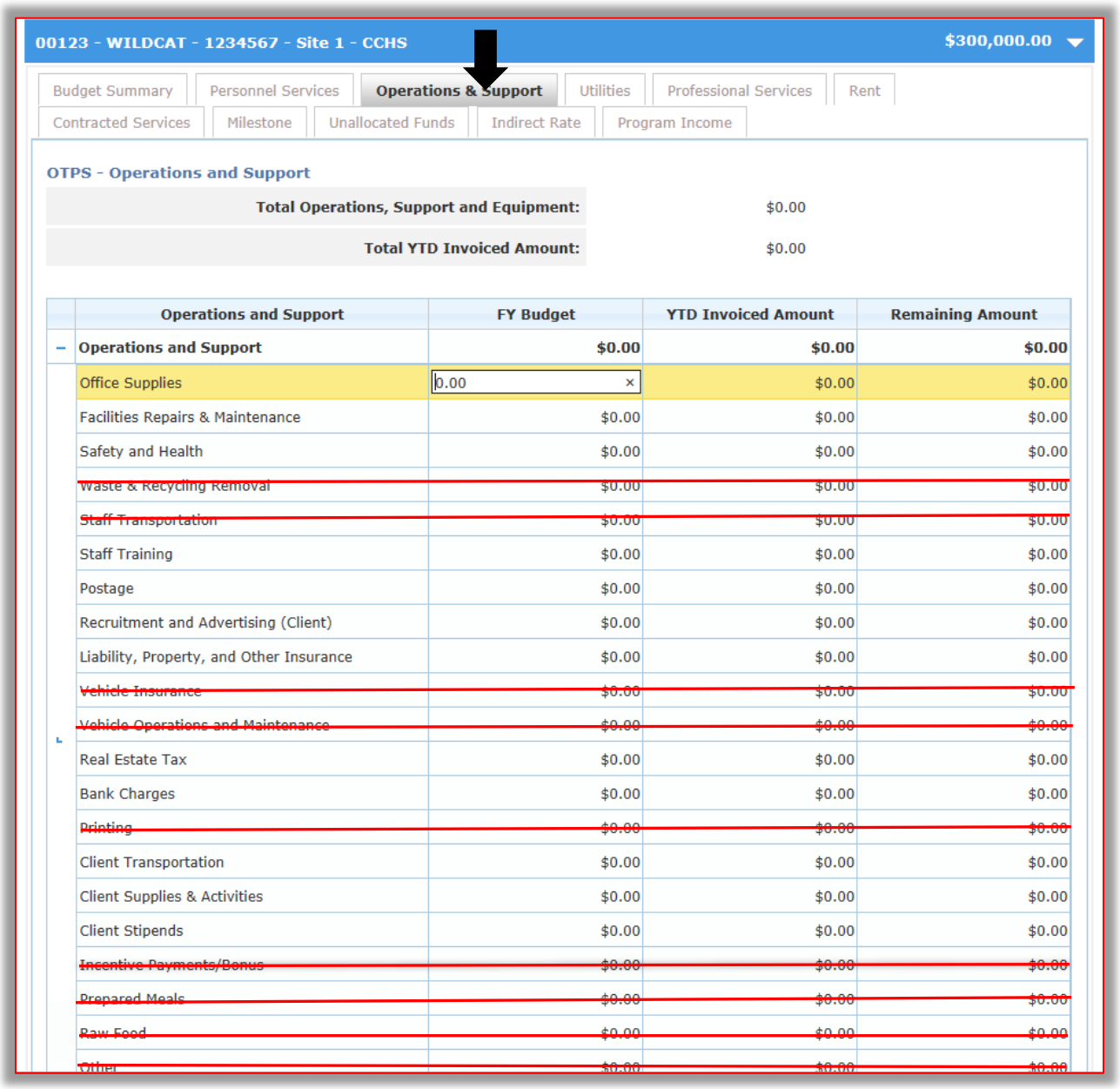
HHS Accelerator Line Item	EarlyLearn Equivalent
Other	4410 Special Needs
Other	Private Pay



2.4.5 OTHER THAN PERSONNEL SERVICES (OTPS)

Operations & Support - EarlyLearn Contracts

Go to the Operations and Support tab. Select a line item that is not crossed out below and click **"Edit"** to enable the FY Budget field.



Enter the FY Budgeted Amount for each line item category then click **"Save"** after entering data for each line.

NOTE: Only the following lines should be completed in HHS Accelerator for Operations and Support or your budget will be returned for revision.

HHS Accelerator Line Item	EL Line Item Budget Template Equivalent
Office Supplies	Office, Janitorial Supplies
Facilities Repairs & Maintenance	Maintenance and Repairs, Licenses, Permits
Safety & Health	Head Start Health & Safety
Staff Training	Training/Staff Development
Postage	
Recruitment & Advertising (Client)	Advertising
Liability, Property & Other Insurance	Insurance (Property, Fidelity, etc.)
Real Estate Tax	Taxes
Client Transportation	Transportation
Client Supplies and Activities	Instructional Materials/Supplies, Instructional Field Trips
Client Stipends	Family Child Care Stipend

Health & Safety

Only approved Head Start Health & Safety expenses should be entered in the "Safety and Health" field.

Safety and Health	$500.00	$0.00	$500.00

Client Stipends

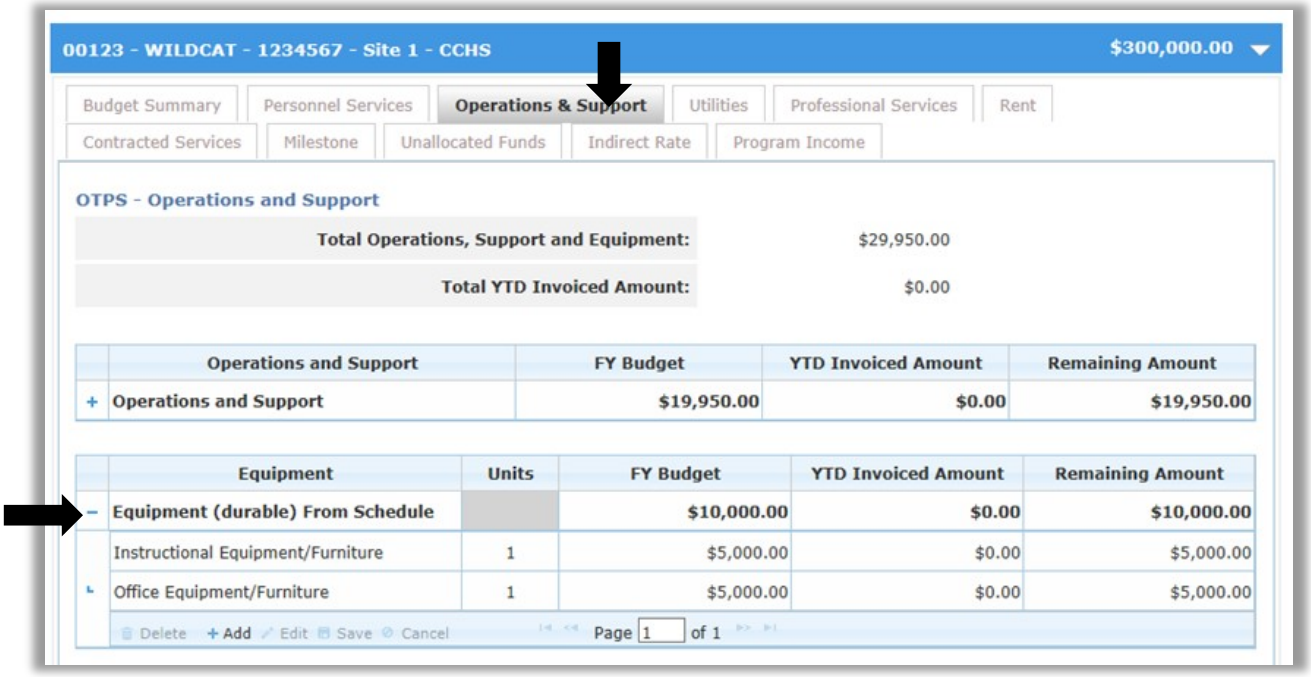
Client Stipends are only applicable to Family Child Care Network (FCCN) sites and, therefore, should be restricted to Family contractors only.

Client Stipends	$0.00	$0.00	$0.00

Equipment

The ACS level of expenditure for general-purpose equipment is $5,000. Prior approval is required for equipment purchases above $5,000 and such approval must be recorded and tracked. There are two allowable line items for equipment.

Click the **"+"** symbol to expand **"Equipment (durable) From Schedule"**. Add new rows by clicking **"+ Add"**.



Type **"Office Equipment / Furniture"** in the Equipment column, enter the number of units and the corresponding amount from the FY Line Item Budget, then click **"Save"**.

Repeat the steps under Equipment above for **"Instructional Equipment/Furniture"**, then click **"Save"**.

Program Income - Refer to Program Income under the Personnel Services tab on p. 24.

At a minimum, the following line items related to the EarlyLearn contracts should be entered in HHS Accelerator for Program Income.

HHS Accelerator Line Item	EarlyLearn Equivalent
In-Kind Contribution (HS funded)	Non-Federal Match
Grant Funds	CACFP Income

00123 - WILDCAT - 1234567 - Site 1 - CCHS **$300,000.00**

Budget Summary | Personnel Services | **Operations & Support** | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Indirect Rate | Program Income

OTPS - Operations and Support

Total Operations, Support and Equipment:	$19,950.00
Total YTD Invoiced Amount:	$0.00

	Operations and Support	FY Budget	YTD Invoiced Amount	Remaining Amount
+	**Operations and Support**	**$19,950.00**	**$0.00**	**$19,950.00**

	Equipment	Units	FY Budget	YTD Invoiced Amount	Remaining Amount
+	**Equipment (durable) From Schedule**		**$0.00**	**$0.00**	**$0.00**

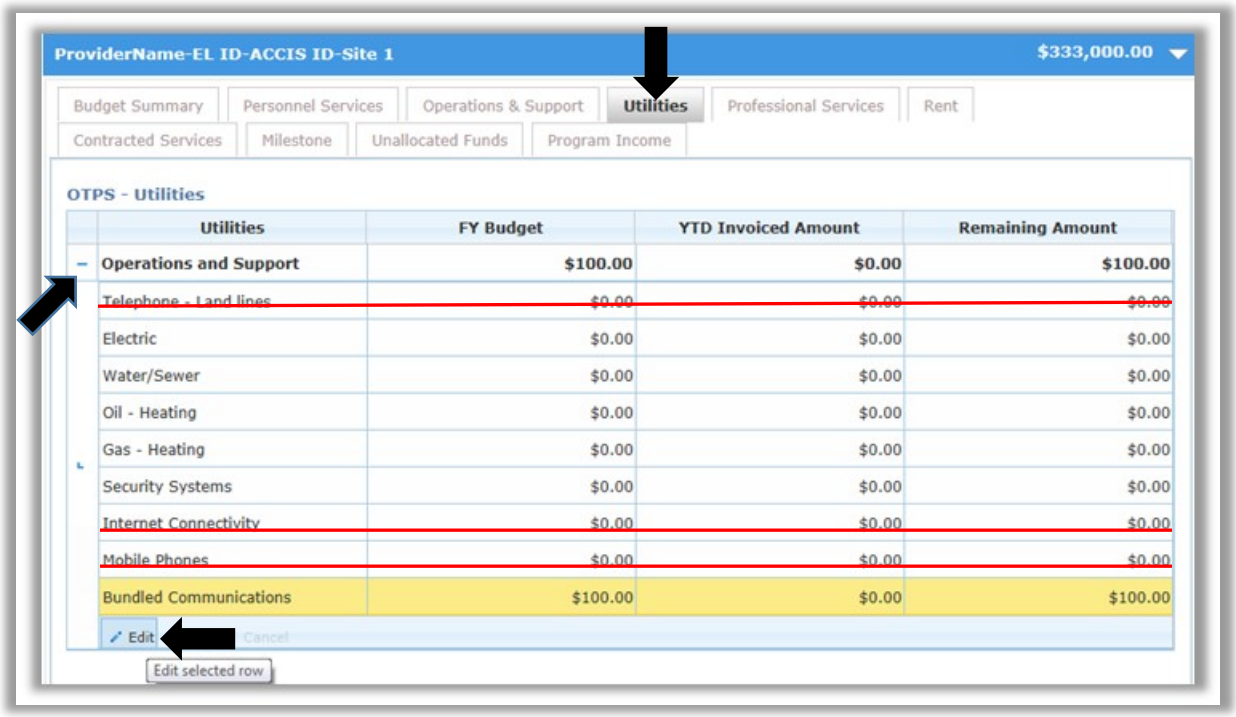
Program Income

	Source	Description	FY Income Budget	YTD Invoiced Income	Remaining Amount
–			**$3,000.00**	**$0.00**	**$3,000.00**
	In-Kind Contribution	Non Federal Match	$2,000.00	$0.00	$2,000.00
	Grant Funds	CACFP	$1,000.00	$0.00	$1,000.00

Delete + Add Edit Save Cancel Page 1 of 1

Utilities

Click on the **"Utilities"** tab then Click on the **"+"** symbol next to the **"Operations and Support"** row to expand the field. Select a line item then click **"Edit"** to enable the FY Budget field for the selected line.



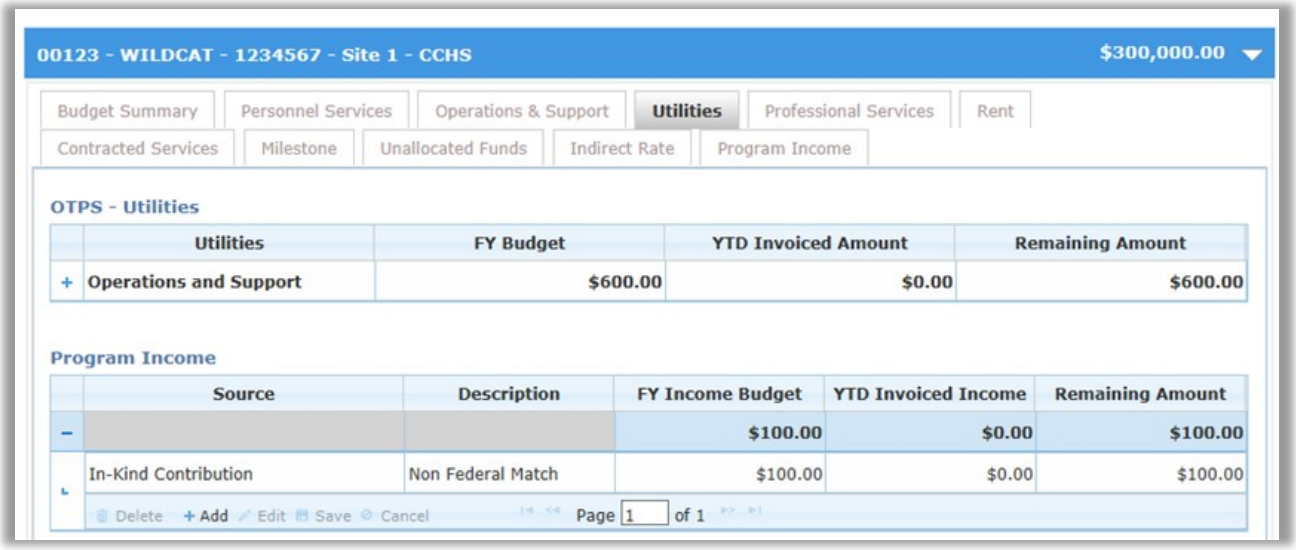
DO NOT click on the line items which have been crossed out or your budget will be returned for revision.

Enter the FY budgeted amount for each line item category and click **"Save"** after entering data for each line.

<u>NOTE</u>: Only the following lines should be completed in HHS Accelerator for **Utilities** or your budget will be returned for revision.

HHS Accelerator Line Item	EL Line Item Budget Template Equivalent
Electric	Utilities
Water/Sewer	Water/Sewer
Oil - Heating	Utilities
Gas - Heating	Utilities
Security Systems	Alarm
Bundled Communications	Communications (Phone/Internet)

Program Income - If applicable, refer to Program Income in the Personnel Services tab on p. 23.

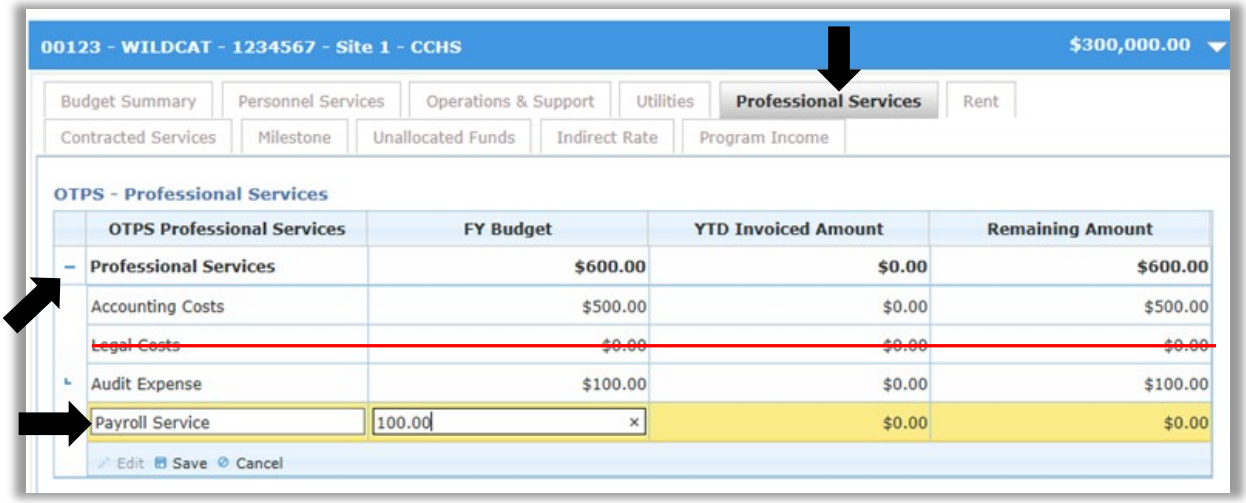


Professional Services

These expenses are associated with independent contractors who provide professional services such as Information Technology, Legal, Accounting and Single Audit Fees.

Click on the **"Professional Services"** tab then Click on the **"+"** symbol next to the **"Professional Services"** row to expand the field.

Select the line item and click **"Edit"** to enable the FY Budget field.
Enter the FY budget amount for the line item category and click **"Save"**.



DO NOT click on the line items which have been crossed out or your budget will be returned for revision.

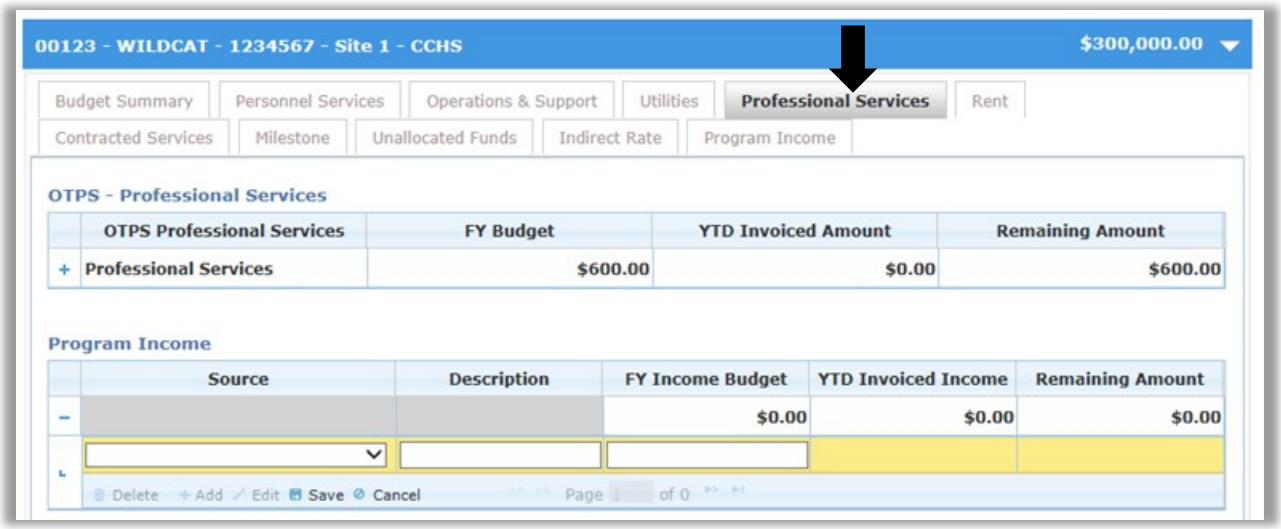
Payroll Service

If applicable, edit the **"Other"** budget line and type **Payroll Service** as the budget description, then enter the budget amount and click **"Save".**

NOTE: Only the following lines should be completed in HHS Accelerator for **Professional Services** or your budget will be returned for revision.

HHS Accelerator Line Item	EL Line Item Budget Template Equivalent
Accounting Costs	Bank Charges
Audit Expense	Audit
Other (Payroll Service)	Payroll Service

Program Income - If applicable, refer to Program Income in the Personnel Services tab on p. 24.

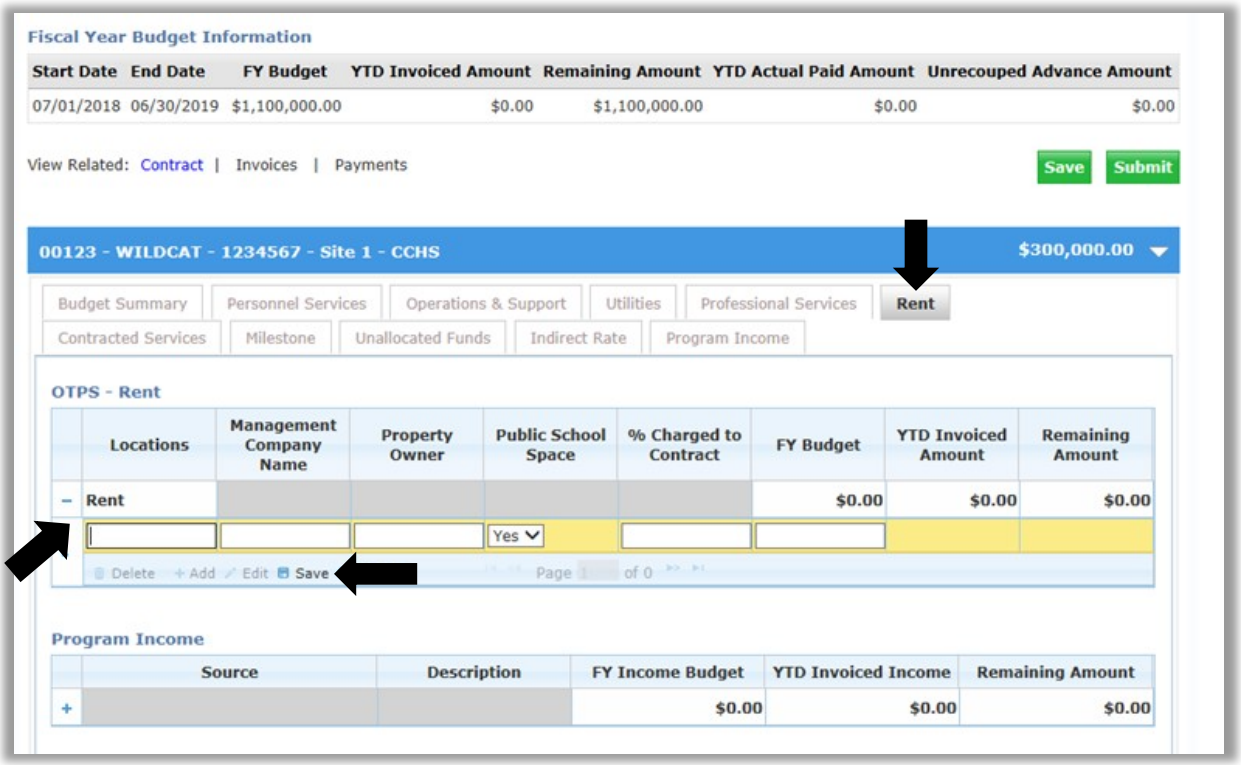


Rent

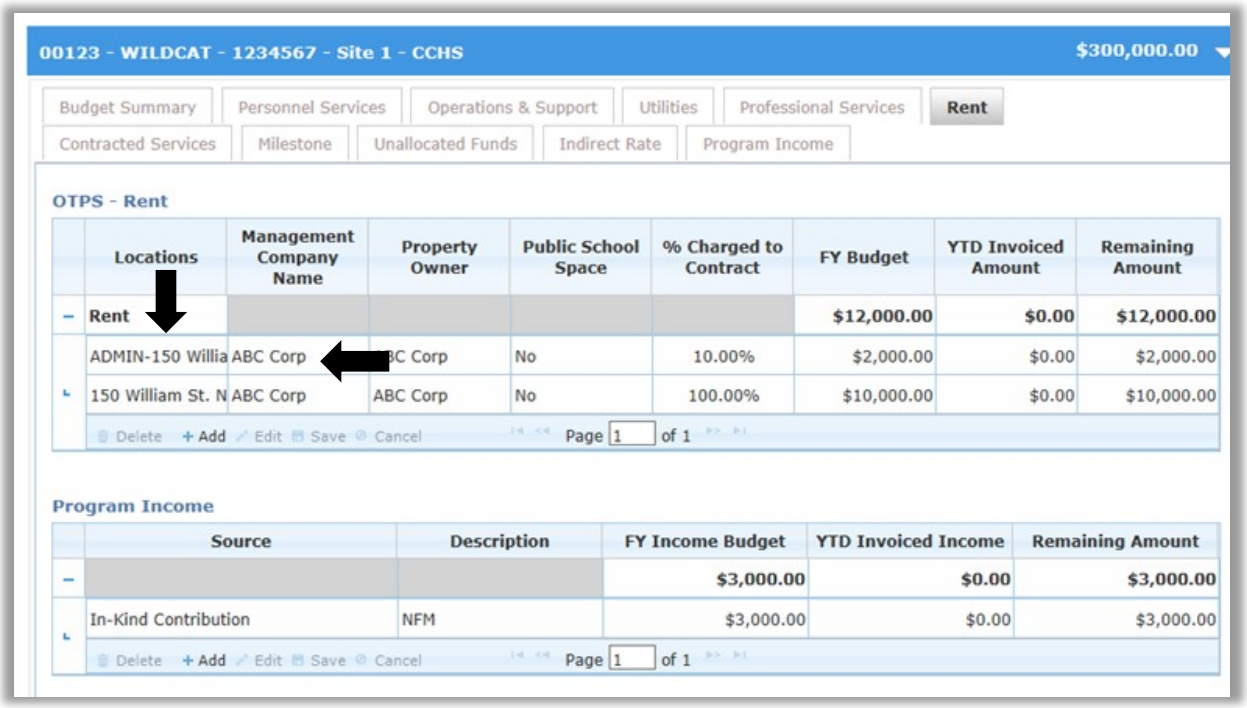
Rent should reflect the cost-allocated lease amount.

Click on the **"Rent"** tab then click on the **"+"** symbol next to the **"Rent"** row to expand the field.

Add a new row by clicking on the **"+ Add" button** below the Rent field



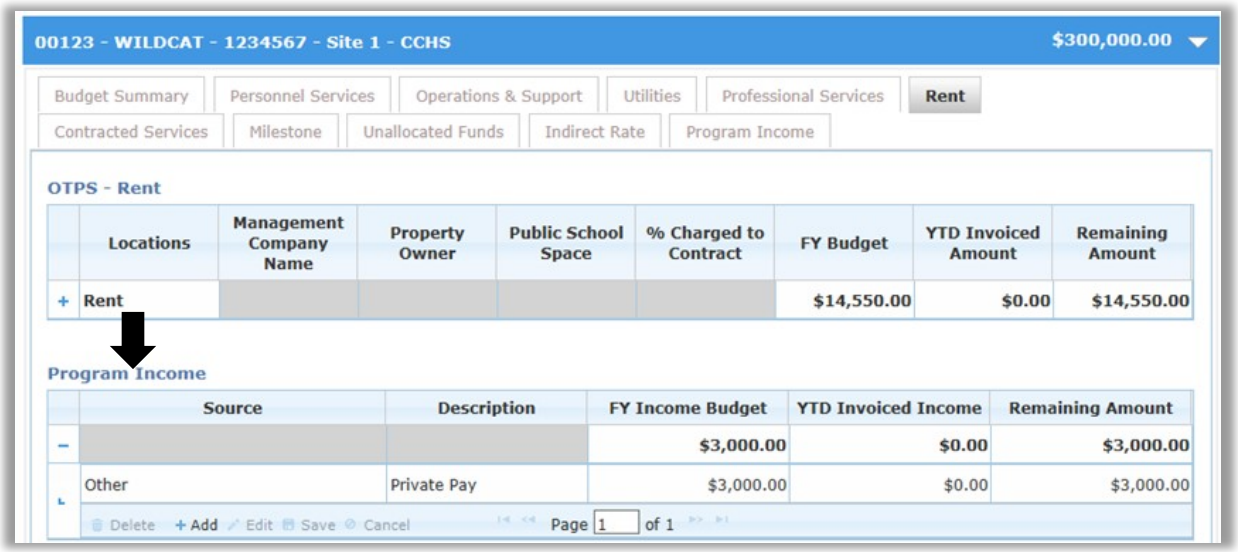
Enter the data for the contracted site in each field and the corresponding budget amount, then click **"Save."** The location of contracted site is visible in the blue header of the budget.



If funds are allocated to cover Rent expenses for other sites, e.g., Admin/Head Office site, repeat the steps above to enter data, and then click **"Save."** The location for allocated rent other than the contracted site must be identified by entering **"Admin"** before the address in the Locations field.

Only the portion of the rent that is allocated to the budget for the administrative site must be entered. If an organization has multiple site budgets, allocate a portion of each administrative site's rent to its budget accordingly.

Program Income - If applicable, refer to the Program Income section in the Personnel Services tab on p. 24.

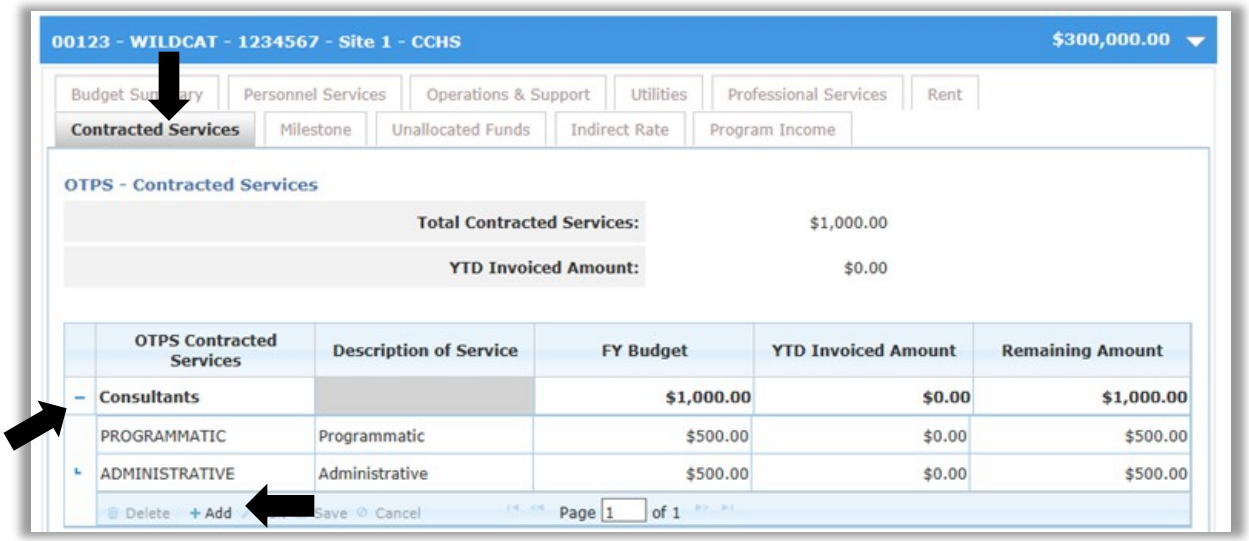


Contracted Services

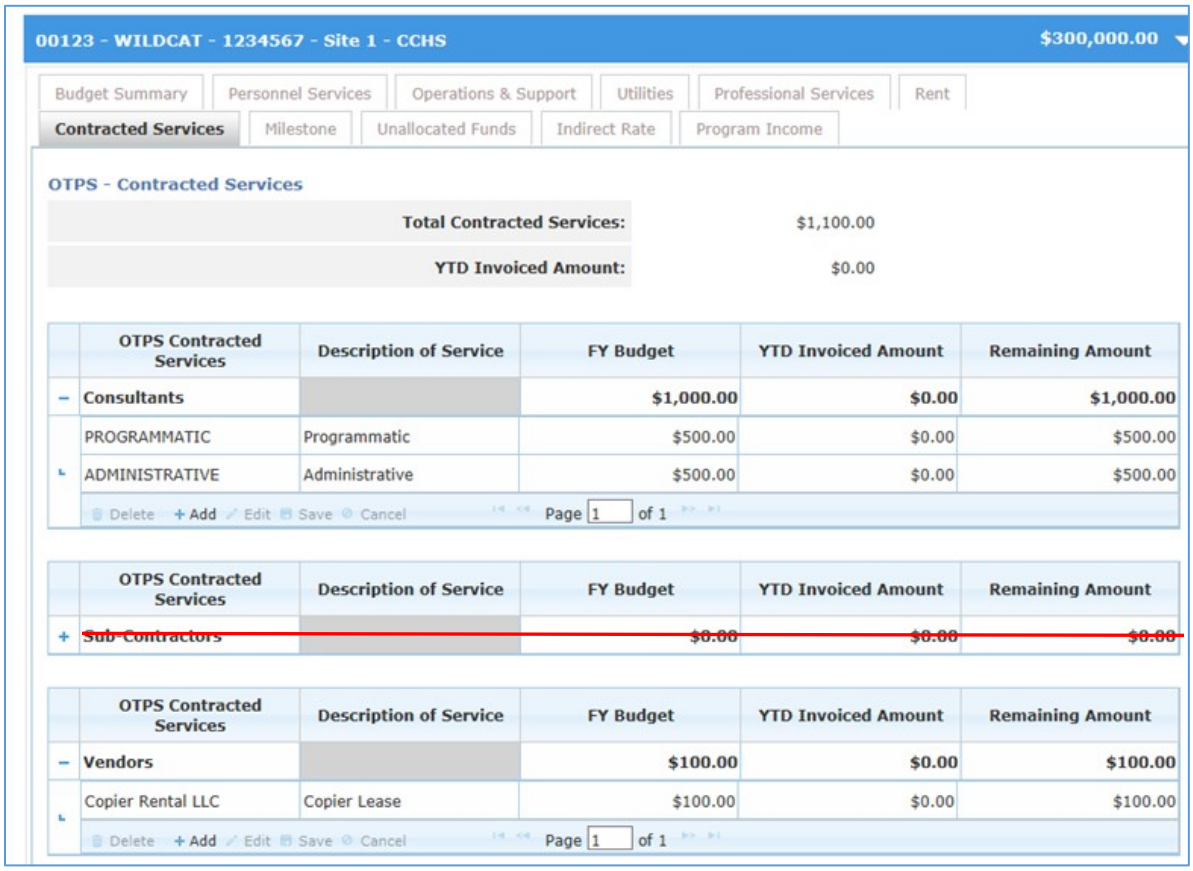
Contracted Services cover costs where independent entities are retained for professional or technical skills required to perform specific program tasks or complete projects which cannot be accomplished by regular staff. A signed contract is required for these services and a copy of the signed contract must be attached in the Documents tab.

Click on the **"Contracted Services"** tab to enter budget data for Contracted Services then click on the **"+"** symbol next to the **"Consultants"** row to expand the field.

Add a new row by clicking on the **"+ Add"** button below the Consultants field.



Enter **"Administrative"** in the Consultants column and in the **"Description of Service"** column. Enter the corresponding amount for the FY Line Item Budget then click **"Save"**. Repeat the steps above for **"Programmatic"** Consultants and click **"Save"**.



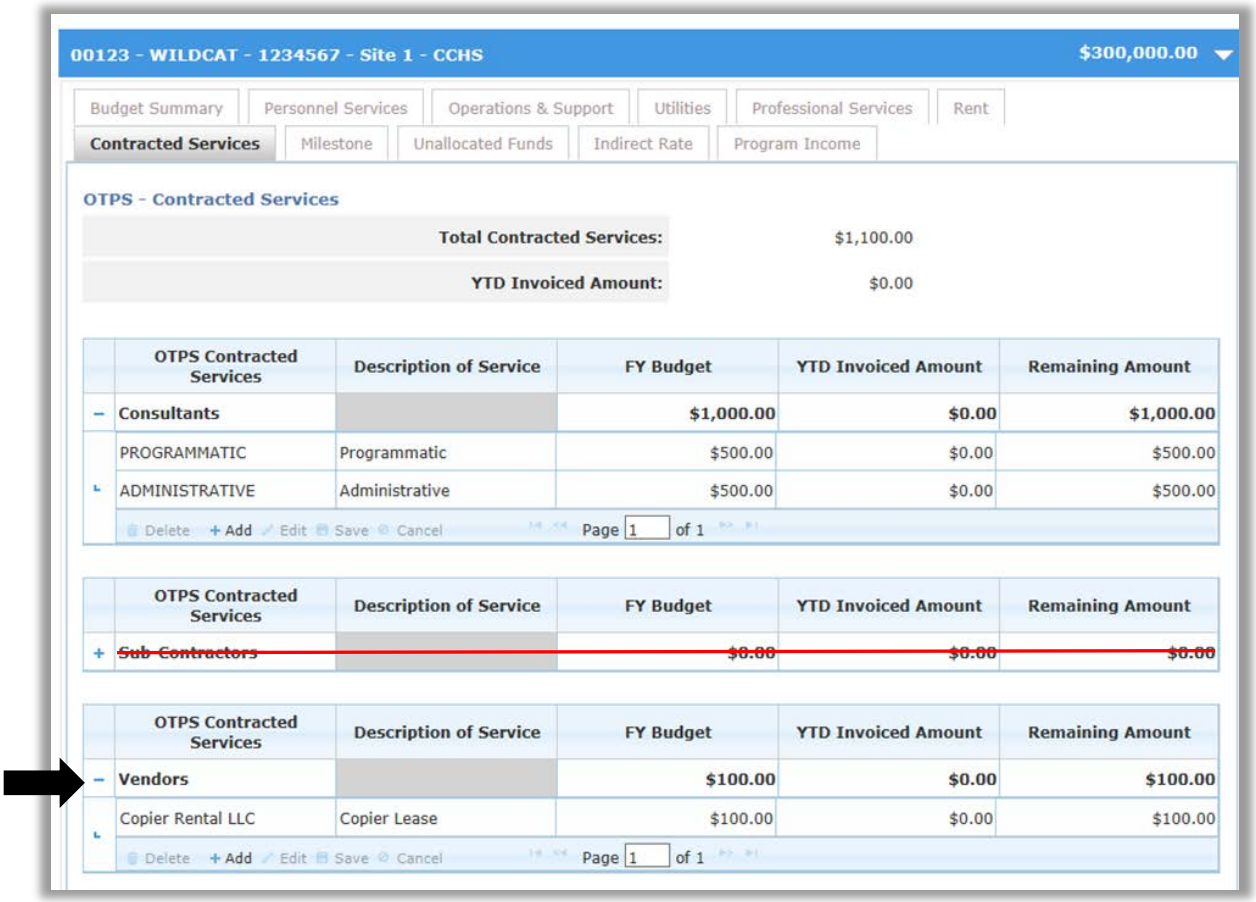
Vendors

If applicable, use this section only for Custodial Services or Equipment leases such as copiers.

Click on the **"+"** symbol next to the **"Vendors"** row to expand the field.

Add a new row by clicking on the **"+ Add"** button below the Vendors field. Enter **"Custodial"** in the **"Contracted Services"** column and select **Custodial Services** in the **"Description of Service"** column.

Enter the corresponding amount for the FY Line Item Budget then click **"Save"**.



DO NOT use the line items which have been crossed out or your budget will be returned for revision.

Program Income - If applicable, refer to the Program Income section in the Personnel Services tab on p. 24.

00123 - WILDCAT - 1234567 - Site 1 - CCHS $300,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent

Contracted Services | Milestone | Unallocated Funds | Indirect Rate | Program Income

OTPS - Contracted Services

Total Contracted Services:	$1,100.00
YTD Invoiced Amount:	$0.00

	OTPS Contracted Services	Description of Service	FY Budget	YTD Invoiced Amount	Remaining Amount
+	Consultants		$1,000.00	$0.00	$1,000.00

	OTPS Contracted Services	Description of Service	FY Budget	YTD Invoiced Amount	Remaining Amount
+	Sub-Contractors		$0.00	$0.00	$0.00

	OTPS Contracted Services	Description of Service	FY Budget	YTD Invoiced Amount	Remaining Amount
+	Vendors		$100.00	$0.00	$100.00

Program Income

	Source	Description	FY Income Budget	YTD Invoiced Income	Remaining Amount
−			$0.00	$0.00	$0.00

Delete Add Edit Save Cancel Page 1 of 0

Milestone

Where applicable, the Milestone tab must be specifically broken down to facilitate monitoring of the costs associated with the following items:

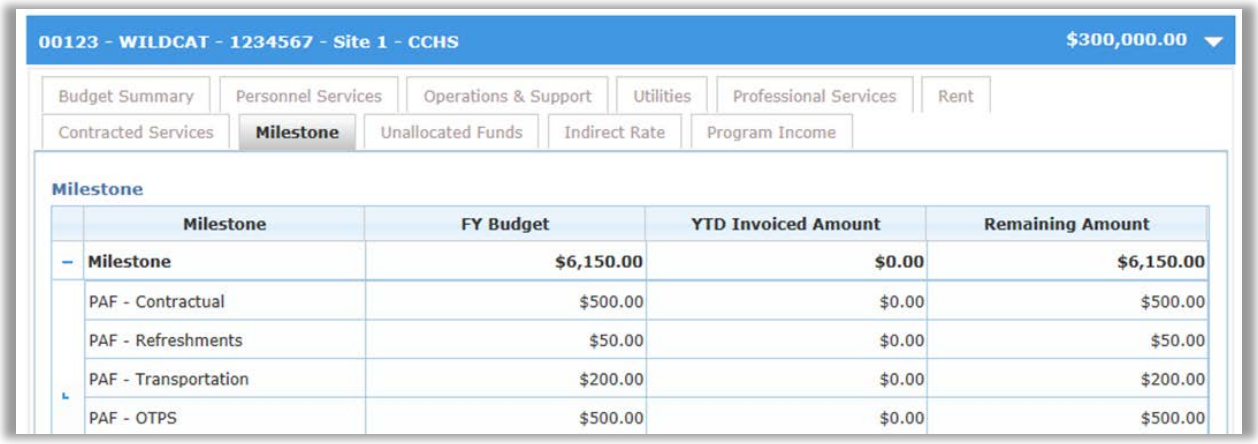
MILESTONE	
UPK ENHANCEMENT	Lead Pre-K Teacher - Salaries
	Lead Pre-K Teacher – Fringe Benefits
	Substitute Teachers - Salaries
	Substitute Teachers –Fringe Benefits
	Support Staff & Quality Enhancements - Salaries
	Support Staff & Quality Enhancements – Fringe Benefits
TEACHER INCENTIVE/ RETENTION	Teacher Incentive - Salaries
	Teacher Incentive – Fringe Benefits
PARENT ACTIVITY FUND*	PAF – Contractual
	PAF – OTPS
	PAF – Transportation
	PAF – Refreshments
OTHERS	Lead Testing & Abatement
	Cubbies
	Sandy

Click on the **"+"** symbol next to the Milestone row to expand the field. Add a new row by clicking on the **"+ Add"** button below the Milestone field.

Parent Activity Fund

The parent activity fund (PAF) is included in the program budget to as a resource for parents to carry out their roles and responsibilities, including planning, developing and implementing projects of interest that specifically aim to increase their skills as knowledgeable leaders and advocates within their community. *Refer to the Administrative Advisory for Head Start Parent Activity Fund*.

- The PAF must be allocated by Program Year (PY) and Fiscal Year (FY) and rollover of unused PY funds is **NOT** allowed.
- Subrecipients must submit to Program Staff, a completed budget and narrative detailing how funds will be used. Approval from Program staff must be attached in the Documents section of the AF budget.



00123 - WILDCAT - 1234567 - Site 1 - CCHS $300,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Indirect Rate | Program Income

Milestone

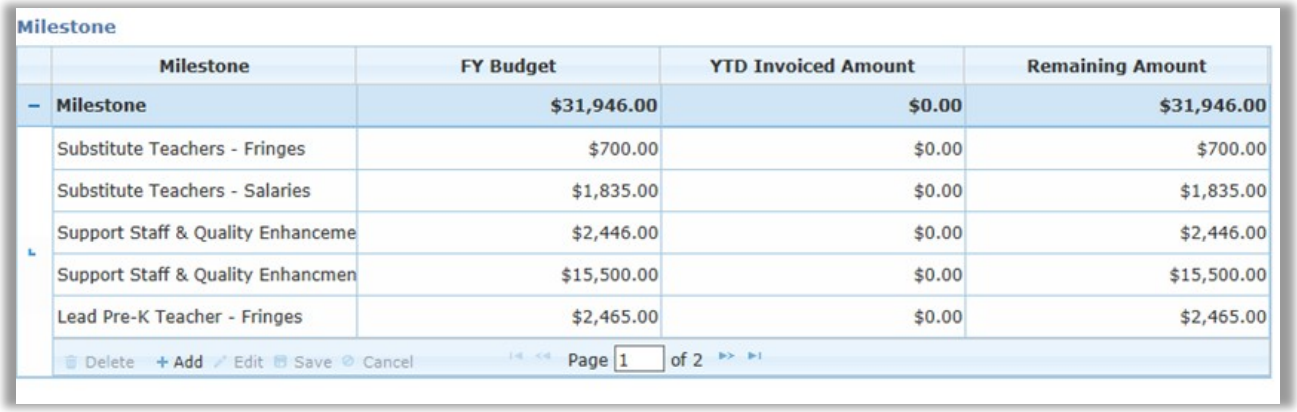
Milestone	FY Budget	YTD Invoiced Amount	Remaining Amount
Milestone	**$6,150.00**	**$0.00**	**$6,150.00**
PAF - Contractual	$500.00	$0.00	$500.00
PAF - Refreshments	$50.00	$0.00	$50.00
PAF - Transportation	$200.00	$0.00	$200.00
PAF - OTPS	$500.00	$0.00	$500.00

UPK Enhancement

The UPK Enhancement initiative adds additional funding in the following three areas:

1. Salary enhancement for PreK for All Lead Teachers with specific credentials;
2. Support Staff for increased class size and Quality Enhancement; and
3. Funds for substitute teachers while Teachers and Assistant Teachers attend professional development provided by the Department of Education.

The total UPK Enhancement must be equal to the approved UPK Enhancement budget. Refer to your contracted budget.



Milestone

Milestone	FY Budget	YTD Invoiced Amount	Remaining Amount
Milestone	**$31,946.00**	**$0.00**	**$31,946.00**
Substitute Teachers - Fringes	$700.00	$0.00	$700.00
Substitute Teachers - Salaries	$1,835.00	$0.00	$1,835.00
Support Staff & Quality Enhanceme	$2,446.00	$0.00	$2,446.00
Support Staff & Quality Enhancmen	$15,500.00	$0.00	$15,500.00
Lead Pre-K Teacher - Fringes	$2,465.00	$0.00	$2,465.00

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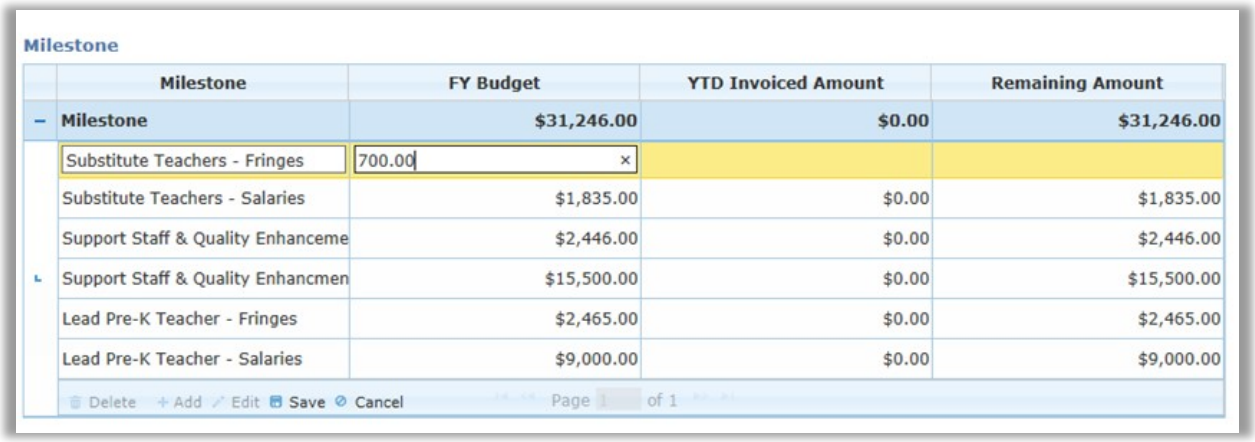
For example, the total breakdown for each category should match the budget on your organization's UPK Enhancement template (for verification):

UPK ENHANCEMENT TEMPLATE		MILESTONE	
Lead Pre-K Teacher Salaries	$11,465	Lead Pre-K Teacher – Salaries	$11,465
		Lead Pre-K Teacher – Fringe	
Support Staff & Quality Enhancements	$17,946	Support Staff & Quality Enhancements – Salaries	$17,946
		Support Staff & Quality Enhancements – Fringe	
Substitute Teachers	$2,535	Substitute Teachers – Salaries	$2,535
		Substitute Teachers – Fringe	



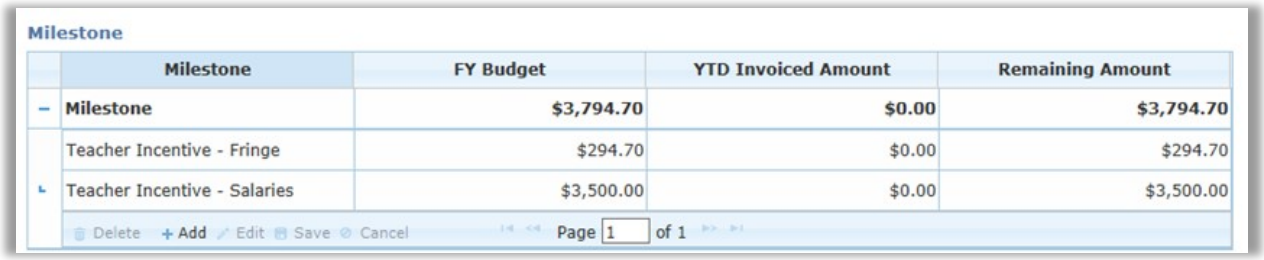
Milestone

Milestone	FY Budget	YTD Invoiced Amount	Remaining Amount
Milestone	**$31,246.00**	**$0.00**	**$31,246.00**
Substitute Teachers - Fringes	700.00		
Substitute Teachers - Salaries	$1,835.00	$0.00	$1,835.00
Support Staff & Quality Enhanceme	$2,446.00	$0.00	$2,446.00
Support Staff & Quality Enhancmen	$15,500.00	$0.00	$15,500.00
Lead Pre-K Teacher - Fringes	$2,465.00	$0.00	$2,465.00
Lead Pre-K Teacher - Salaries	$9,000.00	$0.00	$9,000.00

Delete Add Edit Save Cancel Page 1 of 1

Teacher Incentive

If applicable, the exact approved amount must be allocated in the Milestone tab.

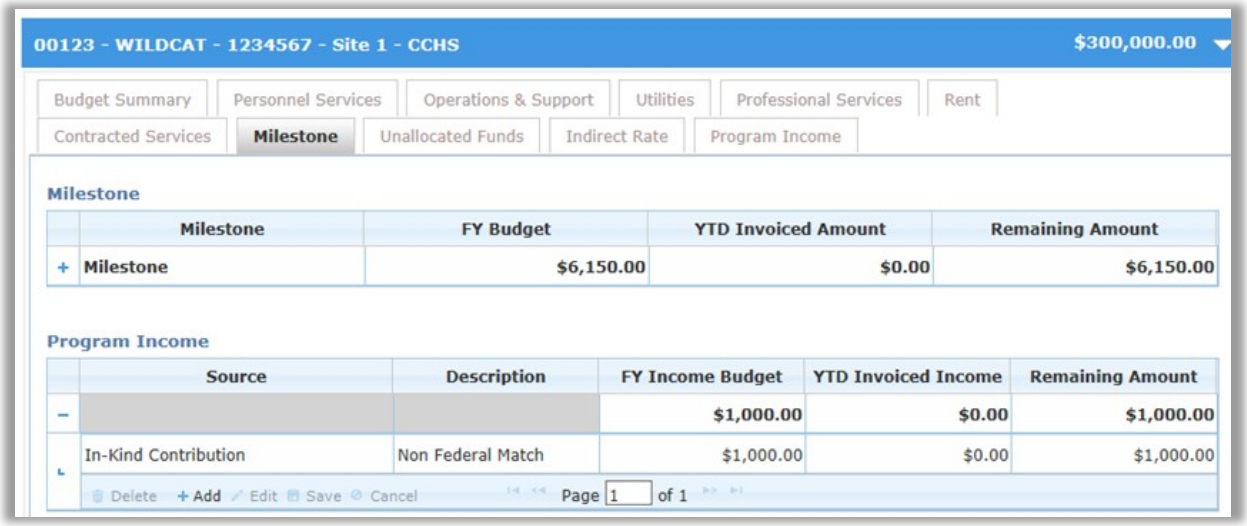


Milestone

Milestone	FY Budget	YTD Invoiced Amount	Remaining Amount
Milestone	**$3,794.70**	**$0.00**	**$3,794.70**
Teacher Incentive - Fringe	$294.70	$0.00	$294.70
Teacher Incentive - Salaries	$3,500.00	$0.00	$3,500.00

Delete Add Edit Save Cancel Page 1 of 1

Program Income – If applicable, refer to the Program Income section in the Personnel Services tab on p. 26.

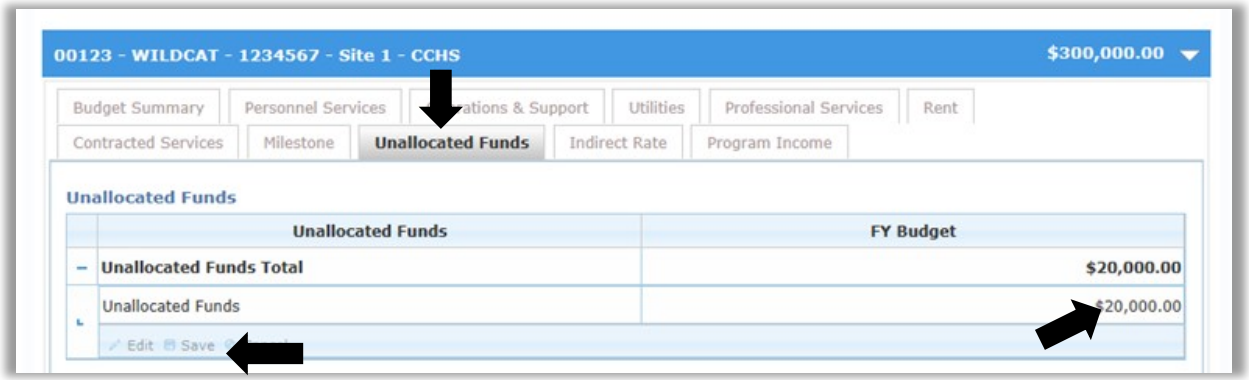


Unallocated Funds

The Unallocated Funds tab must be used for Estimated Parent Fees that are due.

Click on the **"Unallocated Funds"** tab to enter data for Estimated Parent Fees Due, then click on the **"+"** symbol next to the **"Unallocated Funds Total"** row to expand the field.

Click **"Edit"** to enable the FY Budget field.



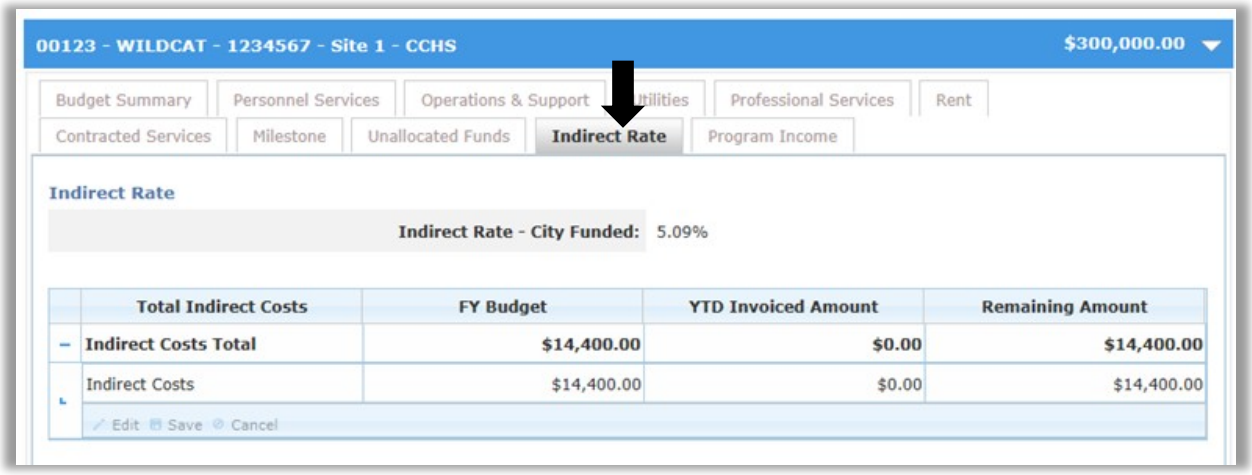
Enter the Estimated Parent Fees Due and click **"Save"**.

If required, ACS will send a request for you to modify the Parent Fees Due in the middle and towards the end of the FY, as updated enrollment information is received.

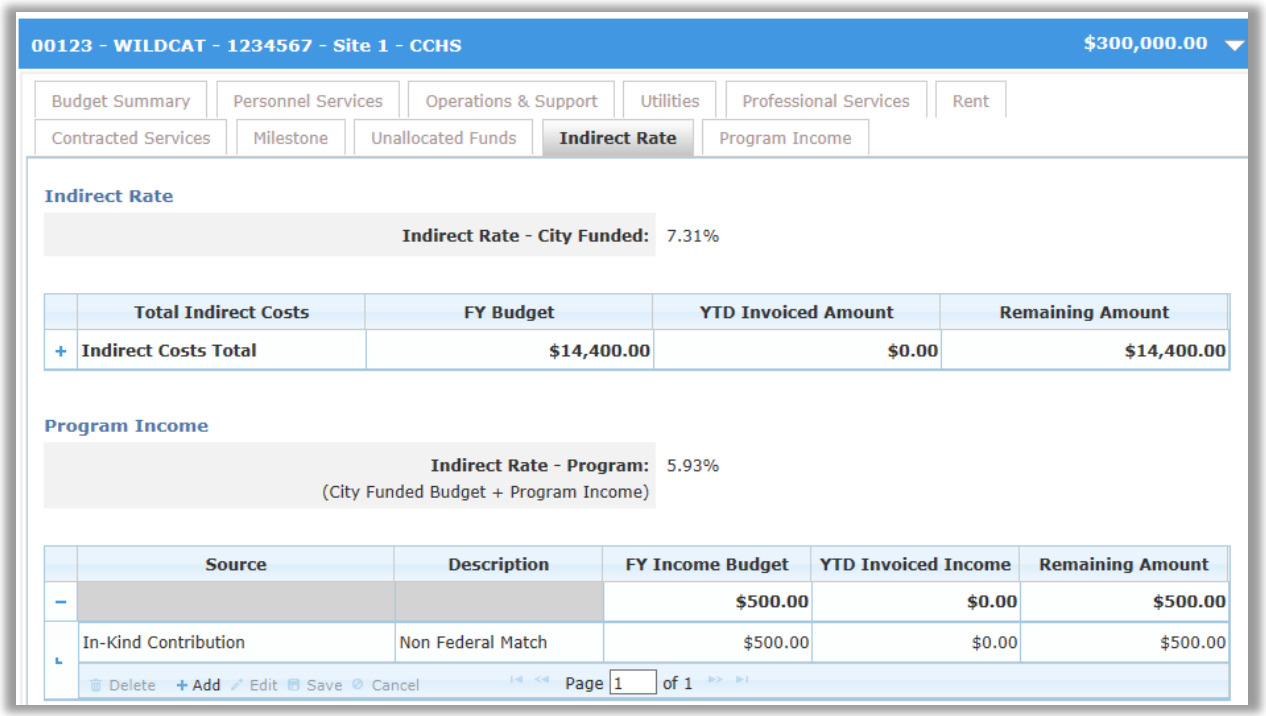
Indirect Rate

The indirect rate for EarlyLearn overhead costs may not exceed 10% of the total cost, excluding those costs identified on the Rent tab. Please refer to the Uniform Guidance memorandum issued on April 4, 2017 and your Indirect Rate Cost Agreement.

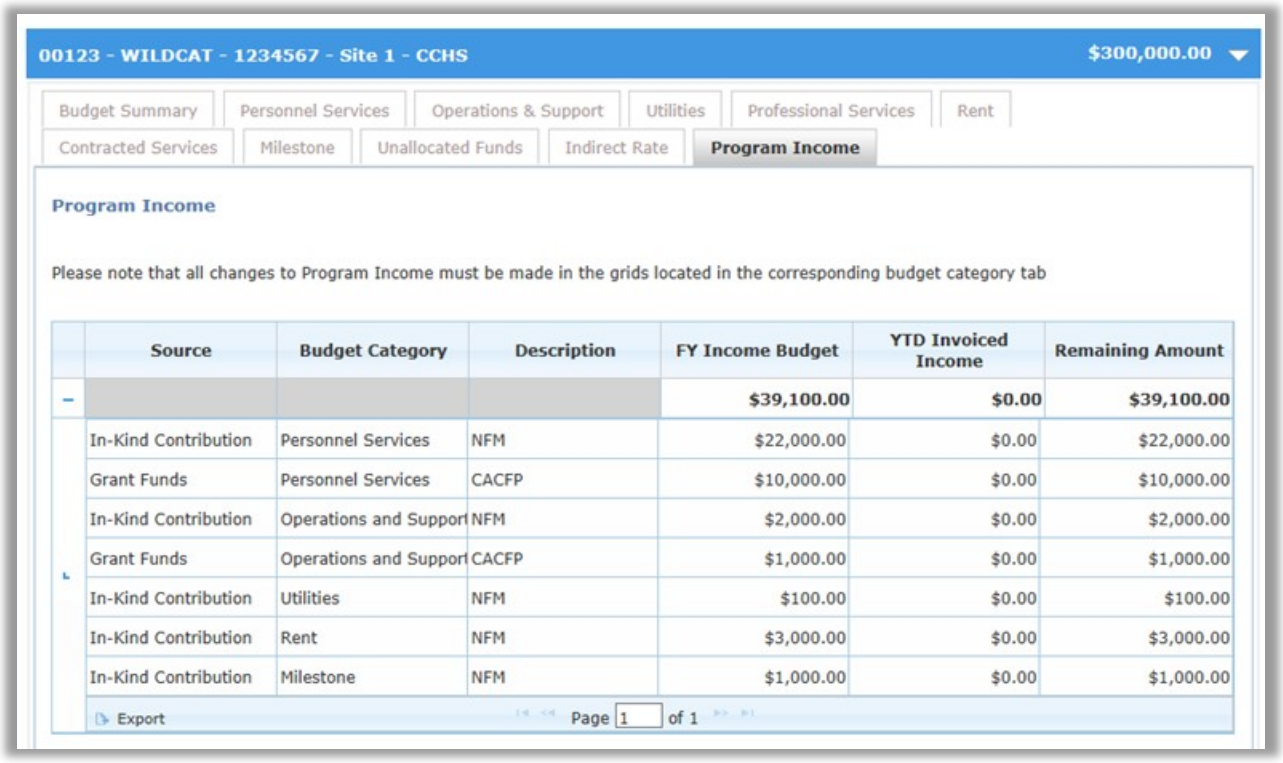
Click on the **"Indirect Rate"** tab to enter data for Indirect Rate then click on the **"+"** symbol next to the **"Indirect Rate Total"** row to expand the field.



Program Income - If applicable, refer to the Program Income section in the Personnel Services tab on p. 24.



The Program Income tab is a summary of the reported program income entered in the different budget category tabs. Any changes must be made in the grids located in the corresponding budget category tab.

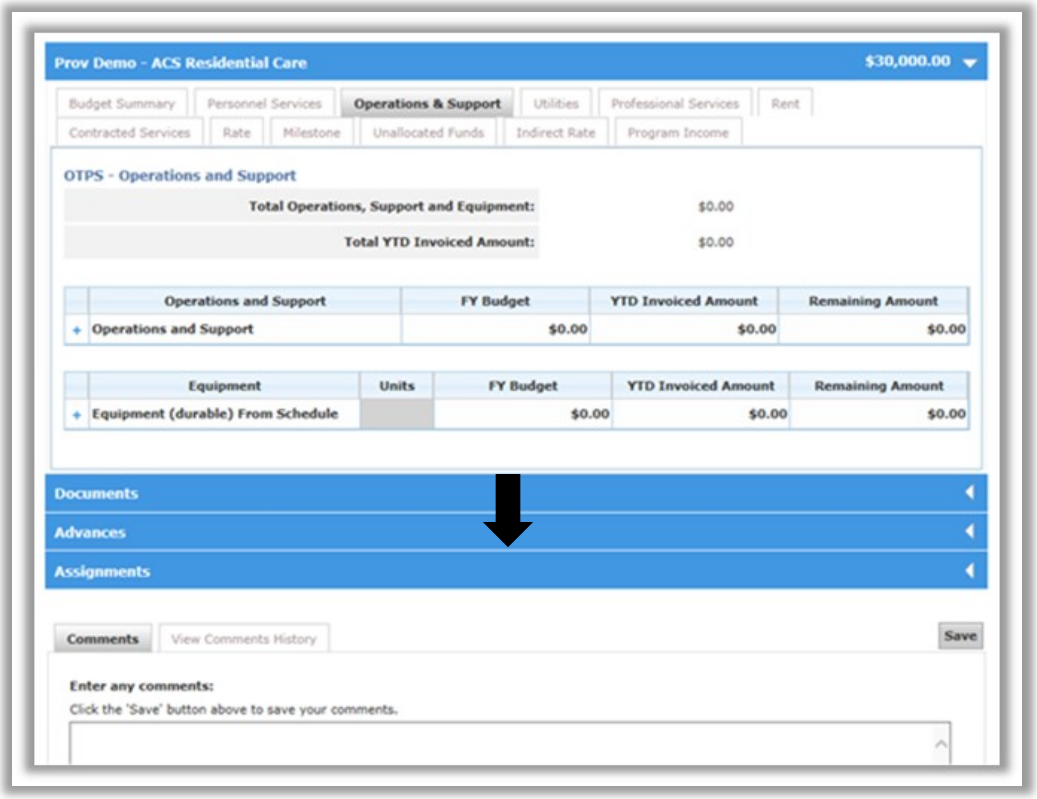


Source	Budget Category	Description	FY Income Budget	YTD Invoiced Income	Remaining Amount
			$39,100.00	$0.00	$39,100.00
In-Kind Contribution	Personnel Services	NFM	$22,000.00	$0.00	$22,000.00
Grant Funds	Personnel Services	CACFP	$10,000.00	$0.00	$10,000.00
In-Kind Contribution	Operations and Support	NFM	$2,000.00	$0.00	$2,000.00
Grant Funds	Operations and Support	CACFP	$1,000.00	$0.00	$1,000.00
In-Kind Contribution	Utilities	NFM	$100.00	$0.00	$100.00
In-Kind Contribution	Rent	NFM	$3,000.00	$0.00	$3,000.00
In-Kind Contribution	Milestone	NFM	$1,000.00	$0.00	$1,000.00

2.4.6 UPLOADING DOCUMENTS WITH THE BUDGET

All Contracts

Click on the **"Documents"** header to open the documents widget.

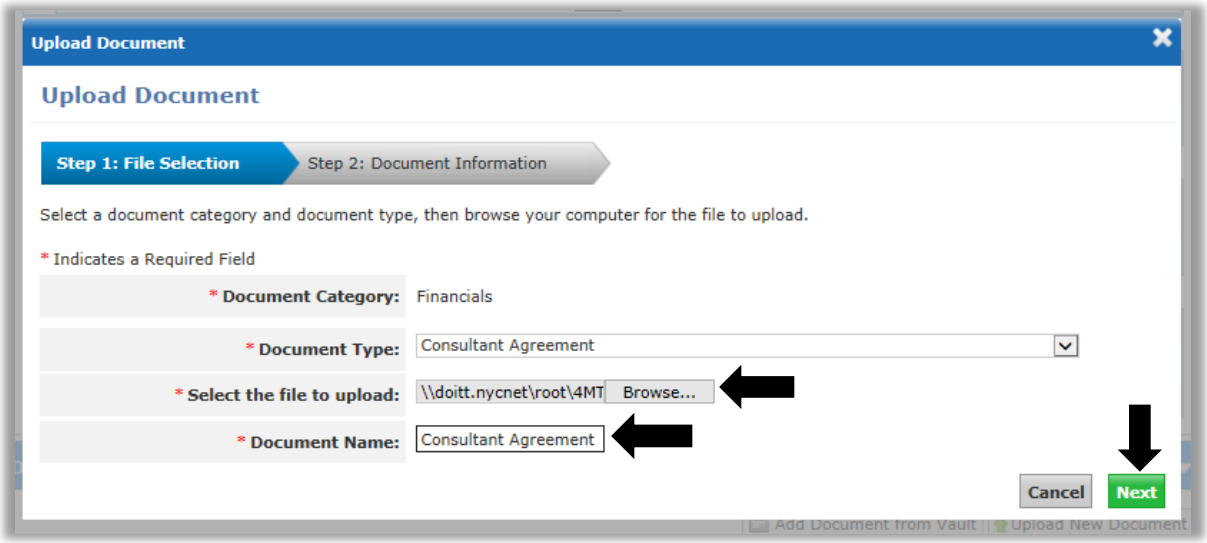


Click on **"Upload New Document"** in the Document Widget, then select **"Document Type"**.

The default list under "Document Type" includes:

- Subcontractor Agreement
- Consultant Agreement
- Cost Allocation Plan
- Receipts/Proof of Payment
- Paystubs
- Indirect Rate Justification
- Debt Service Documentation
- Real Estate Tax Document
- Admin. Overhead Documentation
- Documentation of Funding Sources
- Banking Documentation
- Recoupment Justification
- Fringe Benefits Justification
- Program Income Documentation
- Financial Disclosure Forms
- Other

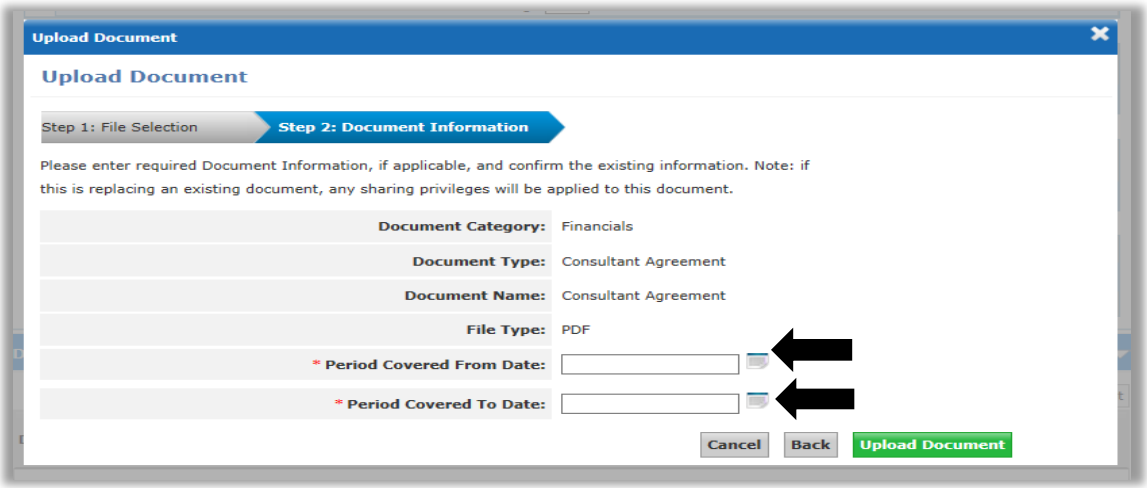
Click the **"Browse"** button to locate and select the document to be uploaded then type the **"Document Name"** and click **"Next"**.



The following documentation must be attached to the budget for EarlyLearn:

Worksheet	Corresponding Document Type
Contract for Consultants	Consultant Agreement
Allocation Methodology Worksheet	Cost Allocation Plan
EL Contract Supporting Schedule	Other
Staffing Schedule	Other

Select the **"Period Covered From Date"** and the **"Period Covered To Date"** then click **"Upload Document".** Repeat the process to attach each document.



A green message bar indicates that the document was uploaded successfully.

2.4.7 SUBMITTING THE BUDGET

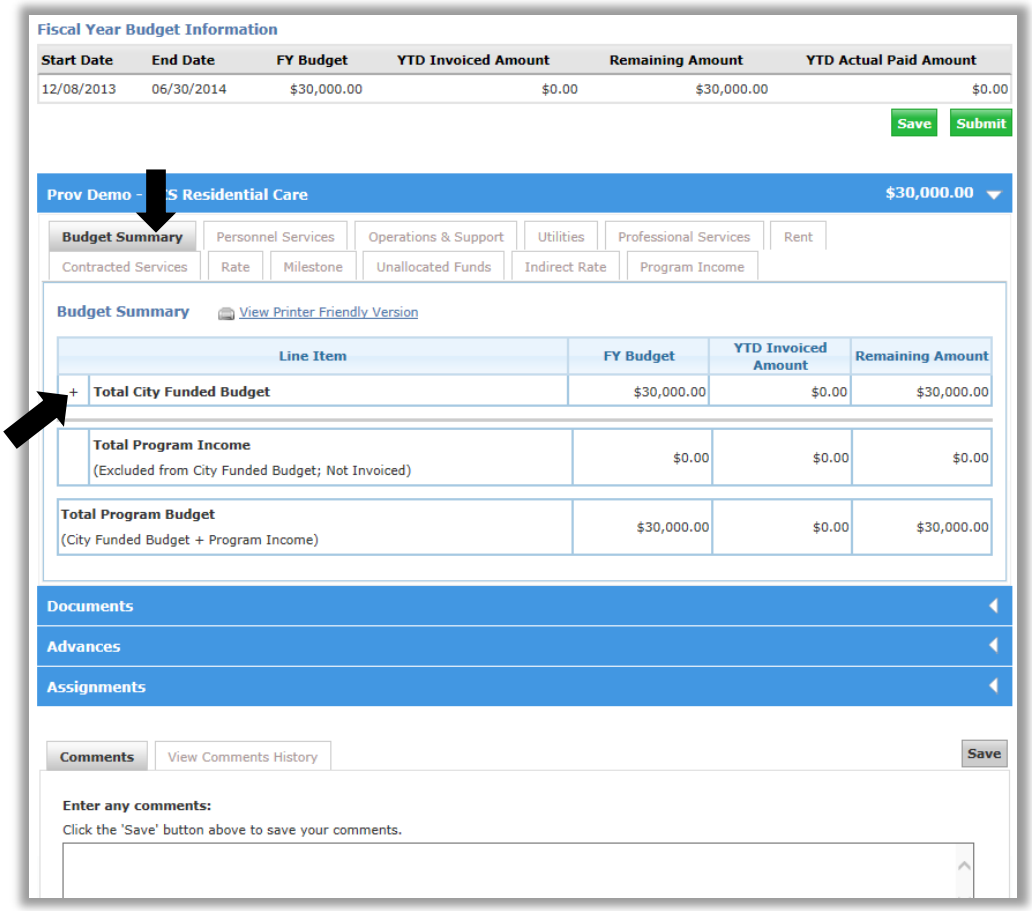
All Contracts

The Budget Summary tab displays the overall budget and you can review all of the information you have entered for accuracy. Any changes over 10% made to tabs (formerly categories) will require justification. A budget submission would not be permitted until it matches the total approved program budget for the fiscal year. You can review your budget for accuracy by:

- Ensuring that no tabs have been populated inadvertently
- Ensuring that all costs have been accounted for
- Checking the indirect cost rate for administrative expenses

When the required data has been entered in each Site Budget, review each tab to ensure completeness and accuracy.

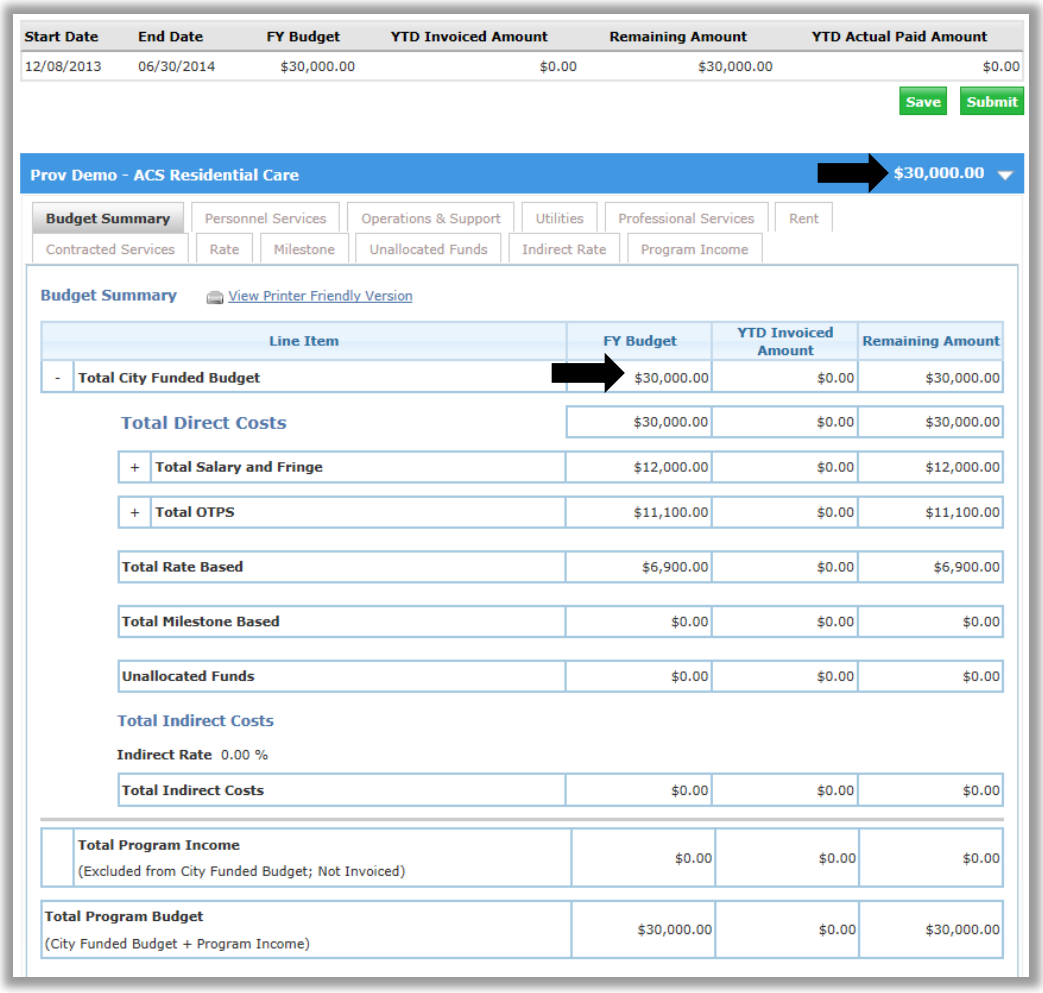
Click on the **"Budget Summary"** tab. In order to review additional details about the budget breakdown, click on the **"+"** symbol next to the **"Total City Funded"** row to expand the field.



The Service Site Information at the bottom of the Budget Summary Tab is a required field and must be completed for each sub-budget. The budget cannot be submitted without the Service Site Information.

Enter the site details associated with the site budget that is currently selected. Refer to the sub-budget name, which has the ACCIS ID and Site name, in order to enter the corresponding site details in the pop-up box then click **"Save"**.

NOTE: The **Total City Funded Budget** must match the Program Site budget value in the blue header.



Start Date	End Date	FY Budget	YTD Invoiced Amount	Remaining Amount	YTD Actual Paid Amount
12/08/2013	06/30/2014	$30,000.00	$0.00	$30,000.00	$0.00

Save Submit

Prov Demo - ACS Residential Care $30,000.00

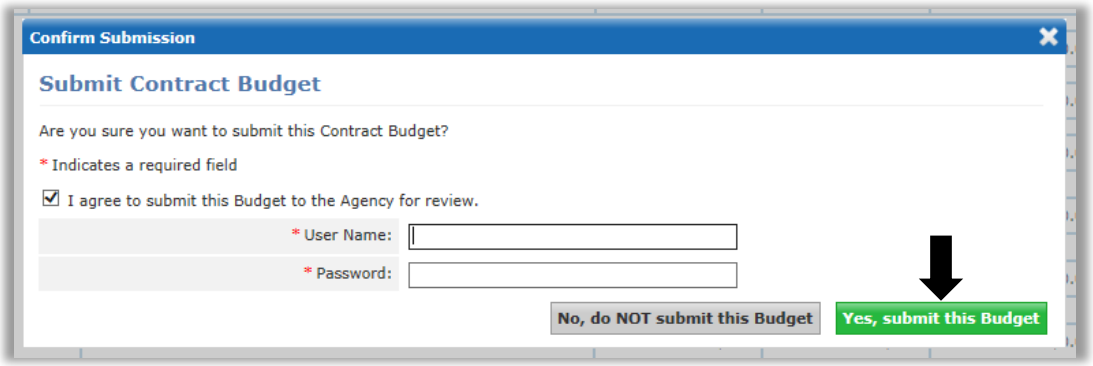
Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Rate | Milestone | Unallocated Funds | Indirect Rate | Program Income

Budget Summary View Printer Friendly Version

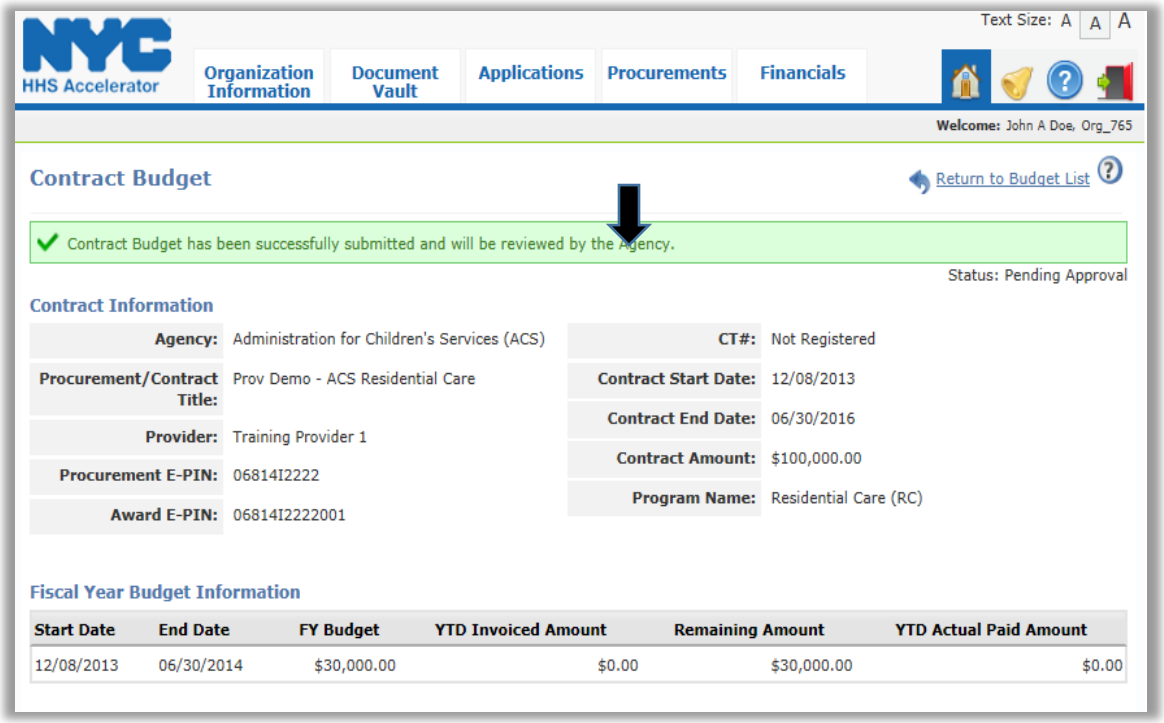
Line Item	FY Budget	YTD Invoiced Amount	Remaining Amount
- Total City Funded Budget	$30,000.00	$0.00	$30,000.00
Total Direct Costs	$30,000.00	$0.00	$30,000.00
+ Total Salary and Fringe	$12,000.00	$0.00	$12,000.00
+ Total OTPS	$11,100.00	$0.00	$11,100.00
Total Rate Based	$6,900.00	$0.00	$6,900.00
Total Milestone Based	$0.00	$0.00	$0.00
Unallocated Funds	$0.00	$0.00	$0.00
Total Indirect Costs			
Indirect Rate 0.00 %			
Total Indirect Costs	$0.00	$0.00	$0.00
Total Program Income (Excluded from City Funded Budget; Not Invoiced)	$0.00	$0.00	$0.00
Total Program Budget (City Funded Budget + Program Income)	$30,000.00	$0.00	$30,000.00

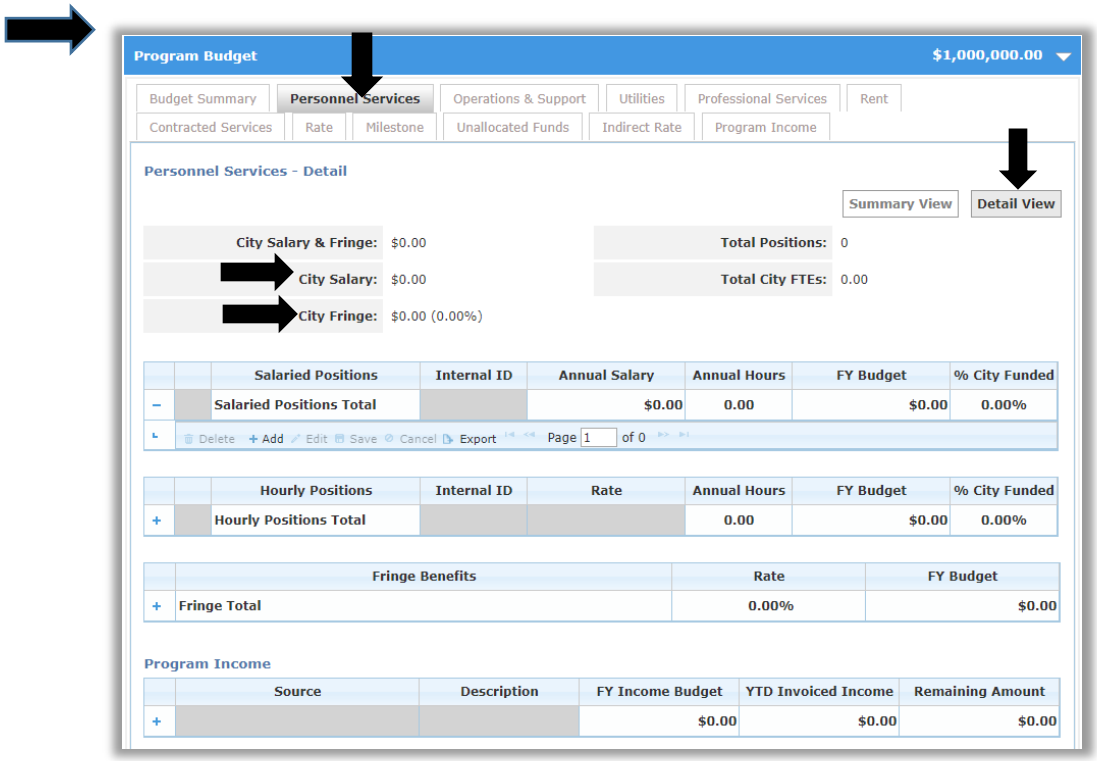
After reviewing your budget, check the box to indicate that you agree to submit the Budget to the ACS for review, then enter your **"User Name" and "Password"** as your signature.

Click **"Yes, submit this Budget".**



The green message bar will confirm that your budget was successfully submitted for review by ACS. When your budget has been submitted, the budget status will change to **Pending Approval**. ACS will renew the budget submission and either approve the budget or return it for revision. If action is required, your organization will receive email notification and alerts in Accelerator.





1. Click on the **"+"** symbol next to the Salaried Positions Total row to expand the grid.
2. Add a new row by clicking "+Add" in the footer of the grid.

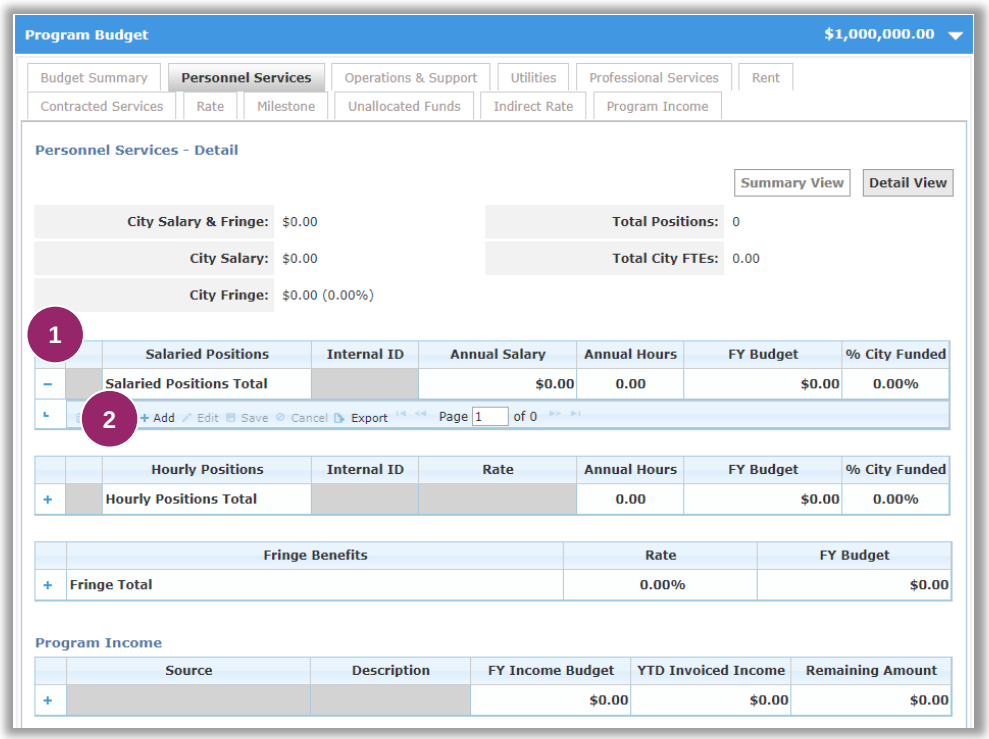
2.4.8 PERSONNEL SERVICES

Preventive Contracts

Click on the **"Personnel Services"** tab. View individual tabs for details on how the budget is broken down, view each individual tab.

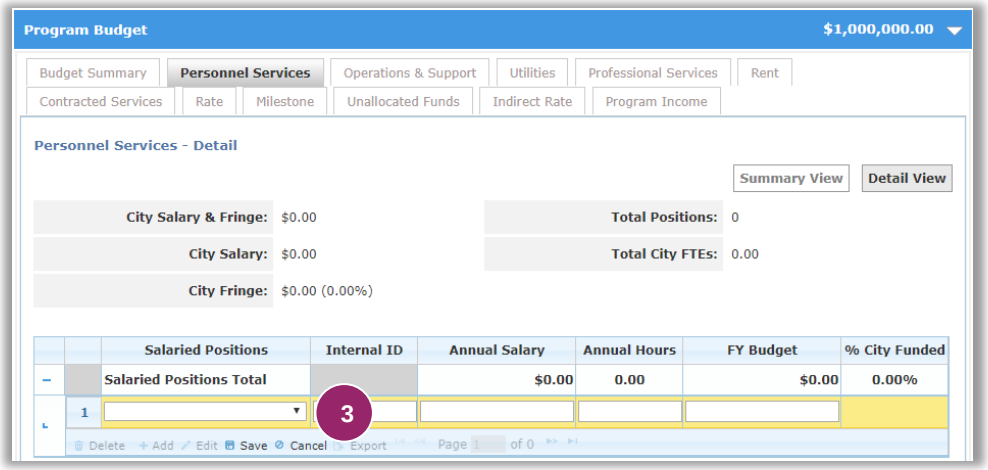
The default value for Personnel Services is $0.00 in all fields. Allocations are made in the **"Detail View"** tab.

City Salary indicates the total cost of all employees (Salaried Positions and Hourly Positions.) City Fringe indicates total cost of fringe associated with employees.

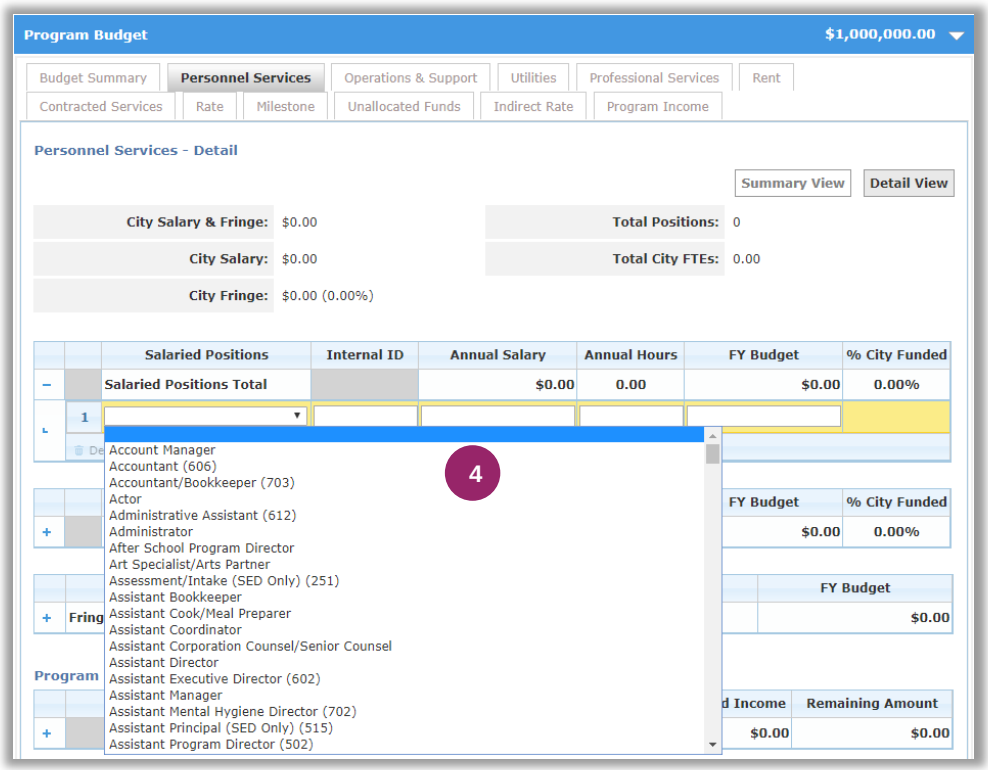


1. Click on the **"+"** symbol next to the Salaried Positions Total row to expand the grid.

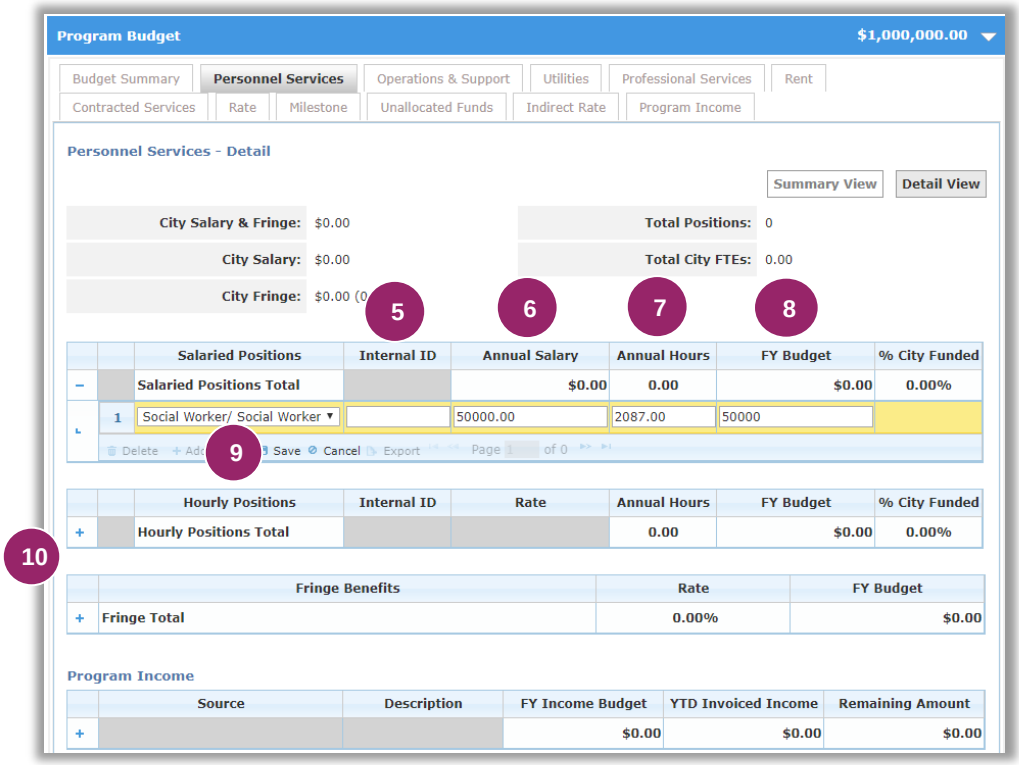
2. Add a new row by clicking **"+Add"** in the footer of the grid.



3. Next, click on the **"Salaried Positions"** drop-down menu.



4. Select the **"Position Title"** that best corresponds to the Salaried Position



5. Enter an **"Internal ID"** for the position. This field is optional and can be up to seven characters.

6. For **"Annual Salary,"** enter the total salary earned from your organization.

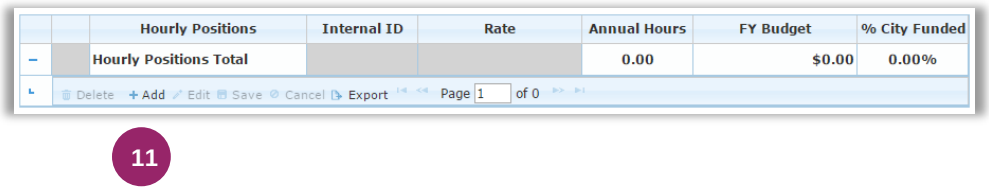
7. For **"Annual Hours,"** enter the total hours the employee works for your organization.

Fulltime (40 hours per week) is calculated on the federal standard of 2,087 hours.

8. For **"FY Budget,"** enter the City funded amount.

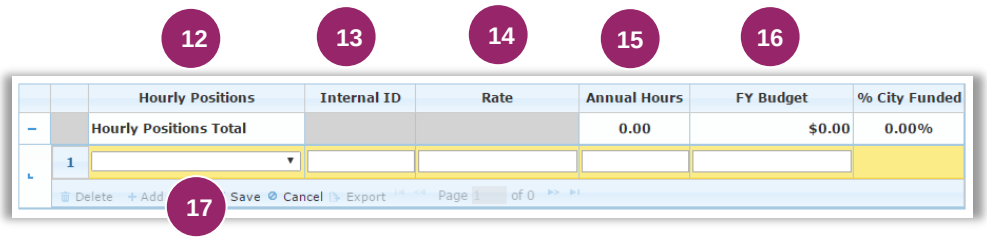
9. Click **"Save."**

% City Funded will auto-populate once "Save" is clicked.



Repeat steps to enter all Salaried Positions funded by the fiscal year budget.

10. Click on the **"+"** symbol next to the Hourly Positions Total row to expand the grid.



11. Add a new row by clicking **"+Add"** in the footer of the grid.

12. Select the **"Position Title"** that best corresponds to the Hourly Position your organization is adding to the budget.

13. Enter an **"Internal ID"** for the position. This field is optional and can be up to seven characters.

14. For **"Rate,"** enter the hourly rate earned from your organization.

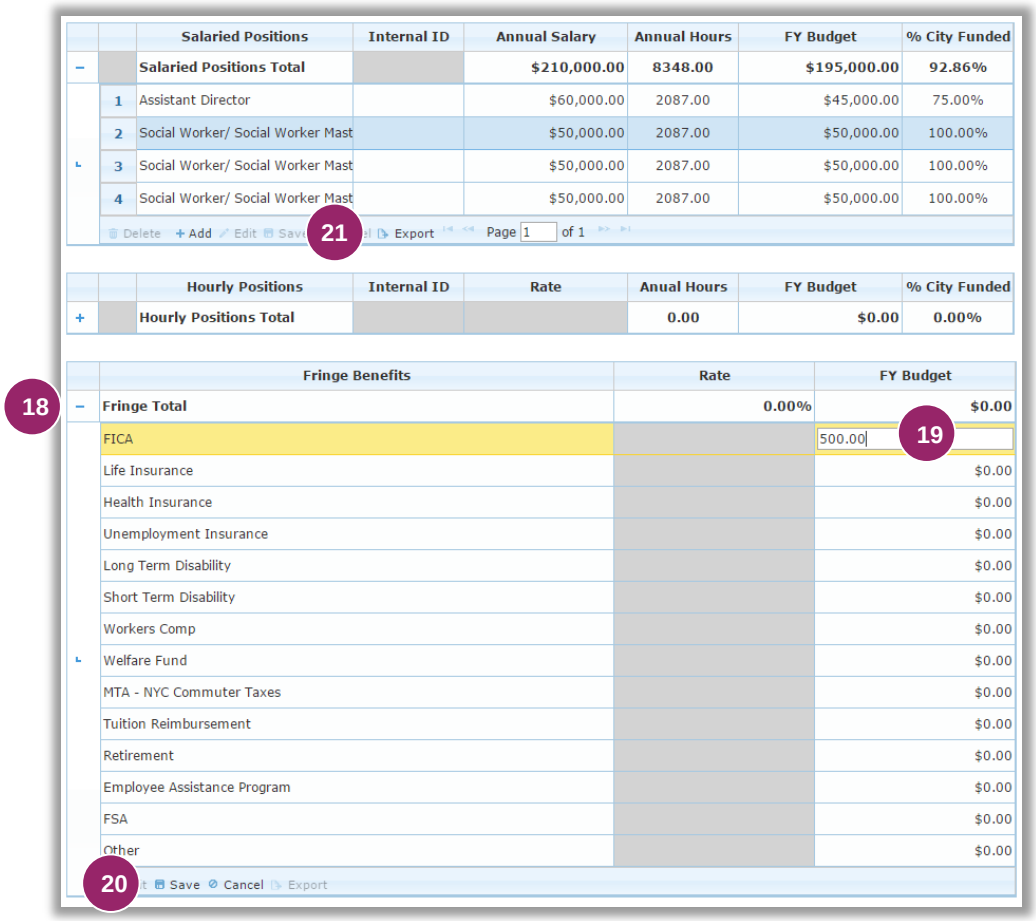
15. For **"Annual Hours,"** enter the total hours the employee works for your organization.

16. For **"FY Budget"** enter the City funded amount.

17. Click **"Save."**

% City Funded will auto-populate after saving.

Repeat the steps above to enter all Hourly Positions funded by the fiscal year budget.



18. Click the **"+"** symbol next to the Fringe Total row to expand the grid.

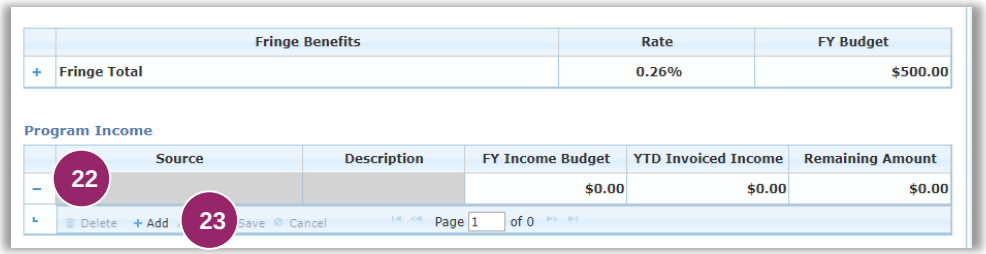
19. To enter Fringe Benefits, double click and enter a value in the **"FY Budget"** column.

20. Click **"Save."**

The total Fringe Rate will calculate at the top of the grid.

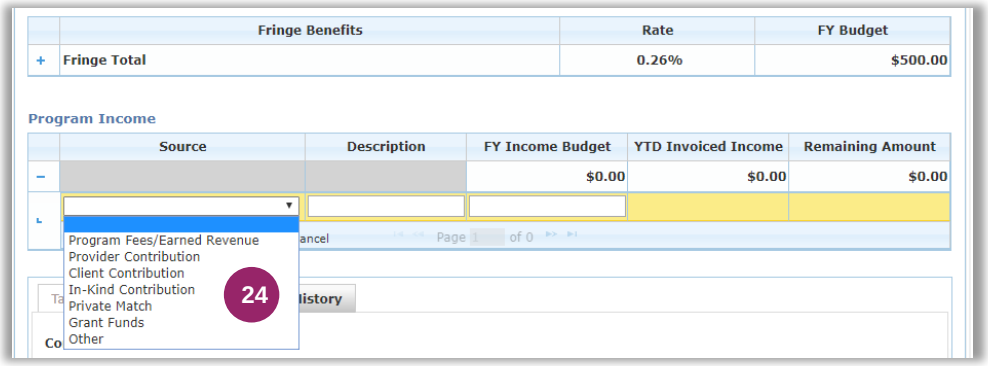
21. Click **"Export"** at the bottom of any grid with saved information to export all rows to a CSV file.

If the funding City Agency has configured the budget to include the Program Income tab, a Program Income grid will appear at the bottom of all other budget tabs. Amounts entered in these grids for Program Income will be condensed in the Program Income tab. The Program Income tab cannot be edited.

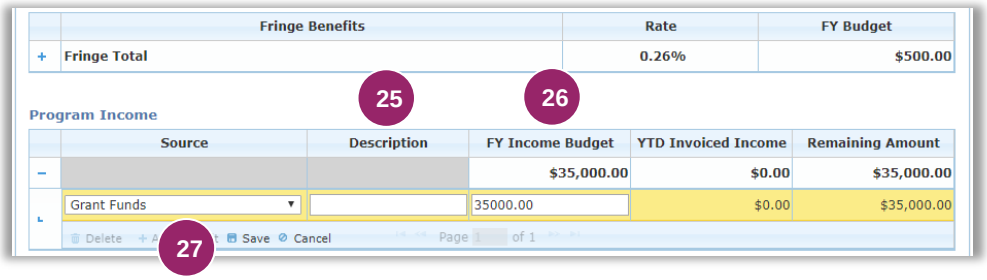


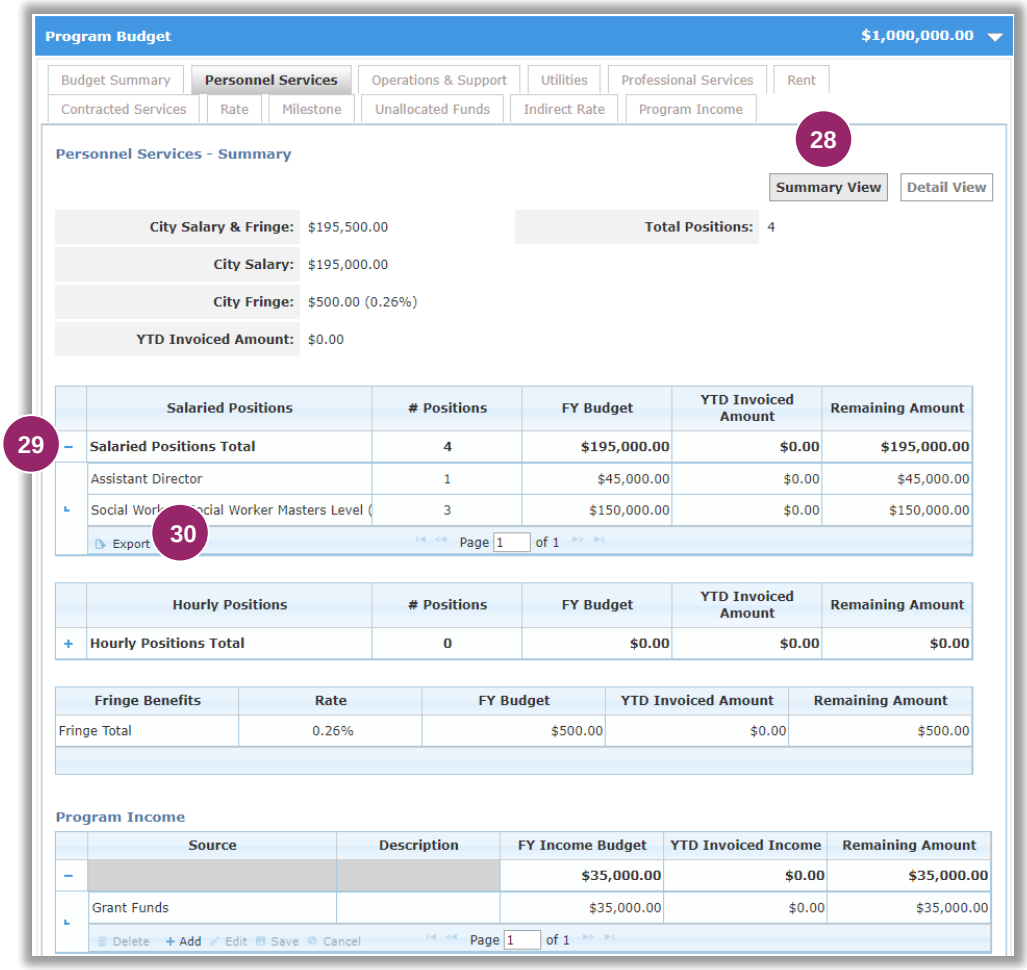
22. Click the **"+"** symbol associated with the Program Income grid to expand the grid.

23. Add a new row by clicking **"+Add"** in the footer of the grid.



24. Select the **"Source"** that best corresponds to the Program Income your organization is expecting to generate.





25. Enter a "**Description**" for the program income. This field is optional and can be up to thirty characters.

26. For **"FY Income Budget"**, enter the amount your organization is expecting to generate.

27. Click **"Save."**

28. When all Positions, Fringe and Program Income are entered in the Detail View, click **"Summary View."**

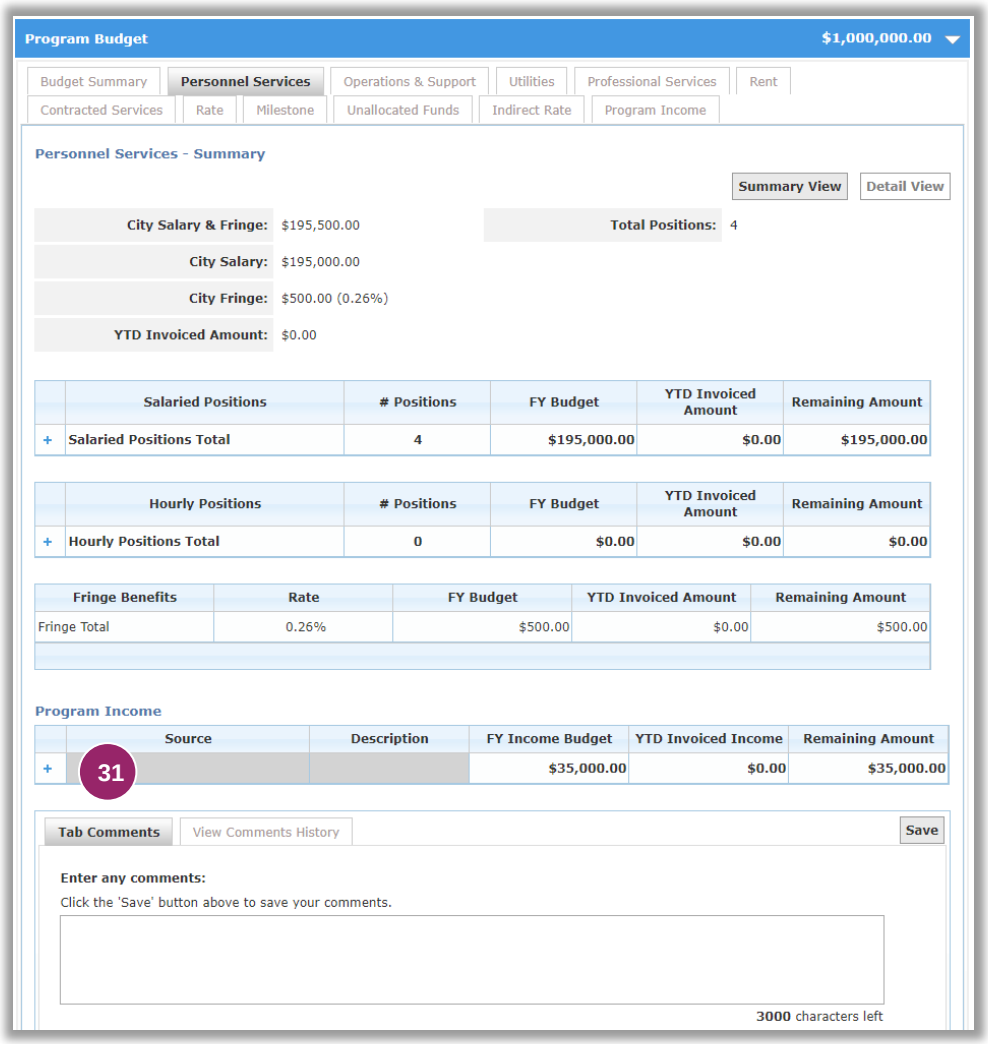
The Summary View tab consolidates positions of the same title entered in the Detail View tab.

29. Expand grids to view Position Titles, # Positions, and FY Budget which were entered on **"Detail View"** tab.

*In order to make changes, return to the "**Detail View**" tab and update as needed.*

30. Click **"Export"** at the bottom of each grid to export all rows to a CSV file.

Upon budget approval by the funding City Agency, the "Detail View" tab will lock and future actions will take place in the "Summary View" ta



There are two types of comments your organization can submit with the budget. Tab Level Comments and General Overall Comments.

Each Budget tab has a Tab Level comment field.

31. Click **"Tab Comments"** to leave a Personnel Services tab level comment.

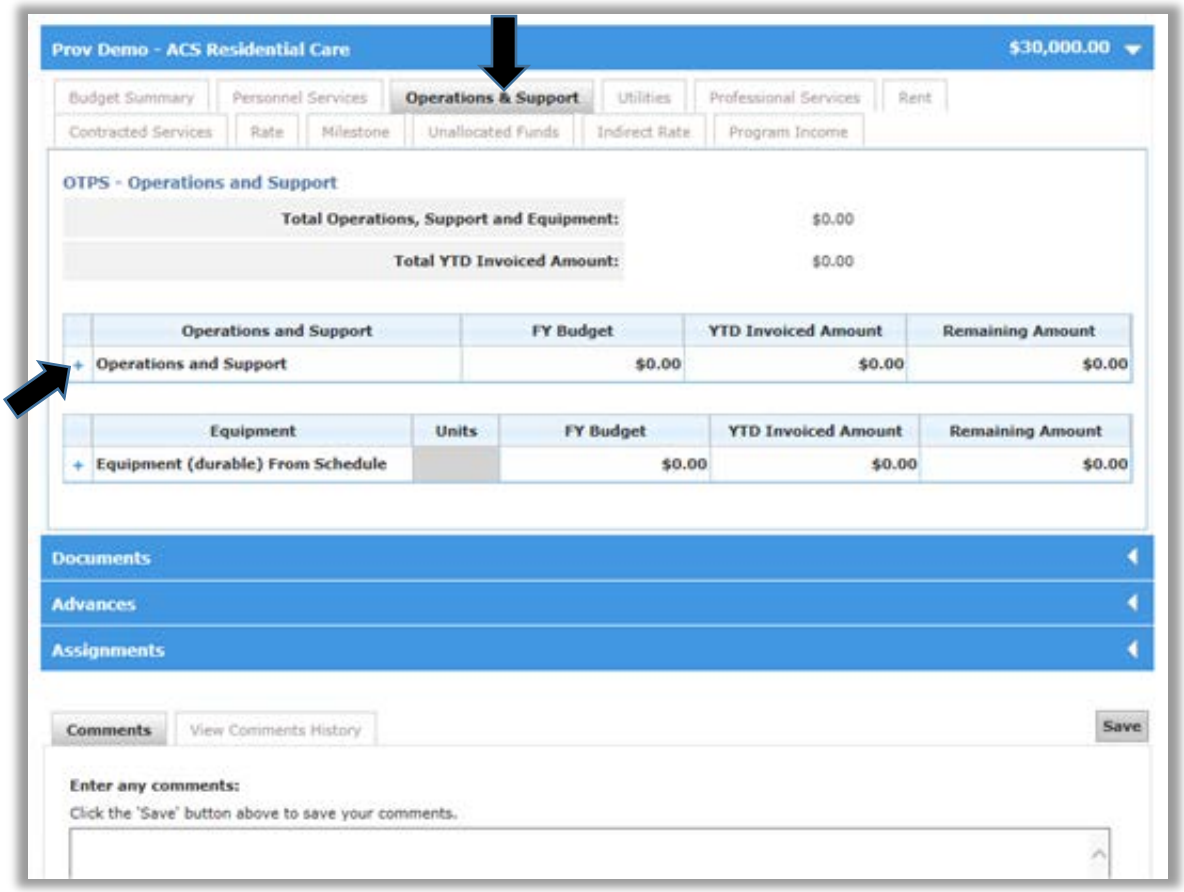
2.4.9 OTHER THAN PERSONNEL SERVICES (OTPS)

Preventive Contracts

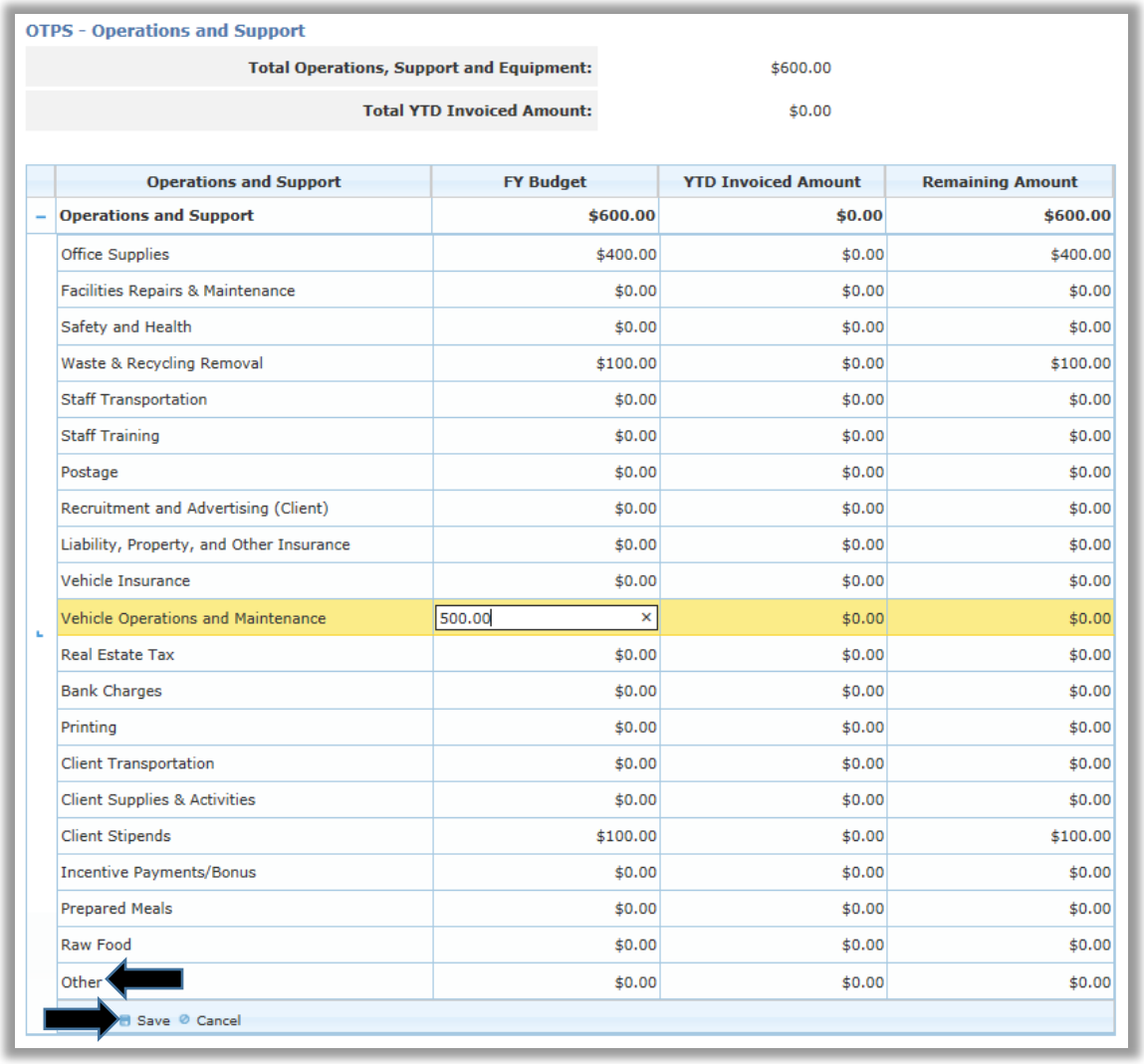
The Operations & Support tab contains categories which include equipment and supplies such as office, program and maintenance supplies that are expendable.

Operations and Support

Click the **"Operations & Support"** Tab then click on the **"+"** symbol next to the Operations and Support Total row to expand the field.



Click on the field, type the amount and hit the 'enter' key or the **'Save'** button at the bottom of the screen.



OTPS - Operations and Support

Total Operations, Support and Equipment:	$600.00
Total YTD Invoiced Amount:	$0.00

Operations and Support	FY Budget	YTD Invoiced Amount	Remaining Amount
Operations and Support	**$600.00**	**$0.00**	**$600.00**
Office Supplies	$400.00	$0.00	$400.00
Facilities Repairs & Maintenance	$0.00	$0.00	$0.00
Safety and Health	$0.00	$0.00	$0.00
Waste & Recycling Removal	$100.00	$0.00	$100.00
Staff Transportation	$0.00	$0.00	$0.00
Staff Training	$0.00	$0.00	$0.00
Postage	$0.00	$0.00	$0.00
Recruitment and Advertising (Client)	$0.00	$0.00	$0.00
Liability, Property, and Other Insurance	$0.00	$0.00	$0.00
Vehicle Insurance	$0.00	$0.00	$0.00
Vehicle Operations and Maintenance	500.00	$0.00	$0.00
Real Estate Tax	$0.00	$0.00	$0.00
Bank Charges	$0.00	$0.00	$0.00
Printing	$0.00	$0.00	$0.00
Client Transportation	$0.00	$0.00	$0.00
Client Supplies & Activities	$0.00	$0.00	$0.00
Client Stipends	$100.00	$0.00	$100.00
Incentive Payments/Bonus	$0.00	$0.00	$0.00
Prepared Meals	$0.00	$0.00	$0.00
Raw Food	$0.00	$0.00	$0.00
Other	$0.00	$0.00	$0.00

Save Cancel

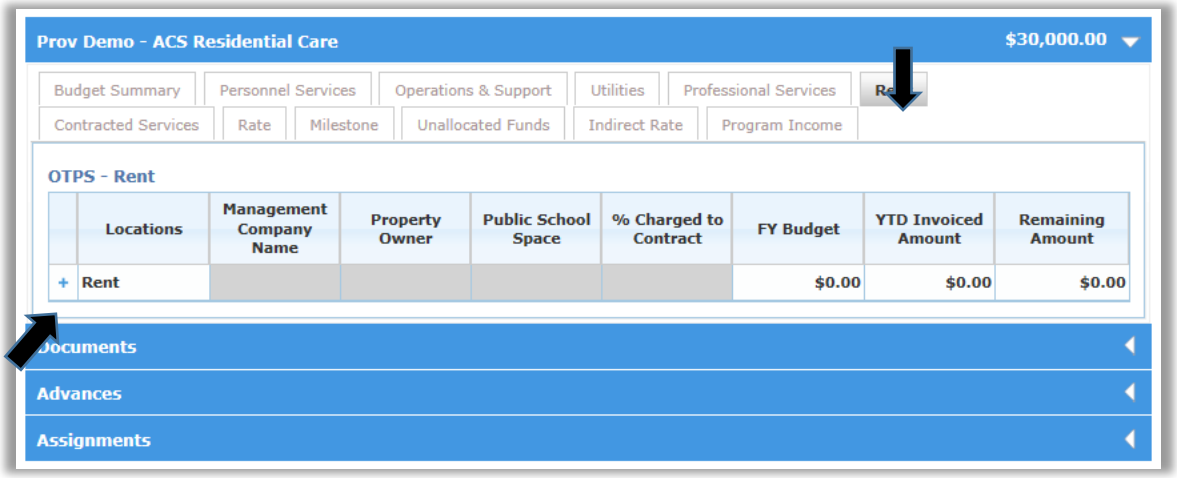
<u>NOTE</u>: Depending on the stipulation in your contract, the following items may be included in the **"Other"** category:

- Office Supplies
- Facilities Repairs & Maintenance
- Safety and Health
- Waste & Recycling Removal
- Staff Transportation
- Staff Training
- Postage
- Liability, Property, and Other Insurance
- Vehicle Insurance
- Vehicle Operations and Maintenance
- Printing
- Client Transportation
- Client Supplies & Activities
- Client Stipends
- Prepared Meals
- Raw Food
- Misc. Other

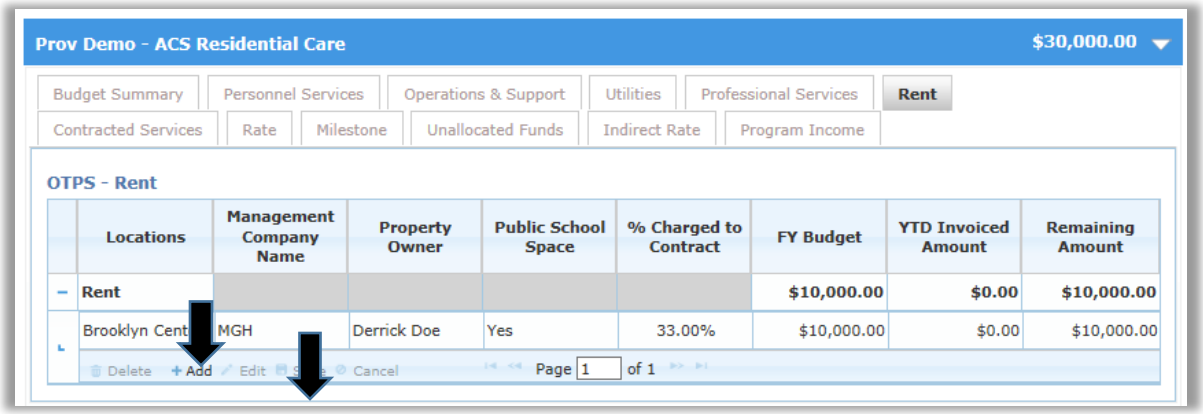
Rent

Rent includes all rent paid by a program for all sites utilized by that program. The Rent Tab must be used to record Rent, Utilities and Debt Service Costs. Where applicable, Real Estate Taxes must also be recorded in this section. Real Estate taxes are not base-lined in the budget. Please use the ACS Budget Document Template to sum and report in the line captioned "Rent". (*See Appendix II for instructions on completing Attachment 1: ACS Budget Document Template*).

Click on the **"Rent"** tab then click on the **"+"** symbol next to the Rent row to expand the field.



Click **"Add"** and enter Rent values, then click **"Save"**.



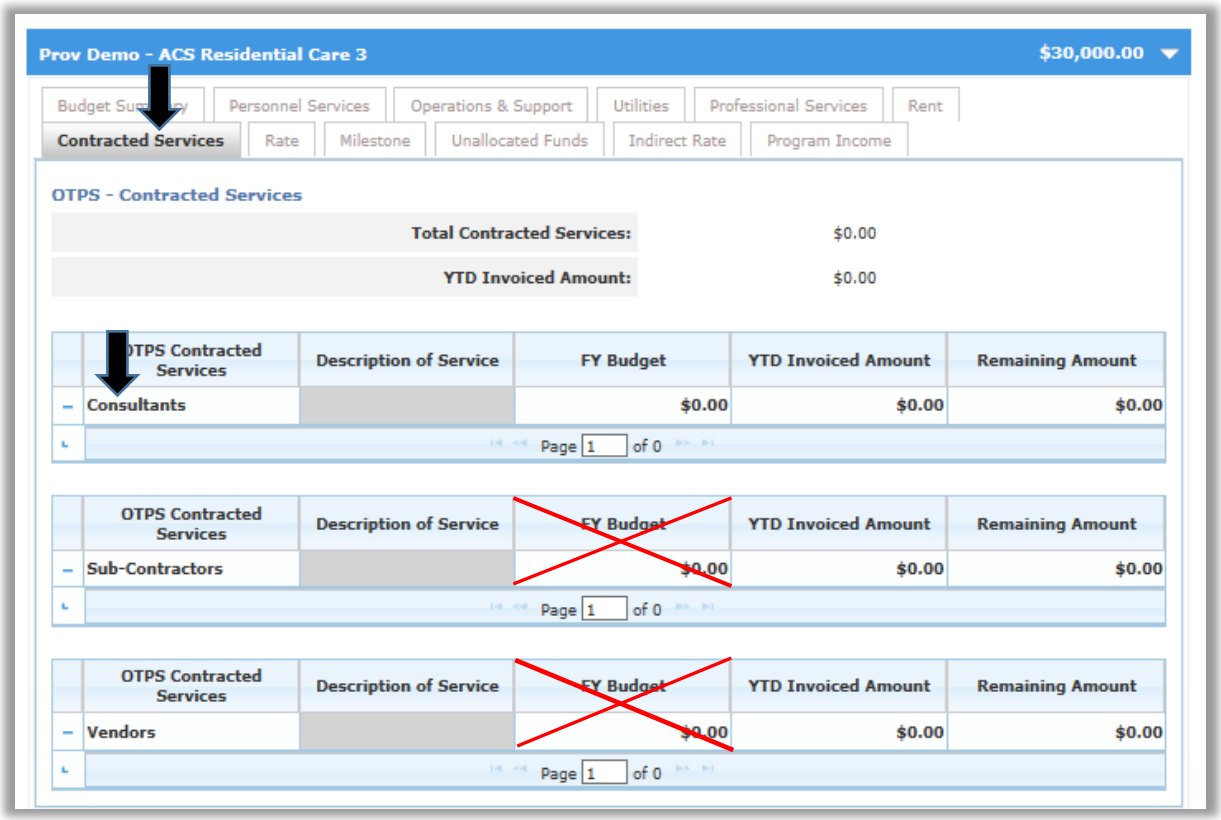
The Rent category includes the sum of the following expenses:

- Rent
- Telephones/Land lines
- Electric
- Water/Sewer
- Oil – Heating
- Gas- Heating
- Security Systems
- Internet Connectivity
- Mobile Phones
- Bundled Communications

Contracted Services

The Contracted Services tab replaces the "C**onsultant"** category from the former budget document. Costs for "**Contracted Services"** are associated with independent contractors who are retained for their professional or technical skills in relation to the performance of specific tasks or completion of projects related to the program which cannot be completed by regular staff.

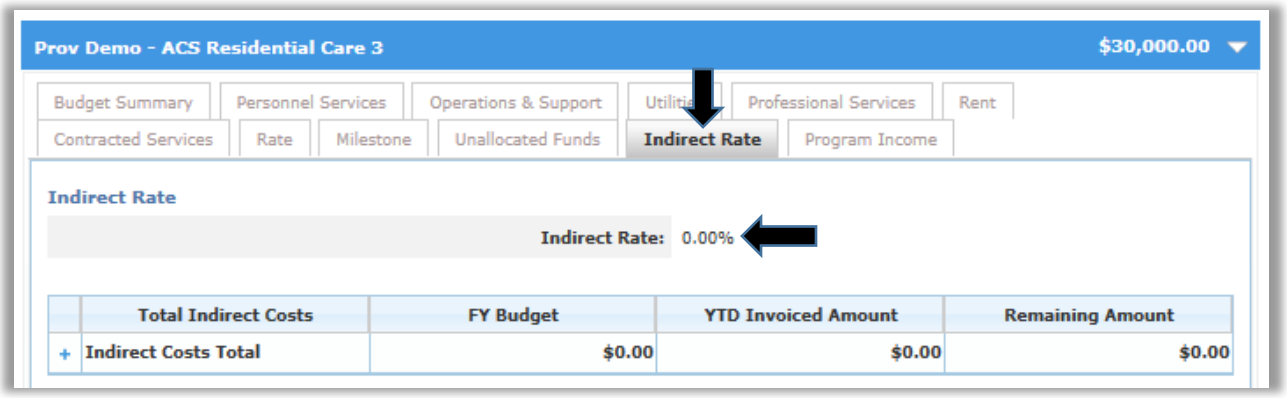
Click on the **"Contracted Services"** tab. Total the cost of all contracted services and report only in the **"Consultant" line.**



Indirect Rate

Click on the **"Indirect Rate"** tab (if included in your contract) to enter Administrative Overhead costs. Indicate the dollar amount to cover by overhead.

NOTE: the Indirect Rate % that is generated in Accelerator takes into consideration the amount projected in the Rent Tab.



2.4.10 INSTRUCTIONS FOR COMPLETING THE REQUIRED WORKSHEETS

Preventive Contracts

Contractors for Preventive programs are required to submit budgets by borough, totaling the borough budgets in the **Contract Sum** sheet. For example, if Contractor X serves Community Districts (CDs) 1,2,3,4 in Brooklyn, CDs 3,4,5,6 in Manhattan, and 3, 4, 5 in the Bronx, all within the same contract, ACS must receive three borough budgets for Brooklyn, Manhattan, and the Bronx. This contractor must total the values on the three (3) cover pages from the borough budgets and ensure that the total value is reflected on the **Contract Sum** sheet.

Audit Requirements for Preventive Programs

New York State requires ACS to be responsible for appropriate financial monitoring of preventive programs. Contractors must complete six (6) supplemental preventive schedules for each preventive program administered by ACS for each fiscal year.

Administration for Children's Services

SECTION 2.5 BUDGET MODIFICATION

2.5.1 BUDGET MODIFICATION

A budget modification is initiated by the contractor and submitted to ACS when the contractor wishes to adjust the allocation of expenses on the budget without changing the overall budget value. The Contract Budget Modification Review allows ACS to review a budget submitted by a contractor.

A budget modification cannot be initiated if there are budget revisions, outstanding invoices, outstanding payments, or amendments currently in progress on the contract. The contractor can review the status on the budget list and invoices to determine if a budget modification can be submitted.

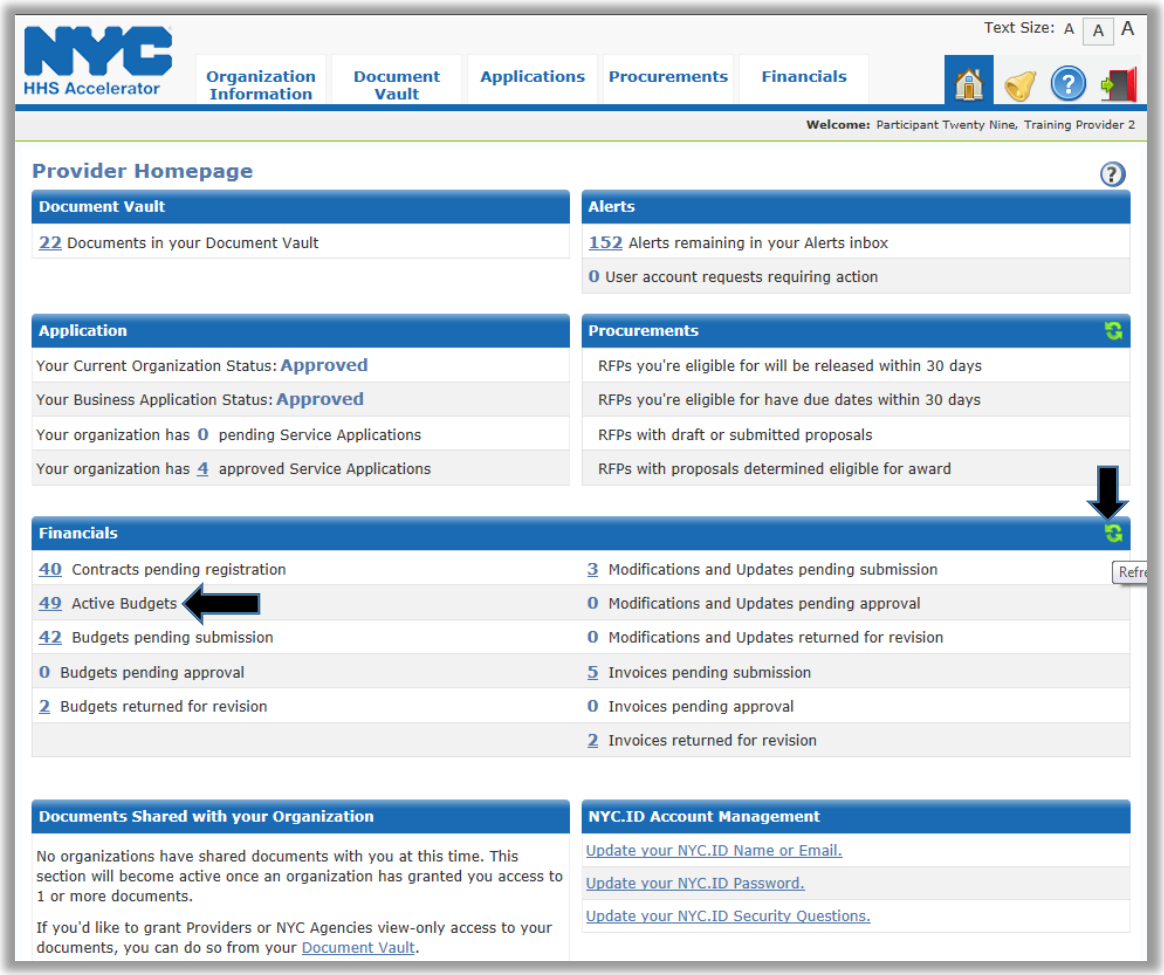
Effective FY19, the budget modification functionality will allow auto-approval of modifications below a 10% threshold. It is expected that this move will eliminate the administrative burden on both agencies and contractors and increase cash flow by enabling more seamless budget management.

Although, in some cases, it may be necessary to shift funds through a budget modification, there are certain restricted budget lines that are exempt from budget modifications. The following budget lines are restricted for the corresponding contracts:

- EarlyLearn contracts with a Family Child Care Network (FCCN) Stipend line
- EarlyLearn contracts with an approved Indirect Cost Rate line
- Preventive contracts with an administrative line

Click on the **Refresh** icon in the right side of the Financials section

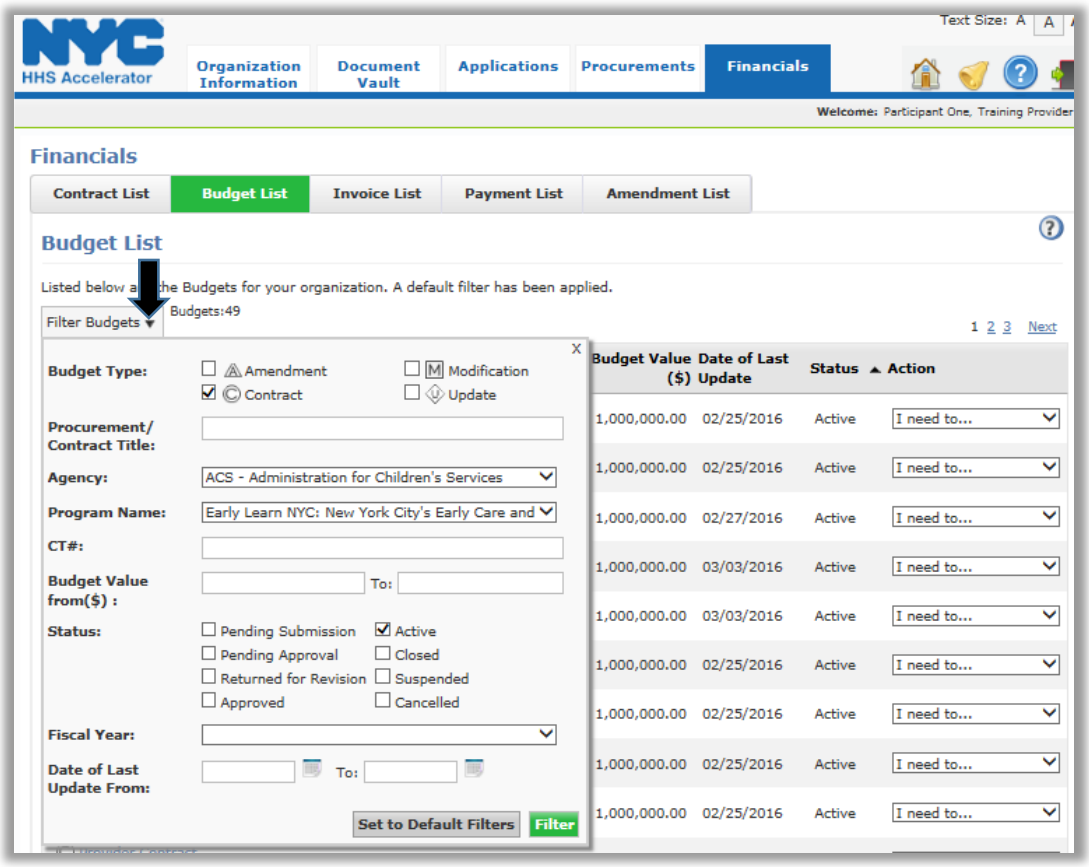
Click on the number hyperlink for **"Active Budgets"**. This will list all of the Active budgets (budgets approved and the contract registered) for your agency, including Active budgets for other ACS Programs and/or other City Agencies, if applicable.



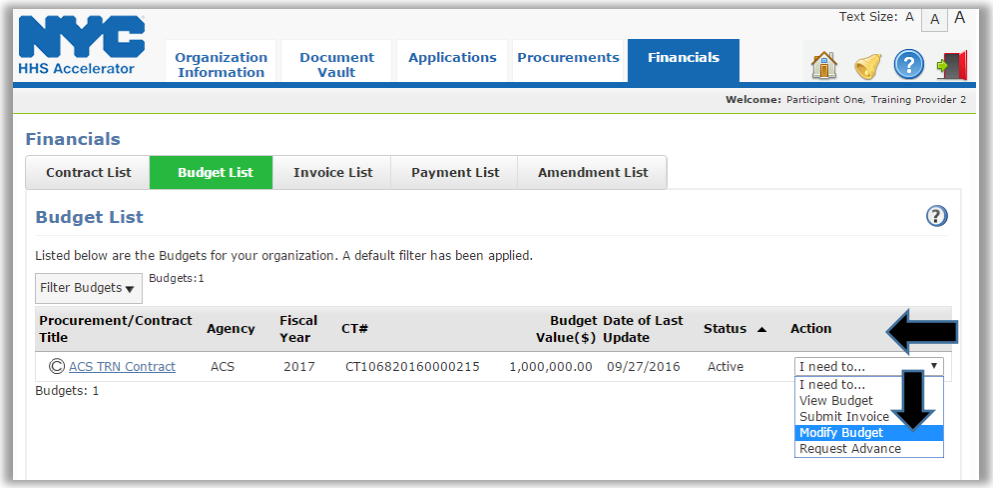
EarlyLearn

If your organization has other contracts/budgets with ACS and/or with other City Agencies, use **"Filter Budgets"** to narrow down to the EarlyLearn Contract.

Select **"ACS-Administration for Children's Services"** from the dropdown list then select **"Early Learn NYC"** in the Program Name dropdown menu and click "**Filter".**

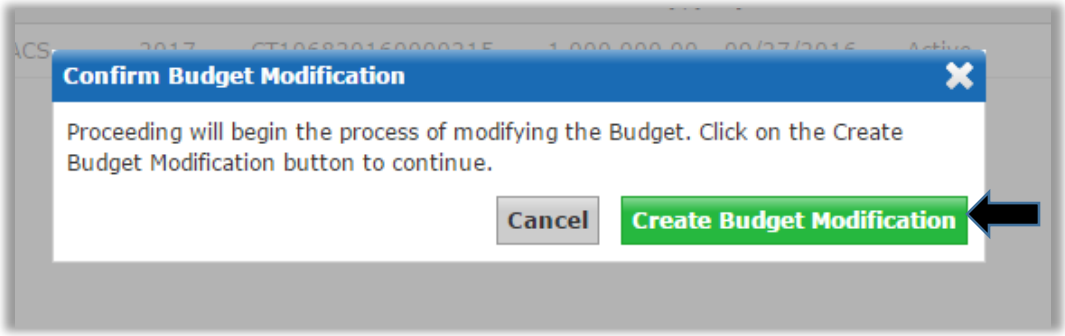


From the budget list, select "**Modify Budget**" from the Action drop down menu.

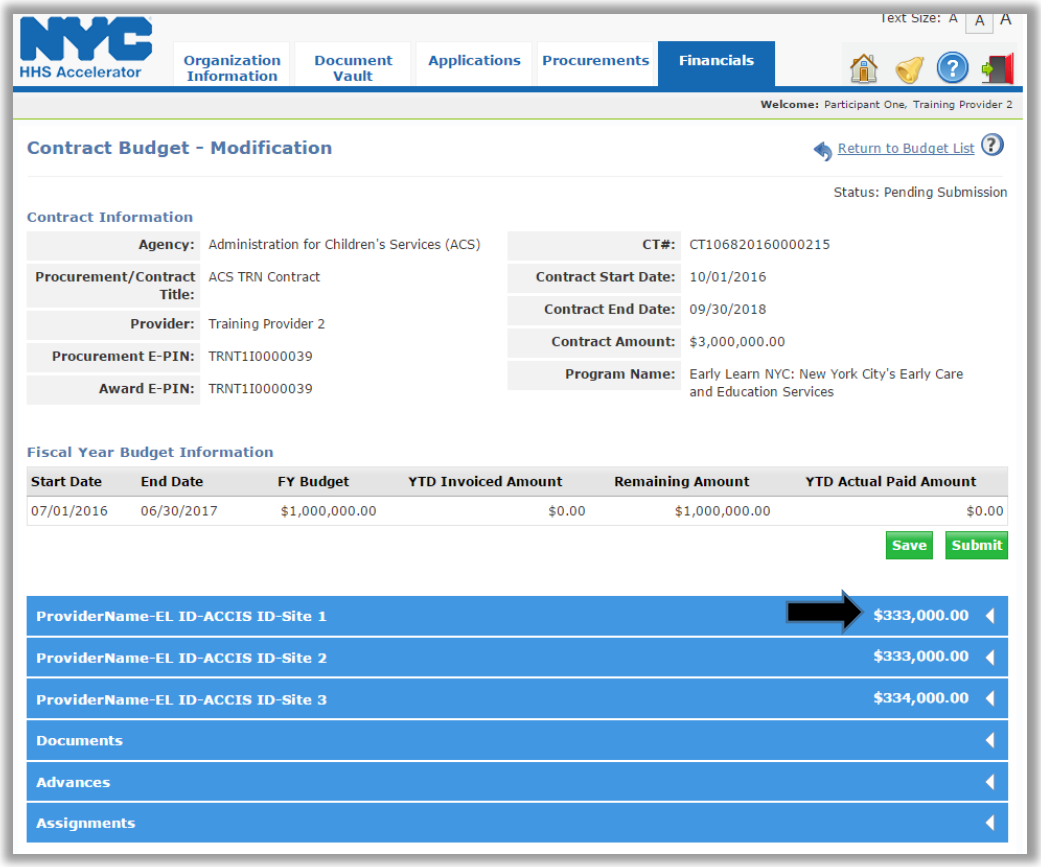


A prompt window will open, confirming the action, to prevent unintentional modification.

Click **"Create Budget Modification".**

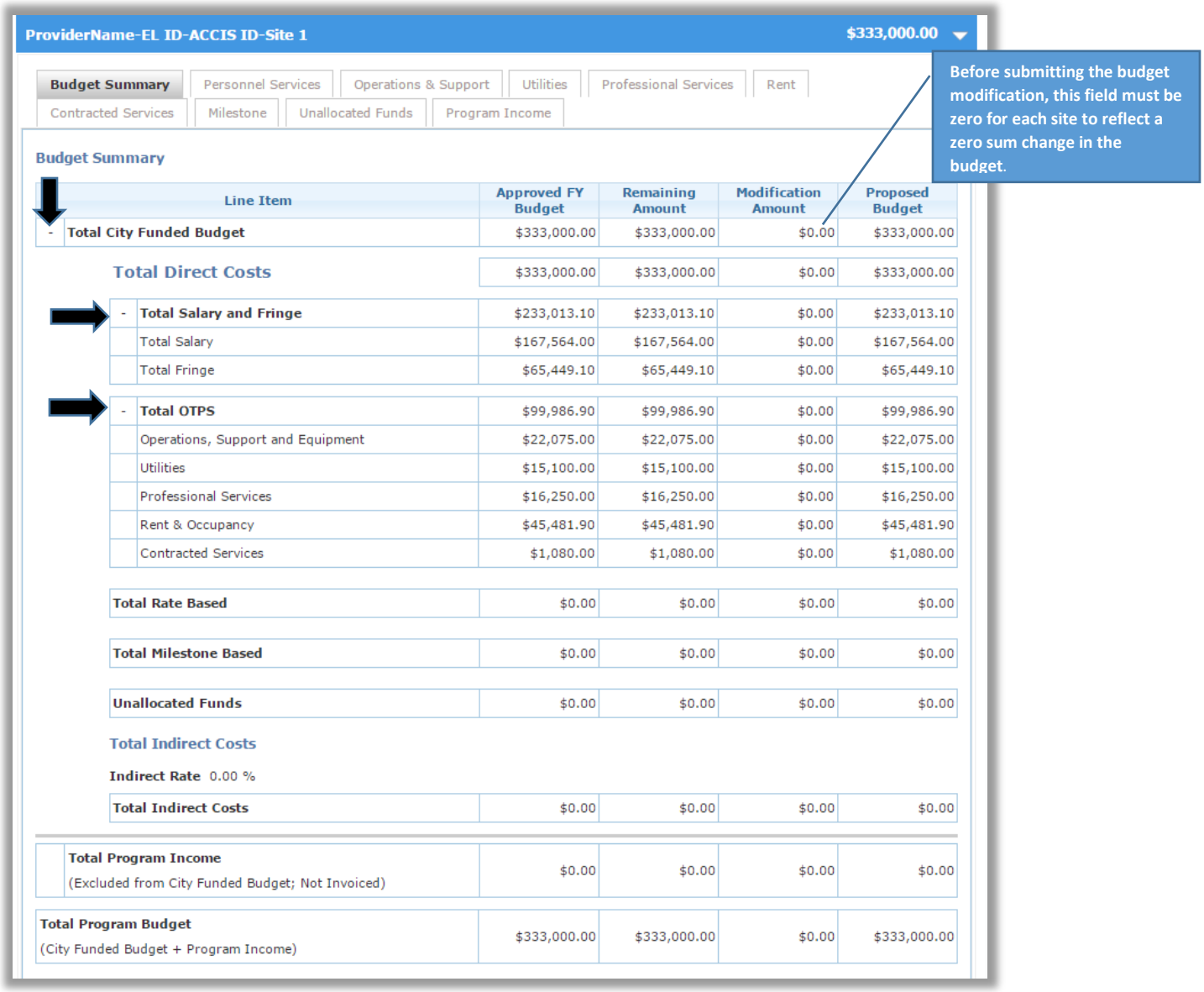


Click on the site with the budget requiring modification.



<u>NOTE</u>: The layout of the Contract Budget-Modification template reflects the Contract Budget template, which displays the details of the EL contract and FY budget amount for each site. (*Refer to p. 73)*

Click on the **"+"** symbol next to the **"Total City Funded Budget"** row then click on the **"+"** symbol next to the **"Total Salary and Fringe"** and **"Total OTPS"** to show how the funds are currently allocated.



From the budget modification screen, navigate to the budget tabs for the site and reallocate funding among the line items within the budget tabs as needed. You cannot move funds from one budget site to another.

NOTE: In order to ensure that the funding is correctly reallocated, the Total City Funded **"Modification Amount"** should be zero. The sum of the changes must not increase the overall value of the budget for each site.

2.5.2 Budget Reallocation

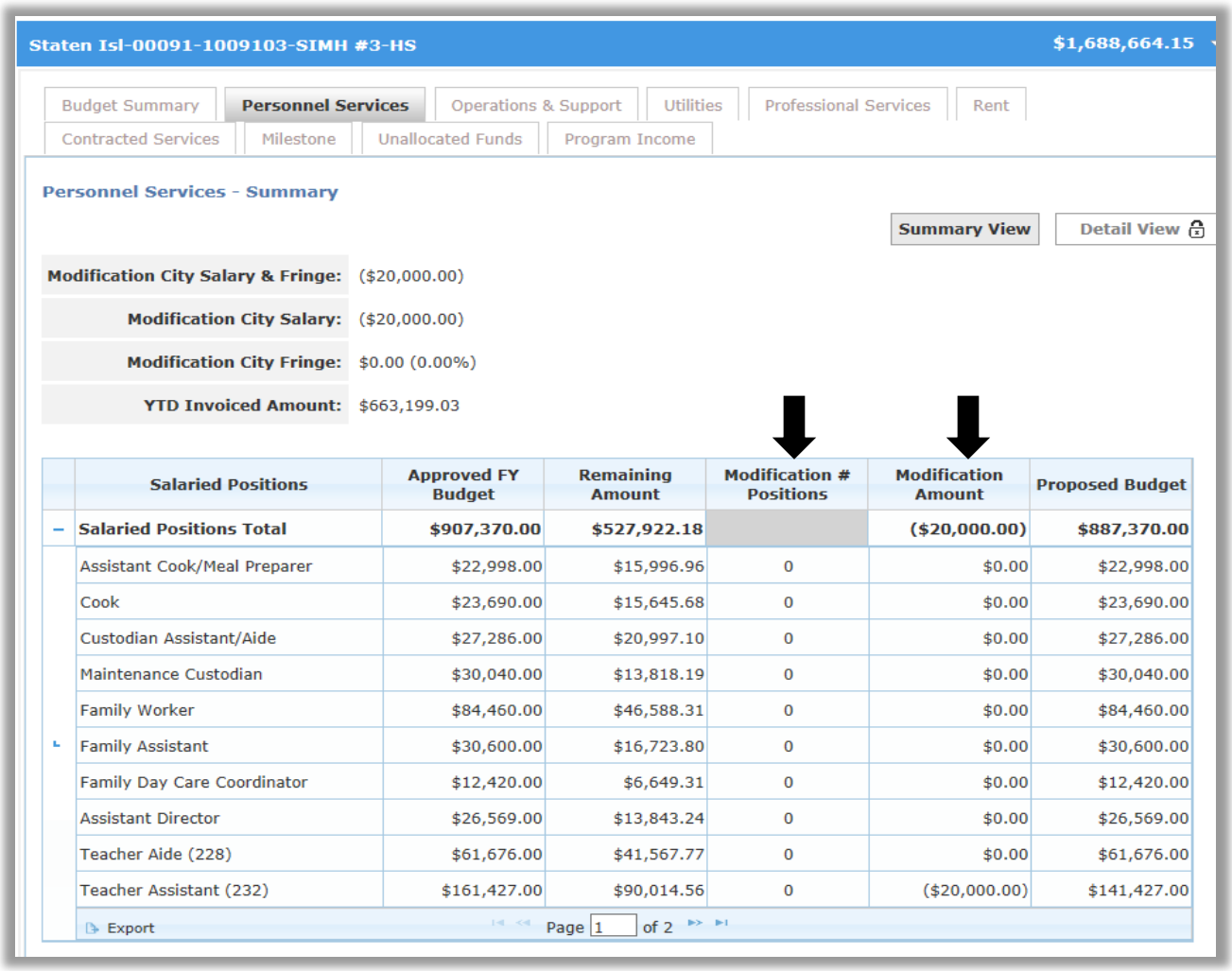
Select the specific budget tabs that should be modified in order to reallocate funds to correct/update the line item(s). Budget amounts for PS and OTPS should **exclude Estimated Parent Fees Due,** if applicable.

EarlyLearn - If a portion of estimated Parent Fees was included in the amount initially budgeted in the line items, decrease the budget and reallocate the amount to the Unallocated Funds tab. (*Refer to **Unallocated Funds** on p. 41).*

2.5.3 Personnel Services

Click the Personnel Services tab to access the **Summary View** then click on **"+"** next to **Salaried Positions Total** and **Hourly Employees Total** to expand the fields.

Click **"Edit"** and enter a positive or negative amount under **"Modification Amount"** and **"Modification # Positions",** then click **"Save".** Note that the amounts from the original budget are visible in the column **"Approved FY Budget."**



Salaried Positions	Approved FY Budget	Remaining Amount	Modification # Positions	Modification Amount	Proposed Budget
Salaried Positions Total	**$907,370.00**	**$527,922.18**		**($20,000.00)**	**$887,370.00**
Assistant Cook/Meal Preparer	$22,998.00	$15,996.96	0	$0.00	$22,998.00
Cook	$23,690.00	$15,645.68	0	$0.00	$23,690.00
Custodian Assistant/Aide	$27,286.00	$20,997.10	0	$0.00	$27,286.00
Maintenance Custodian	$30,040.00	$13,818.19	0	$0.00	$30,040.00
Family Worker	$84,460.00	$46,588.31	0	$0.00	$84,460.00
Family Assistant	$30,600.00	$16,723.80	0	$0.00	$30,600.00
Family Day Care Coordinator	$12,420.00	$6,649.31	0	$0.00	$12,420.00
Assistant Director	$26,569.00	$13,843.24	0	$0.00	$26,569.00
Teacher Aide (228)	$61,676.00	$41,567.77	0	$0.00	$61,676.00
Teacher Assistant (232)	$161,427.00	$90,014.56	0	($20,000.00)	$141,427.00

The Modification Amount cannot be greater than the Remaining Amount. The Remaining Amount reflects the current balance for each line item.

If a new title must be added, insert a new row by clicking **"+Add"** then select the position from the dropdown menu and fill in the other personnel information.

For all other tabs, enter modifications by selecting the necessary line item. Click **"Edit"** and enter a positive or negative figure under **"Modification Amount",** then click **"Save".**

NOTE: Some line entries that were added may not be deleted (i.e. Rent Tab – Site address). If a line must be changed, decrease the **Remaining Amount** by entering a negative value in the **Modification Amount** field. This will zero the budget line. Add another line, ensuring that the necessary details, specifically the site address, are entered correctly.

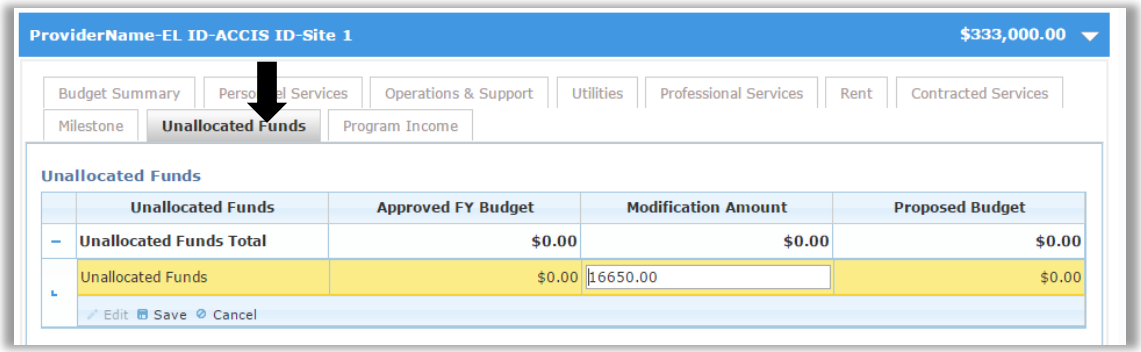
If applicable, add another site by clicking **"+ Add"**. Enter the site information and amount then click **"Save"**.

2.5.4 Unallocated Funds

Site with funding for Child Care (CC/CCHS/FCCN) should enter estimated Parent Fees in the **Unallocated Funds** tab. Values entered for all other line items in the budget should be net of estimated parent fees.

If the budget was not adjusted for estimated parent fees, return to the budget tabs and make the adjustments accordingly. Enter the total amount of estimated parent fees in the **Unallocated Funds** tab. ACS will approve the budget less estimated Parent Fees.

Click on the "Unallocated Funds" tab then click on the **"+"** symbol to expand the field. Click **"Edit"** to enable the Modification Amount field. Enter the estimated parent fees, and click **"Save"**.



2.5.5 Budget Modification Review and Submission

After the budget modifications have been checked for accuracy and saved for each site, return to the Budget Summary tab. Review the budget to ensure that the **sum of all changes is zero**.

ProviderName-EL ID-ACCIS ID-Site 1 $333,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Program Income

Budget Summary

Line Item	Approved FY Budget	Remaining Amount	Modification Amount	Proposed Budget
- **Total City Funded Budget**	$333,000.00	$333,000.00	$0.00	$333,000.00
Total Direct Costs	$333,000.00	$333,000.00	$0.00	$333,000.00
- **Total Salary and Fringe**	$233,013.10	$233,013.10	($22,000.00)	$211,013.10
Total Salary	$167,564.00	$167,564.00	($20,000.00)	$147,564.00
Total Fringe	$65,449.10	$65,449.10	($2,000.00)	$63,449.10
- **Total OTPS**	$99,986.90	$99,986.90	($225.00)	$99,761.90
Operations, Support and Equipment	$22,075.00	$22,075.00	($3,825.00)	$18,250.00
Utilities	$15,100.00	$15,100.00	($4,000.00)	$11,100.00
Professional Services	$16,250.00	$16,250.00	($12,500.00)	$3,750.00
Rent & Occupancy	$45,481.90	$45,481.90	$8,180.00	$53,661.90
Contracted Services	$1,080.00	$1,080.00	$11,920.00	$13,000.00
Total Rate Based	$0.00	$0.00	$0.00	$0.00
Total Milestone Based	$0.00	$0.00	$5,575.00	$5,575.00
Unallocated Funds	$0.00	$0.00	$16,650.00	$16,650.00
Total Indirect Costs				
Indirect Rate 0.00 %				
Total Indirect Costs	$0.00	$0.00	$0.00	$0.00
Total Program Income (Excluded from City Funded Budget; Not Invoiced)	$0.00	$0.00	$35,000.00	$35,000.00
Total Program Budget (City Funded Budget + Program Income)	$333,000.00	$333,000.00	$35,000.00	$368,000.00

ProviderName-EL ID-ACCIS ID-Site 3 $334,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Program Income

Budget Summary

Line Item	Approved FY Budget	Remaining Amount	Modification Amount	Proposed Budget
- **Total City Funded Budget**	$334,000.00	$334,000.00	$0.00	$334,000.00

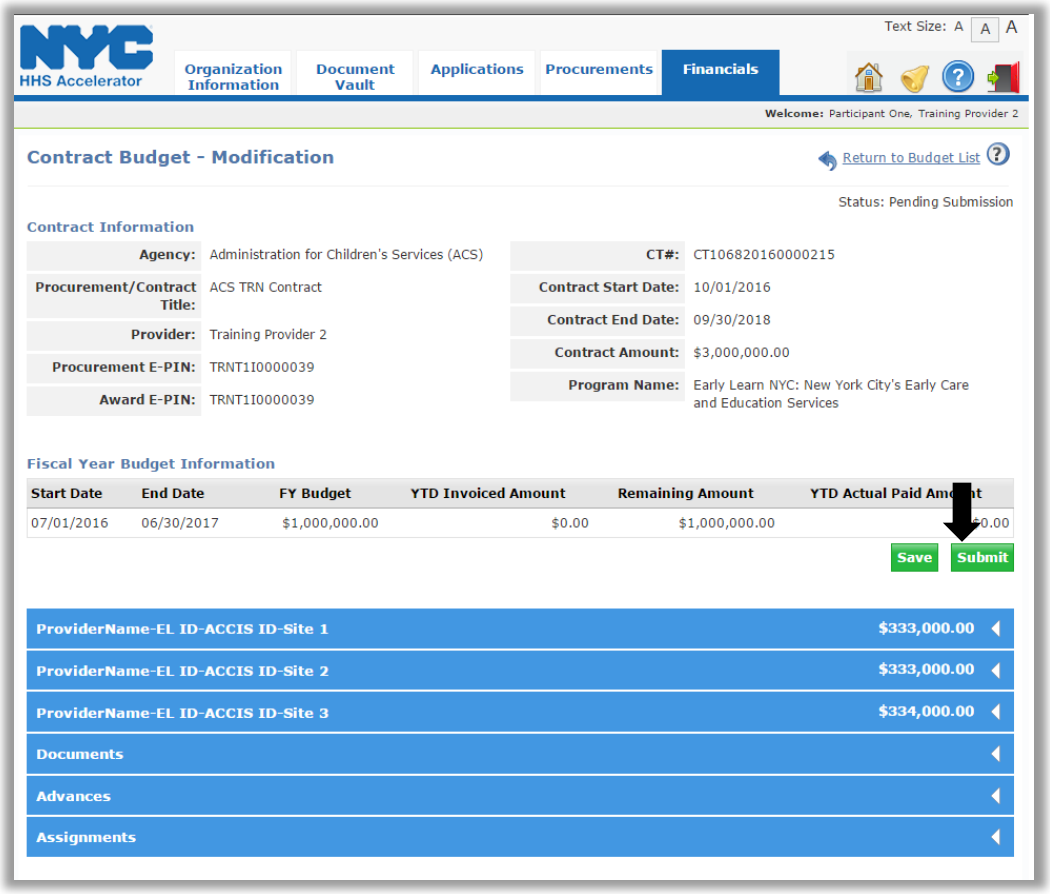
ProviderName-EL ID-ACCIS ID-Site 2 $333,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Program Income

Budget Summary

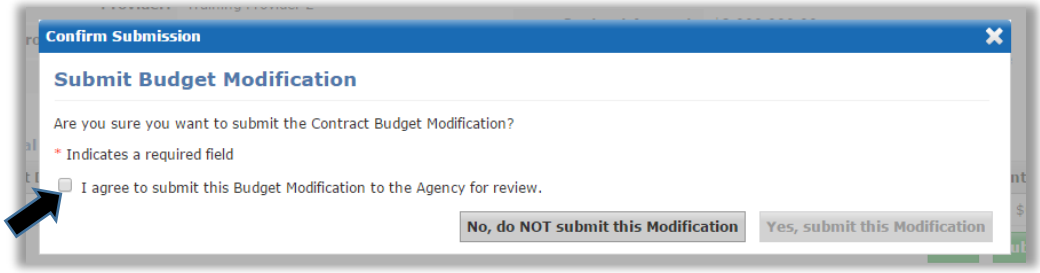
Line Item	Approved FY Budget	Remaining Amount	Modification Amount	Proposed Budget
- **Total City Funded Budget**	$333,000.00	$333,000.00	$0.00	$333,000.00

Click on the green button to **"Submit"** the modifications.

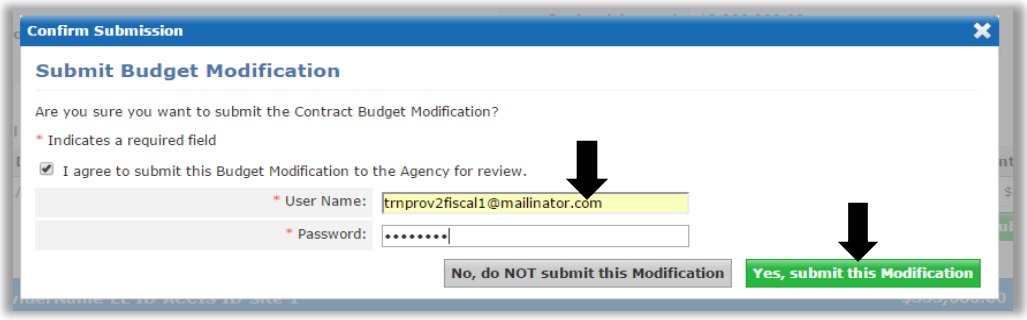


NOTE: Level 1 users will only be allowed to save budgets. Only Level 2 users have the ability to submit budgets to ACS. It is strongly recommended that this level of access be given to employees of contractors, but not to consultants. If you have questions about your role as a user, please contact HHS Accelerator for additional information at help@mocs.nyc.gov

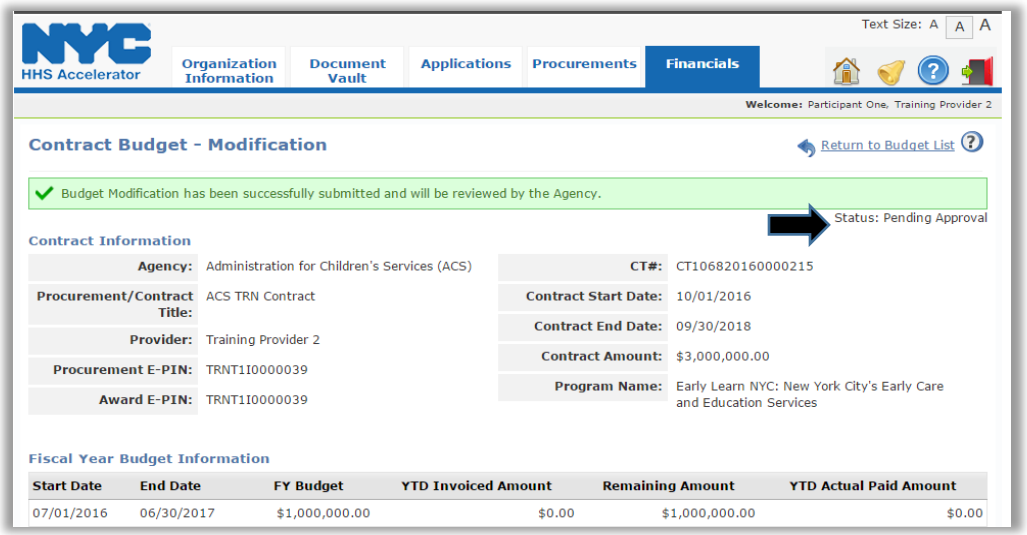
Check the box to confirm submission



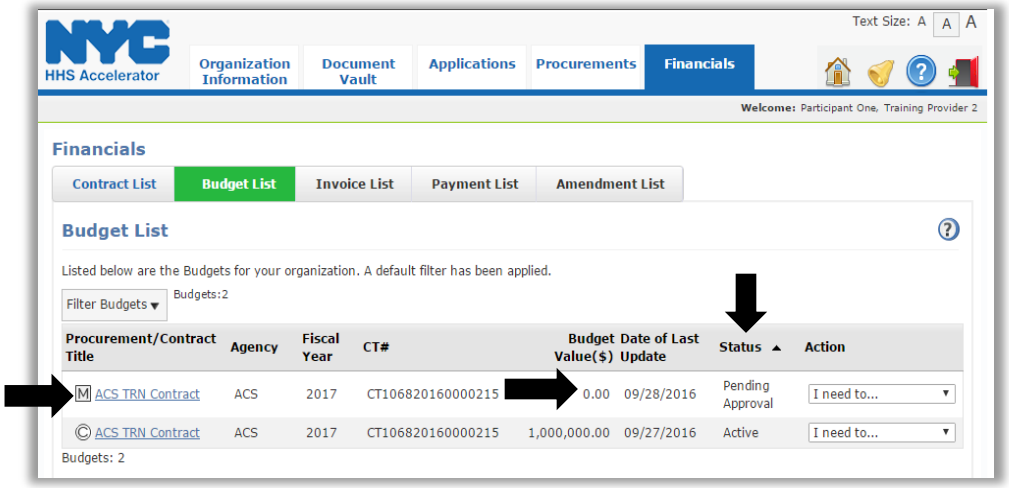
Enter the “User ID/Email” and “Password” as signature, then click **“Yes, submit this Modification”**.



A green message bar indicates that the modification has been successfully submitted for review by ACS. The Status will change from “Pending Submission” to “Pending Approval”.



When the EL Contract is filtered on the Budget List tab, the budget modification will be displayed as a separate line from the original budget, with $0.00 Budget Value. An icon will appear before the Contract Title



ACS will either approve the budget modification or return it for revision. Users with Level 2 Financials access will receive an email notification and system alert if any action is required by the organization. When the status of a budget modification is Pending Approval, users will not have the ability to make changes. ACS will return the budget modification for revisions, where necessary. When ACS approves the budget modification, the organization's Active Contract Budget will be updated to reflect the changes.

The status of the Budget Modification should not be left as **"Pending Submission"** or **"Returned for Revision"** if you do not intend to submit it. In both of the aforementioned scenarios, ACS will not be able to initiate a Budget Update, if needed, and you will be prevented from initiating an Invoice.

Administration for Children's Services

SECTION 2.6 INVOICE REVIEW AND SUBMISSION

2.6.1 Stages of an Invoice

All invoices with a status of Pending Submission, Pending Approval, Returned for Revisions and Approved, are visible on the Invoice List. The following descriptions define the life cycle of invoices in the system.

Status Type	Status	Definition
Invoice Status	Pending Submission	A contractor has selected the action "Submit Invoice" for an Active Budget in the Budget List. An invoice is generated for the specific budget to be completed, but has not yet been submitted. The invoice is awaiting submission by the contractor.
	Pending Approval	A contractor has submitted the Invoice by clicking the 'Submit' button on the Invoice screen. The invoice is awaiting approval by ACS.
	Returned for Revisions	The first level ACS user has returned the invoice review task back to the contractor for revisions.
	Approved	ACS has approved the invoice
	Withdrawn	The contractor has submitted an invoice, the invoice has been "Returned for Revisions", and the contractor has selected "Withdraw Invoice" from the Actions drop down menu. The contractor can use this option in order to submit a different invoice.

The timing of invoice submission is determined at the discretion of the ACS. When an invoice is under review, the status is either "Pending Approval by the Agency" or "Returned for Revisions".

2.6.2 Monitoring the Status of an Invoice

The Invoice List displays the HHS invoices that have been generated by your organization. The Invoice List is located in the Financials section of the HHS Accelerator System. From the Invoice List, your organization can complete an invoice that is in progress, delete a draft invoice, withdraw an invoice, and view past invoices. By clicking into an invoice, your organization can view the balance of funds for the contract budget.

2.6.2a Timeline for Invoice Submission

TABLE 1

Service Month	Monthly Expenses	Health & Safety
July to June	Between the 1st and 15th of the succeeding service month, e.g. May 1-15	Between the 16th and 30th of the succeeding service month, e.g. May 16-30

All contractors are required to submit the following supporting documents:

TABLE 2

Supporting Documents	Monthly	Quarterly	Semi-Annual
Schedule of Expense by Funding Source **by Site** and **Summary** (Appendices VII & VIII - Schedule of Expense by Funding Source)	✓		
Cash Flow Statement (Contractor level – EarlyLearn only) *			✓
Accounts Payable Report (Contractor level – EarlyLearn only) *			✓
Payroll Register	✓		
941 Employer's Quarterly Federal Tax Return		✓	

Contract Managers may request additional documents.

2.6.2b Invoice Submission Highlights

1. Submit the HHS-Accelerator Invoice monthly with the required documents attached (*refer to Table 2 above).*

- Submit completed form in Excel format (refer to Appendices VII and VIII)
- Submit completed and signed form in PDF format (refer to Appendices VII and VIII)
- Follow the naming convention indicated in the guide. (R*efer to Table 3 on p.89*)

2. The total invoice amount should always be **<u>net of Parent Fees due</u>**.

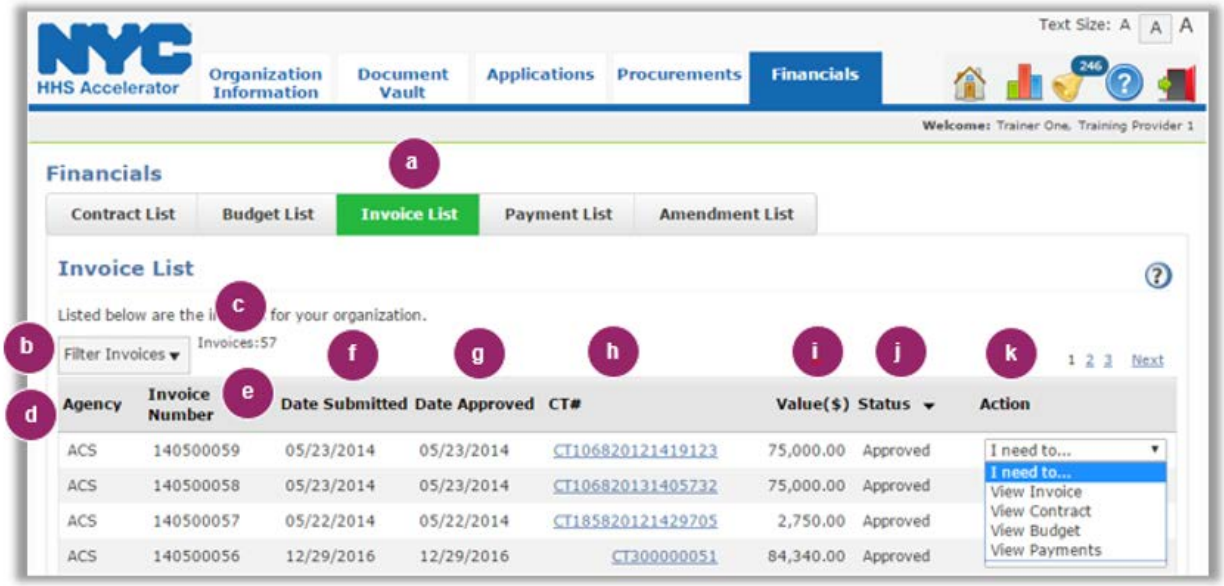
3. There should be **<u>no</u>** invoicing against expenses funded by Parent Fees in the "**Unallocated"** tab. This should be reported in the EarlyLearn Schedule of Expense by Funding Source.

4. There should be at least one invoice for each service month, one for monthly operations and, if applicable, one for special line items *(Refer to Table 1 above).* Expenses related to special line items, such as Health & Safety, should have a separate Schedule of Expenses by Funding Source *(Refer to Appendix VII for details).*

5. Report EarlyLearn program-related income received in the Program Income tab of the monthly invoice (CACFP/4410 revenue received, in-kind contribution).

NOTE: The reported income will not be included in the calculation of the invoice total.

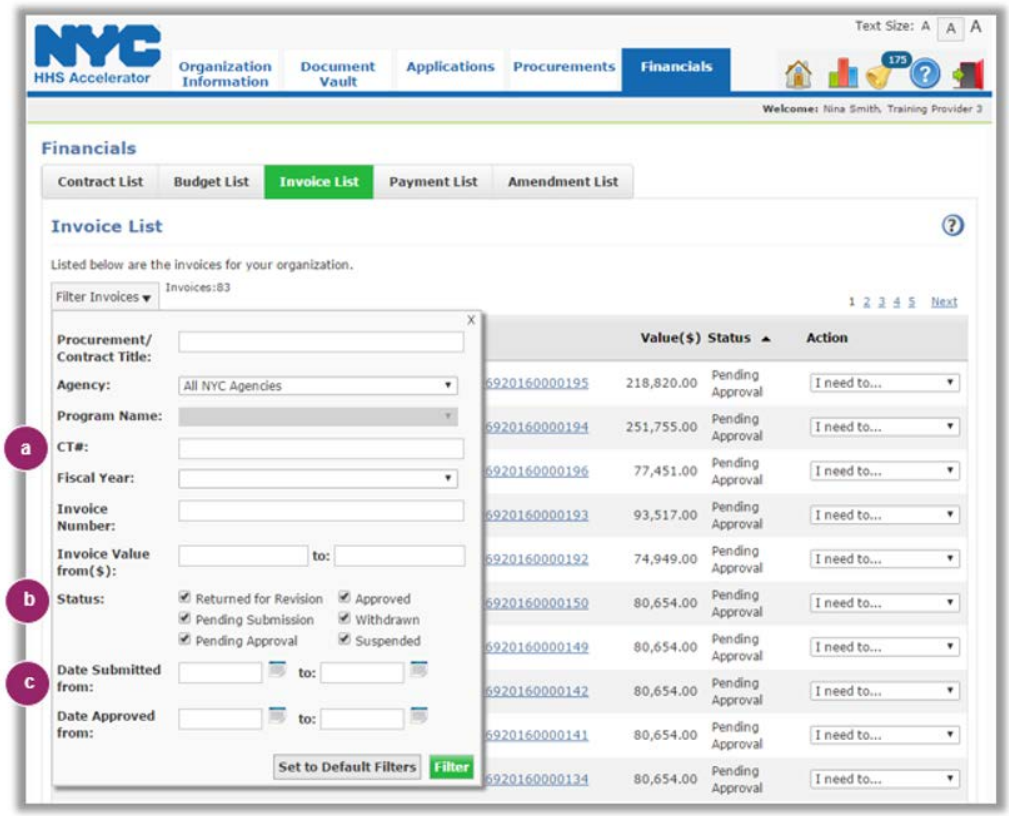
2.6.2c View Invoices listed in HHS Accelerator.



a.	Click on the Invoice List tab to access the Invoice List.
b.	Click on the Filter Invoices button to change which invoices are displayed.
c.	Number of invoices displayed based on applied filters.
d.	Funding Agency is listed.
e.	Each Invoice Number is displayed.
f	Date Invoice is Submitted is listed.
g.	Date Invoice Approved is listed.
h.	Click on the CT# to navigate to the Contract Budget
i.	Value ($) of the Invoice is listed.
j.	The Status of the Invoice is displayed. Statuses include Returned for Revision, Pending Submission, Pending Approval, Approved, Withdrawn, Pending Approval, and Suspended.
k.	The Actions that can be taken with the invoice are listed. Depending on the status of the invoice, these include View Invoice, View Contract, View Budget, View Payments.

2.6.2d Filtering Invoices

Filtering gives you the ability to target your search and quickly modify invoices displayed on the Invoice List. When you click the "**Filter Invoices**" button, the filter menu is displayed with a number of options for modifying displayed invoices. Default status means that all Active Invoice are checked. In order to adjust your filtered options, you must uncheck relevant boxes or input additional information pertaining to the invoices you are searching for.

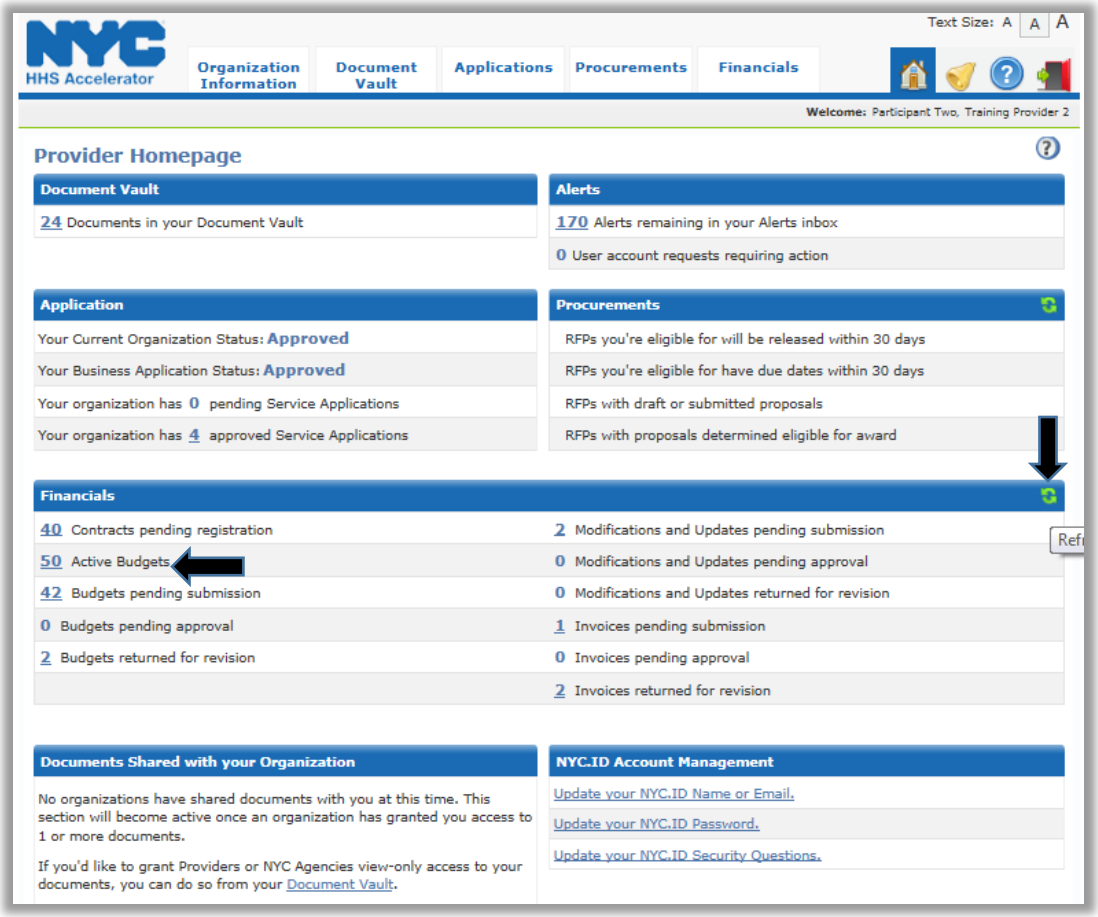


a.	The Contract (CT) Number allows your organization to filter invoices by Contract Number.
b.	Status indicates the current status of the invoices. Your organization can select any status. Withdrawn and Suspended statuses can only be selected from the filter options section.
c.	Invoice Date Filters allows your organization to view invoices that fall into a defined date range.

2.6.2e Invoice Submission

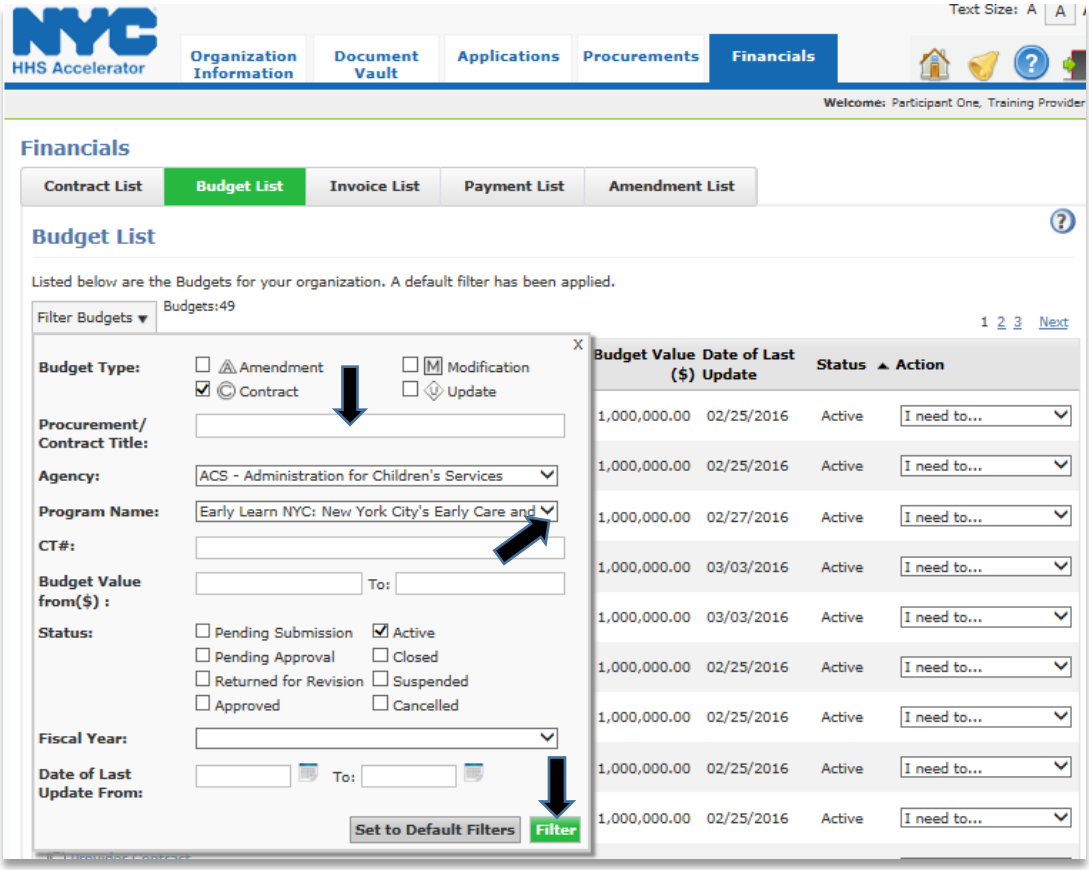
From the Provider Homepage, click on the refresh icon located on the right of the Financials section.

Click on the number hyperlink for **"Active Budgets**". This will list all of the active budgets (approved budgets with the contract registered) for your agency, including Active budgets for other ACS Programs and/or other City Agencies, if applicable.

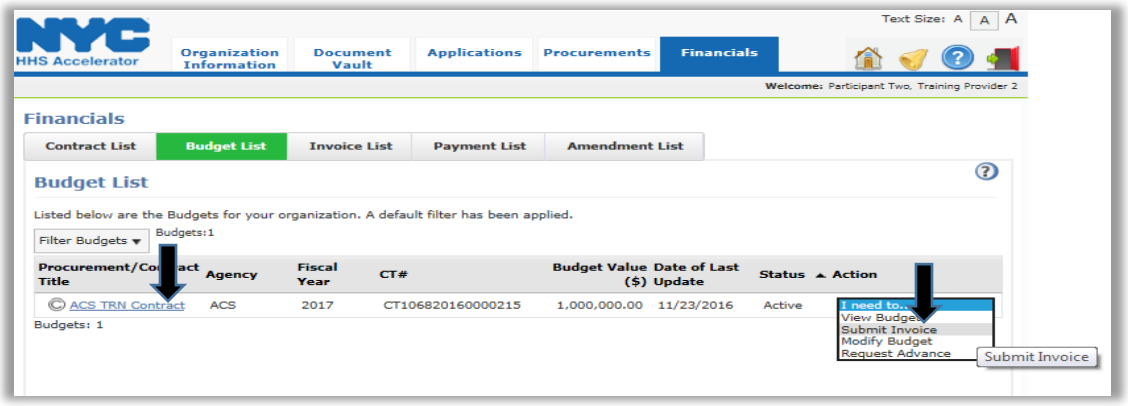


Your organization cannot begin invoicing until the contract is registered, the service period has started, and the budget has been approved by ACS.

If your organization has other contracts with ACS and/or other City Agencies, use "**Filter Budgets**" to narrow your selection.

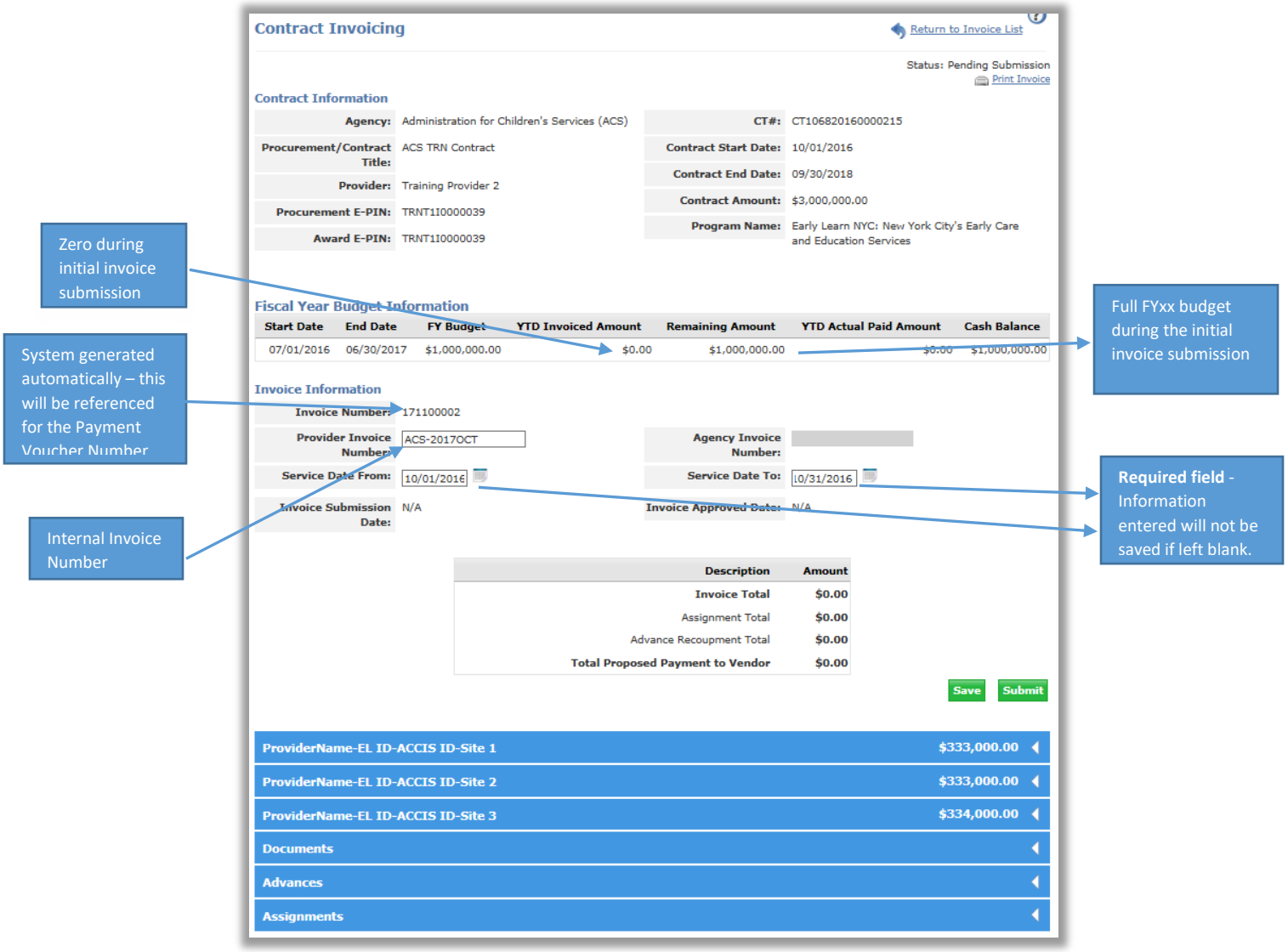


When the EL Contract is listed, select "**Submit Invoice**" from the Action drop down menu. This will take you to the Contract Invoicing page.



Enter your organization's "Provider Invoice Number". This is the internal invoice number used by your organization. If your organization does not have an invoice number, ACS strongly recommends using this feature for monitoring purposes. Use the format ELID_MONYR_MON/SPC. For example, 00123_OCT16_MON.

Enter the "Service Date From" and "Service Date To" for the corresponding service period and click **"Save"**. (Refer to the timeline on p. 79)



<u>NOTE</u>: Any data entered will not be saved until a Service Date range that falls within the current FY Budget is entered.

2.6.2f Monthly Invoice – EarlyLearn Contracts

- All monthly EarlyLearn expenses shall be submitted in one invoice no later than the **15th of the succeeding month**. When an invoice due date falls on a holiday or weekend, the invoice is due on the next business day.

- All contractors are required to submit the EarlyLearn Schedule of Expense by Funding Source for each site, together with a summary, to support the invoice totals entered in Accelerator Financials. (Refer to Appendices VII and VIII – EarlyLearn Schedule of Expense by Funding Source/Summary)

- Personnel Services require monthly invoice totals for salaries and/or wages in addition to fringe benefits for the services rendered in the period invoiced. Ensure that the amounts include Wage Adjustment and are net of Parent Fees, if applicable.

Salaried Positions	# Positions	Remaining Amount	Invoice Amount
Salaried Positions Total	**32**	**$223,839.82**	**$74,418.08**
Program Assistant/Aide	1	$5,168.00	$0.00
Quality Assurance Manager	1	$2,531.46	$10,804.54
HR Generalist	2	$13,388.84	$12,536.16
Assistant Coordinator	3	$0.00	$0.00
Teacher-Other (222)	2	$6,664.27	$8,235.58
Accountant/Bookkeeper (703)	4	$14,907.21	$4,339.49
Fiscal Officer	1	$902.65	$1,951.76
Chief Executive Officer	1	$6,782.42	$540.76
Secretary	1	$12,833.46	$2,682.00
Assistant Cook/Meal Preparer	2	$11,277.56	$2,058.01

Export Page 1 of 2

Hourly Positions	# Positions	Remaining Amount	Invoice Amount
Hourly Positions Total	**4**	**$33,296.17**	**$14,669.61**
Other Support Staff (190)	1	$15,944.17	$2,021.61
Teacher Aide/Assistant - Substitute	3	$17,352.00	$12,648.00

Export Page 1 of 1

Fringe Benefits	Rate	Remaining Amount	Invoice Amount
Fringe Total	13.09%	$38,488.24	$11,660.39

- If any portion of Parent Fees is used to fund Personnel Services, this must be indicated in the EarlyLearn Schedule of Expense by Funding Source by entering the amount in the Parent Fees column for reconciliation.

EARLYLEARN SCHEDULE OF EXPENSE BY FUNDING SOURCE

CONTRACTOR NAME: Wildcat Services Corporation
PROGRAM NAME: Site 1
PROGRAM ADDRESS: 150 William St. New York, NY 10038
EL ID: 00123
ACCIS ID: 1234567
SERVICE PERIOD: July 1, 2018 - July 30, 2018

MONTHLY EXPENSES	ACTUAL AMOUNT	PARENT FEES	NET OF PARENT FEES*	FUNDING ALLOCATION							
				CC	CC - UPK	HS	HS - UPK	CTL	EHS	CDBG	TOTAL
PS	$ 105,598.00	$ 4,849.92	$ 100,748.08	$ 85,959.47	$ 14,788.61	$ -	$ -	$ -	$ -	$ -	$ 100,748.08
SALARIES	$ 92,899.19	$ 3,811.50	$ 89,087.69	$ 76,631.60	$ 12,456.09						$ 89,087.69
FRINGES Employer's FICA	$ 7,105.79	$ 345.45	$ 6,760.34	$ 5,807.45	$ 952.89						$ 6,760.34
Unemployment Insurance (UIB Rate)			$ -								$ -
Commuter Tax (MCTA)			$ -								$ -
Workers Compensation			$ -								$ -
Health Insurance	$ 5,593.02	$ 692.97	$ 4,900.05	$ 3,520.42	$ 1,379.63						$ 4,900.05
Welfare Fund			$ -								$ -
Pension			$ -								$ -
Life Insurance			$ -								$ -
Disability			$ -								$ -
OTPS	$ 17,564.82	$ 2,079.09	$ 15,485.73	$ 15,485.73	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,485.73
STIPEND			$ -								$ -
OTHERS**	$ 17,564.82	$ 2,079.09	$ 15,485.73	$ 15,485.73	$ -						$ 15,485.73
SUB-TOTAL	$ 123,162.82	$ 6,929.01	$ 116,233.81	$ 101,445.20	$ 14,788.61	$ -	$ -	$ -	$ -	$ -	$ 116,233.81
UPK ENHANCEMENT	$ 5,121.74		$ 5,121.74		$ 5,121.74		$ -				$ 5,121.74
Lead Pre-K Teacher (Salaries & Fringe)	$ 420.74		$ 420.74		$ 420.74						$ 420.74
Support Staff and Quality Enhancement	$ 4,701.00		$ 4,701.00		$ 4,701.00						$ 4,701.00
Substitute Teachers (Salaries & Fringe)			$ -								$ -
Health and Safety			$ -								$ -
Cubby Replacement			$ -								$ -
Lead Testing and Abatement			$ -								$ -
TOTAL	$ 128,284.56	$ 6,929.01	$ 121,355.55	$ 101,445.20	$ 19,910.35	$ -	$ -	$ -	$ -	$ -	$ 121,355.55

*Net of Parent Fees would be the total amount entered in Accelerator Financials
**Others include all budgeted OTPS expense EXCEPT stipend, Health and Safety, UPK Enhancement, Cubby Replacement, Lead Testing and Abatement (i.e. rent, contracted services, office supplies, etc)

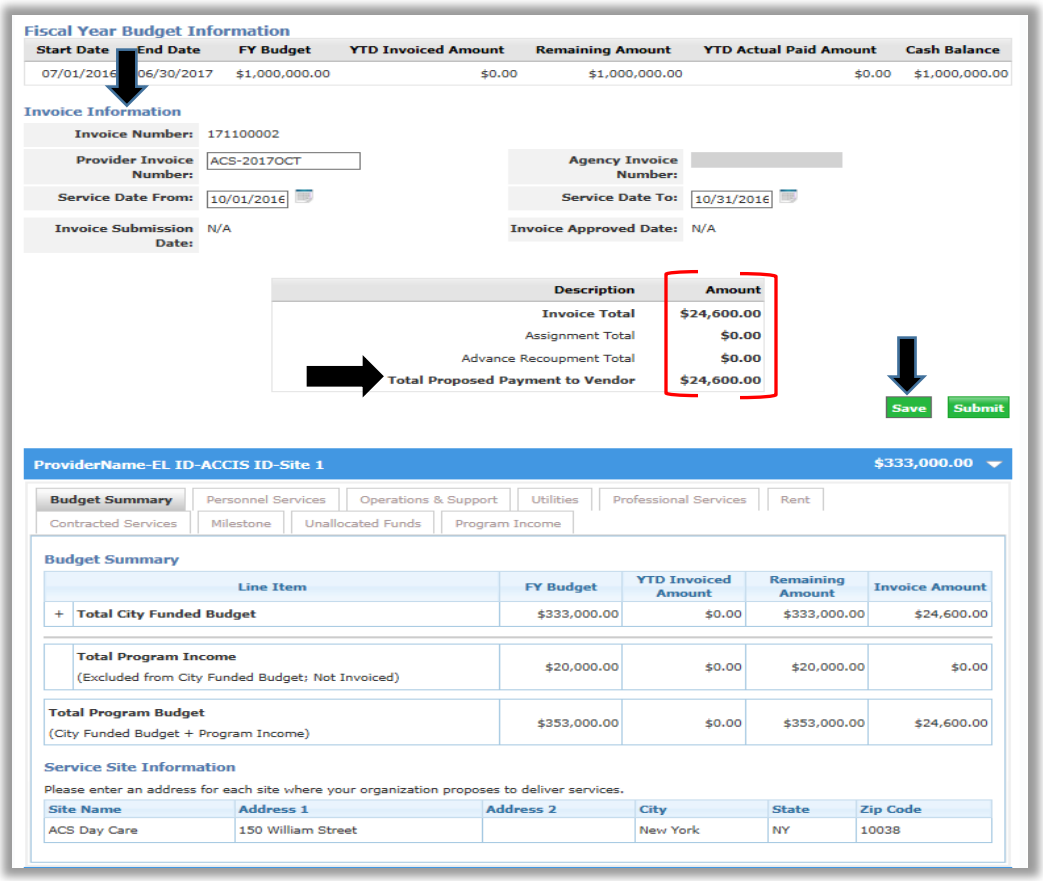
Page 1

2.6.2g Monthly Invoice – FCCN Sites

Invoices totals for FCC Stipends paid for the invoiced service period must include Wage Adjustment for Stipends, net of Parent Fees.

After the Invoice amount is entered in the budget tab for each site, the amounts will be tallied on the **Invoice Information** section under **Invoice Total**.

Click **"Save"** to ensure that the **Total Proposed Payment to Vendor** is recalculated and updated.



2.6.2h Special Invoices

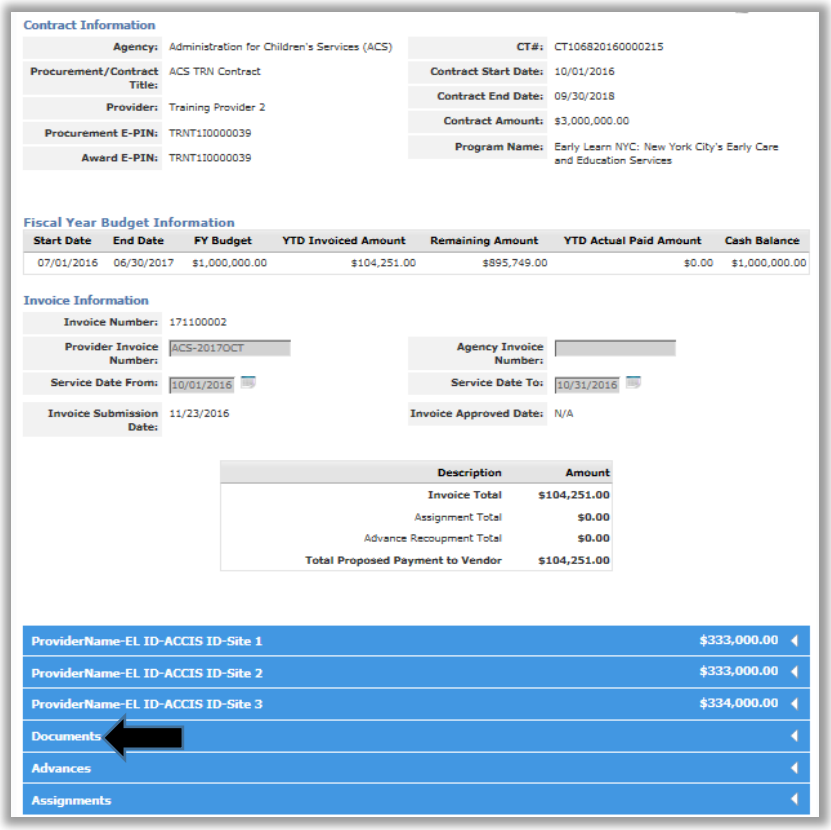
All expenses related to the Special line items such as Health & Safety, UPK Enhancements, etc. must be submitted in one invoice **no later than the 30th day of the succeeding month**. When an invoice due date falls on a holiday or weekend, the invoice is due on the next business day.

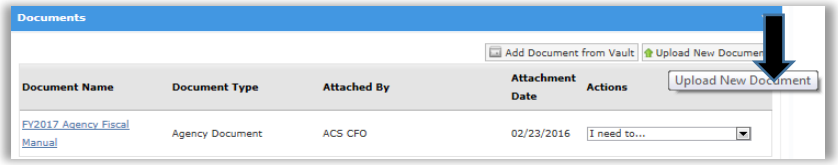
All contractors are required to submit the EarlyLearn Schedule of Expense by Funding Source for each site together with a summary to support the invoice amounts entered in Accelerator Financials. (Refer to Appendices VII and VIII – EarlyLearn Schedule of Expense by Funding Source)

2.6.3 Uploading Documents with Invoices

The **Document** header is available on all invoice screens and must be used to upload the EarlyLearn Schedule of Expense by Funding source (**one file in Microsoft Excel format and the summary signed and scanned in PDF format)** and other supporting documents, as requested.

Click on the **"Documents"** header to open the documents widget then click on the **"Upload New Document"** button.

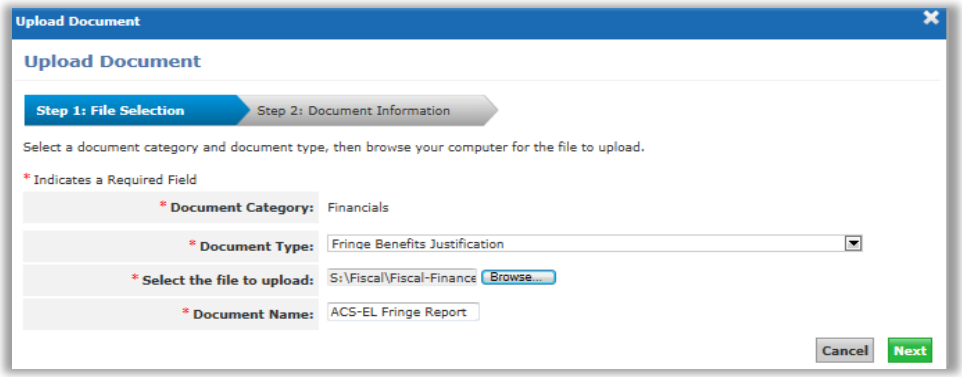




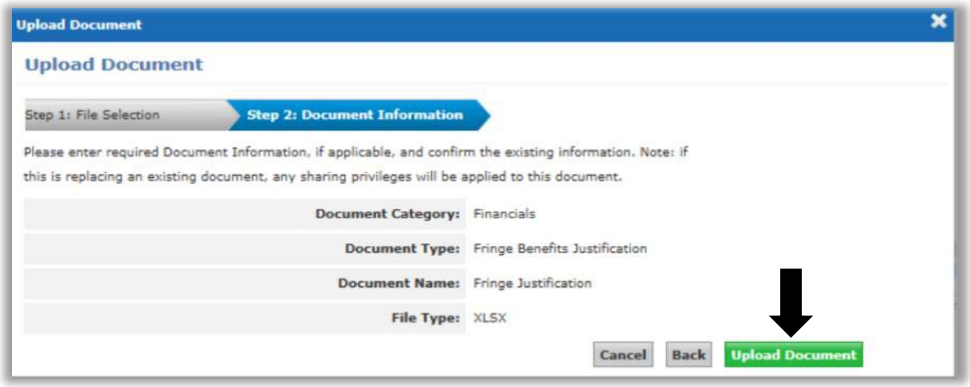
Select the Document Type from the dropdown menu then click the **"Browse"** button to select the document. The "Document Name" will default to the file name. Edit the file name in the following format:

TABLE 3

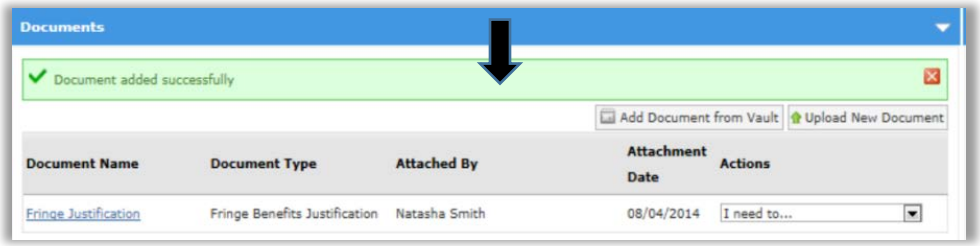
Document	File Name Format	Sample
EarlyLearn Schedule of Expense by Funding Source	EL_ID_Contractor Name_MonYear_Type MonExpForm	00123_ACS DCC_OCT2016_MonExpForm
EarlyLearn Schedule of Expense by Funding Source	EL_ID_Contractor Name_MonYear_Type SpecialExpForm	00123_ACS DCC_OCT2016_SpecialExpForm



Click **"Upload Document"**



A green message bar indicates that the document has been uploaded successfully.



Do not leave an invoice status as “Pending Submission” or “Returned for Revision” if you do not intend to submit. In both of the aforementioned scenarios, ACS will not be able to initiate a Budget Update, if needed, and you will be prevented from initiating a Budget Modification.

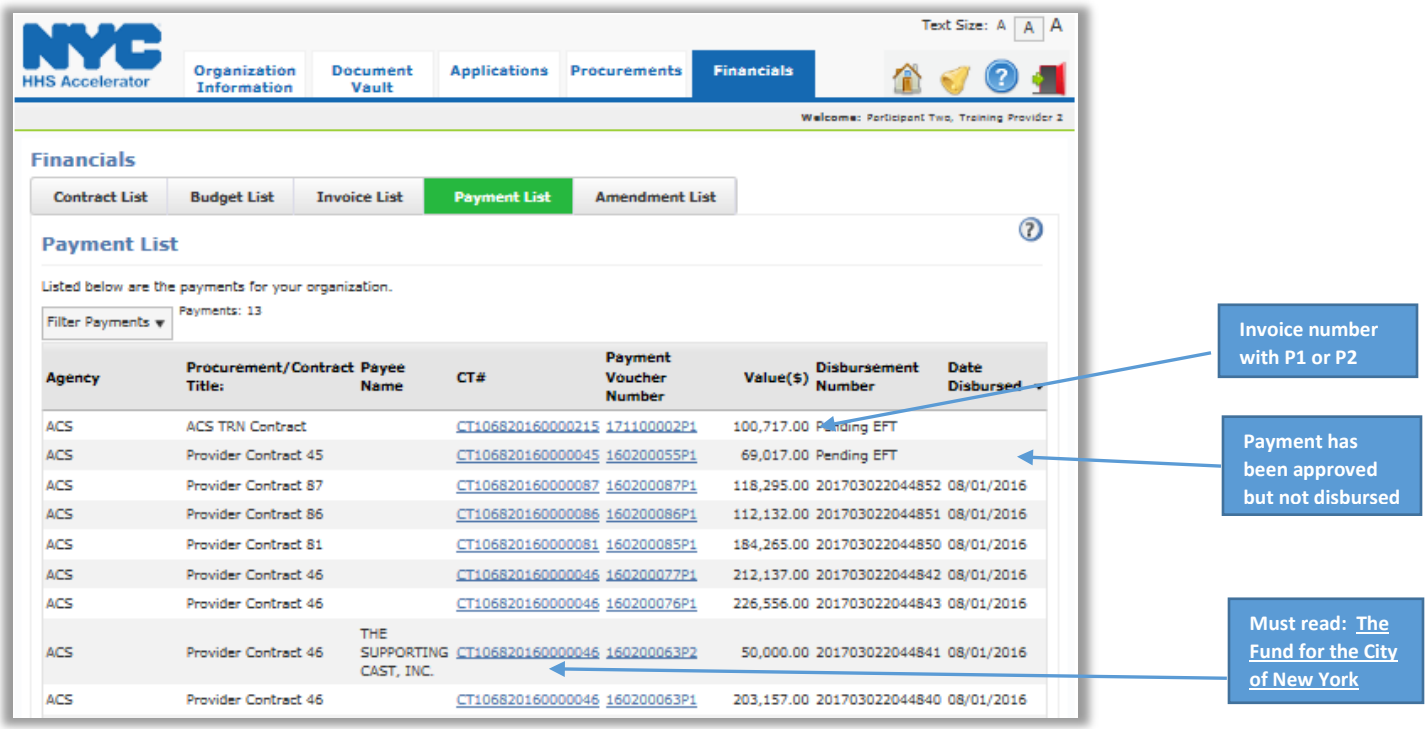
To cancel an Invoice, go to the Invoice List. Click the dropdown action of the corresponding invoice and select “Delete” if invoice is in “Pending Submission” or “Withdraw” if “Returned for Revision”.

2.6.4 Payment List

When the submitted invoice has been approved by ACS, the payment process will commence. When payment is approved, your organization will be able to monitor the status of the payment in Accelerator Financials – Payment List.

Click the Financials tab then click the **“Payment List”** tab.

If your organization has other contracts with ACS and/or other city agencies, use **“Filter Payments”** to drill down to the related payments. The Payment List will display payment approved by ACS. If the approved payment has not been disbursed, the status will be reflected as **“Pending EFT”** (pending electronic funds transfer). The list reflects current information from New York City’s Financial Management System (FMS) and information is updated nightly.



If your organization had an FCNY Loan Repayment, FCNY will be named as Payee with separate Payment Voucher Number and Disbursement Number assigned.

For reference, Payment Voucher Numbers ending in **A1 or A2** are Advances. Similarly, vouchers ending in **P1 or P2** are Invoice Payments.

Administration for Children's Services

SECTION 2.7 ADVANCES AND RECOUPMENT

2.7.1 ADVANCE PAYMENTS TO EL CONTRACTORS USING CITY TAX LEVY

ACS invoices NY State on a monthly basis for Child Care expenses. For Head Start, ACS draws down funds every three months on the calendar quarter. ACS does not draw down Federal Head Start funds prior to disbursement to Agencies. ACS advances funds at the beginning of the year and reimburses based on submitted expenses. Advanced funds are City tax levy dollars. *(See Contractor Invoice Guide).*

Recoupment Policy, effective FY18:

Contracts are eligible for advances following registration with the New York City Comptroller's Office and budget approval for a given fiscal year. The City is not permitted to release funds to a contractor for any expenses incurred for the provision of services until a contract or amendment is registered. Contractors can initiate an advance request equivalent to at least 25% of their fiscal year budget for all eligible contracts. Requests from contractors who have been cited for contract management issues will be subject to additional review.

ACS has agreed to three months' advance payments ahead of the fiscal year for providers. Advances will be recouped from invoices during the last six months of the operating budget period for a given fiscal year. The number of recoupment payments will equal at least the number of months of advance and will not be required through a single payment. The City will make reasonable accommodations to the recoupment schedule to ensure operational continuity based on the financial situation and cash flow needs of the provider. When all invoices have been submitted, any unrecovered advance amount will be owed to the City.

In order to request an advance, go to the **Financials** tab then click the number hyperlink for "Active Budgets". Select "**Request Advance**" from the Action dropdown menu.

Administration for Children's Services

SECTION 2.8 APPENDICES

2.8.1a APPENDIX I-A: EARLYLEARN-AF PERSONNEL SERVICES GUIDELINE

EarlyLearn Titles	AF Titles
Any Teacher/Group Leader Certified with MA or BA	Teacher (Lic.)
Any other Teacher	Teacher (Other)
All Assistant Teacher/Asst. Group Leader	Teacher Assistant
Teacher Aide	Teacher Aide
Infant Care Teacher/Group Leader	Infant Care - Group Teacher
Infant Care Aide	Infant Care - Aide
Cook (with or without food handling)	Cook
Assistant Cook/Meal Preparer	Assistant Cook/Meal Preparer
Accountant/Bookkeeper	Accountant/Bookkeeper
Assistant Bookkeeper	Assistant Bookkeeper
Assistant Family Day Care Coordinator	Assistant Coordinator
Secretary/Administrative Assistant	Secretary
Assistant Custodian/Helper	Custodian Assistant/Aide
All Director position	Director
All Assistant Director	Assistant Director
Supervisor to Family Workers/Intake Specialist	Family Assistant
FCCN Coordinator	Family Day Care Coordinator
Family Worker	Family Worker
Maintenance/Custodian	Maintenance Custodian
Family Services Coordinator	Services Coordinator
All Social Worker	Social Worker/ Social Worker Masters Level (325)
Fiscal Officer	Fiscal Officer
Chief Executive Officer	Chief Executive Officer

Hourly Positions

Only the following two titles are allowed**:**

EarlyLearn Titles	AF Titles
Any classroom staff	Teacher Substitute
Any support staff	Other Support Staff

2.8.1b APPENDIX I-B: LIST OF ACS-APPROVED JOB TITLES

Account Manager
Accountant (606)
Accountant/Bookkeeper (703)
Administrative Assistant (612)
Administrator
After School Program Director
Assistant Bookkeeper
Assistant Director
Assistant Executive Director (602)
Assistant Manager
Assistant Mental Hygiene Director (702)
Assistant Program Director (502)
Assistant Supervisor
Assistant Vice President
Associate Director
Associate Medical Director
Associate VP of Programs
Bilingual Specialist
Budget Manager
Career Advisor/Coach
Case Manager (301)
Case Manager Supervisor
Case Planner/Worker
Chief Executive Officer
Chief Financial Officer
Child Care Provider
Clerical Associate
Clerk
Clinical Coordinator (Does not apply to OPWDD) (342)
Clinical Practitioner
Coach
College Aide
Compliance Specialist
Comptroller/Controller (603)
Computer/Data/Statistical Specialist (609)
Contract Manager
Coordinator
Counseling Aide/Assistant-Alcoholism and Substance Abuse (Does not apply to SED) (268)
Counseling Specialist
Counselor-Alcoholism and Substance Abuse (SED use Code 305) (267)
Counselor-Rehabilitation (Master's Level) (305)
Custodian Assistant/Aide
Dance/Music Instructor
Data Analyst
Data Entry Clerk
Data Entry/MIS
Data Management Coordinator
Database Developer
Deputy Director
Deputy Program Coordinator
Director
Director of Division (604)
Director of Finance
Director of Personnel

Director of Program and Job Development

Director of Program Operations

Discharge Planners

Doctor

Driver

Education Coordinator (Teacher License)

Education Specialist

Employment/Education Specialist

Escort

Evaluator

Executive Assistant

Executive Director

Executive Director/Chief Executive Officer (601)

Facilitator

Family Counselor/Therapist (344)

Family Worker

Fiscal Officer

Foster Care Director

Group Leader

Group Worker

Health Counselor

Housekeeping and Maintenance (102)

Housing Specialist

HR Generalist

Instructor

Intake Specialist

Intern

IT Desk Top Support

IT Technician

IT Technician (Assistant)

Job Developer

Job Readiness Counselor

Juvenile Coordinator

Legal Assistant

Maintenance Custodian

MSW Case Planner

Nurse-Licensed Practical (316)

Nurse Practitioner/Nursing Supervisor (315)

Nurse/Registered Nurse (317)

Nurse’s Aide/Medical Aide (339)

Operations Assistant

Operations Coordinator

Operations Specialist

Other Agency Administration Staff (690)

Other Clinical Staff/Assistants (390)

Other Direct Care Staff (290)

Other LGU Administration Staff (790)

Other Program Administration Staff (590)

Other Support Staff (190)

Outreach Specialist

Parent Aide

Peer Specialist (266)

Physician-MD (320)

Physician's Assistant (319)

President

Principal Administrative Associate (PAA)

Program Assistant/Aide

Program Coordinator

Program Director (501)

Program Director (MD License)

Program Director (Teacher License)

Program Research/Evaluation (510)

Project Manager

Psychiatrist (318)

Psychologist (Licensed) (321)

Psychologist (Master's Level)/Behavioral Specialist (322)

Psychology Worker/Other Behavioral Worker (323)

Quality Assurance Manager

Receptionist

Recreation Coordinator

Regional Director

Respite/Skill Builder

Secretary

Security (105)

Senior Accountant

Senior Aide

Senior Case Manager

Senior Manager

Senior Staff Attorney

Senior Vice President

Services Coordinator

Site Administrator

Social Worker, Certified (CSW) (324)

Social Worker/ Social Worker Masters Level (325)

Supervisor

Support Staff

Team Leader

Therapist

Therapist-Activity/Creative Arts (332)

Therapist-Occupational (333)

Therapist-Physical (334)

Therapist-Recreation (330)

Therapist-Speech (335)

Tutor

Urban Housing Specialist

Vice President

Vice President of Clinical Operations

Vice President of Mental Health Services

Volunteer Coordinator

Youth Advocate

Youth Counselor

Youth Employment Coordinator

Youth Worker

2.8.2 APPENDIX II: PREVENTIVE CONTRACT SUPPORTING SCHEDULES

ADMINISTRATION FOR CHILDREN'S SERVICES
FY15 PROGRAM FULL BUDGET SUBMISSION
CONTRACT SUMMARY PAGE
THE VALUES ON THIS SHEET SHOULD BE ENTERED INTO ACCELERATOR FINANCIAL

AGENCY NAME:				
AGENCY ADDRESS:				
PROGRAM NAME:				
PROGRAM TYPE:	Preventive	PYA	MTFC	Detention
	NSP	CPP	Parent Advocate	OTHER
BUDGET PERIOD:				
TAX ID NO:				
Contract #:				

PROGRAM CAPACITY: _____ slots/ Beds

PRIVATE MATCH/ Program Income: $_____
(if required)

LINE	CATEGORY	ACS PROGRAM BUDGET AMOUNT	PERCENTAGES		COMMENTS
1	Other Program Administration Staff (Direct)				
1	Other Support Staff (Indirect)				
1	Personnel Services	$0			
2	FRINGE BENEFITS		#DIV/0!	=%(line 2/line1)	This amount should not exceed 26% of Salary
3	PS SUBTOTAL	$0	#DIV/0!	=%(line 3/line 8)	
4	Contracted Services				
5	RENT				
6	Operations & Support				
7	OTPS SUBTOTAL	$0	#DIV/0!	=%(line 7/line 8)	
8	PS & OTPS SUBTOTAL	$0			
9	Indirect Cost (Overhead)		#DIV/0!	=%(line 9/line 8)	This amount should not exceed 10% of PS & OTPS Subtotal.
10	GRAND TOTAL	$0			

Private Match/ Program Income Description:

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

_____
Agency Fiscal Director

ADMINISTRATION FOR CHILDREN'S SERVICES
FY15 PROGRAM FULL BUDGET SUBMISSION
SUMMARY PAGE

AGENCY NAME:				
AGENCY ADDRESS:				
PROGRAM NAME:				
PROGRAM TYPE:	Preventive	PYA	MTFC	Detention
	NSP	CPP	Parent Advocate	OTHER
BUDGET PERIOD:				
TAX ID NO:				
Contract #				
CD #:			BOROUGH:	

PROGRAM CAPACITY: _____ slots/ Beds PRIVATE MATCH/ Program Income: $ _____
(if required)

LINE	CATEGORY	ACS PROGRAM BUDGET AMOUNT	PERCENTAGES		COMMENTS
1	SALARY				
2	FRINGE BENEFITS		#DIV/0!	=%(line 2/line1)	This amount should not exceed 26% of Salary
3	PS SUBTOTAL	$0	#DIV/0!	=%(line 3/line 8)	
4	CONSULTANT				
5	RENT AND UTILITIES				
6	OTHER OTPS				
7	OTPS SUBTOTAL	$0	#DIV/0!	=%(line 7/line 8)	
8	PS & OTPS SUBTOTAL	$0			
9	Indirect Cost (Overhead)		#DIV/0!	=%(line 9/line 8)	This amount should not exceed 10% of PS & OTPS Subtotal.
10	GRAND TOTAL	$0			

Private Match/ Program Income Description:

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

_____
Agency Fiscal Director

ADMINISTRATION FOR CHILDREN'S SERVICES
FY16 PROGRAM FULL BUDGET SUBMISSION
SALARY SUMMARY BY TITLE

AGENCY:
BOROUGH:
MAILING ADDRESS:

SITE	Direct/ Indirect (DI)	TITLE	NUMBER OF INDIVIDUALS IN TITLE	HOURS PER WEEK TO PROGRAM	FULL TIME EQUIVALENT POSITION (i.e.: 0.5 FTE or 1 FTE)	ANNUAL SALARY	ACS BUDGETED AMOUNT	OTHER FUNDING, IF APPLICABLE
		Program Director						
		Supervisor						
		MSW Case Planner						
		BA Case Planner						
		Secretary						
		Program Director						
		Supervisor						
		MSW Case Planner						
		BA Case Planner						
		Secretary						
		Program Director						
		Supervisor						
		MSW Case Planner						
		BA Case Planner						
		Secretary						
TOTAL						$0	$0	$0
		Total Direct						
		Total Indirect						
		Total Salaries				$0	$0	$0

Please list the additional titles which your budget will fund. List the hours per week each title is to dedicate to the program; this listing is per title, not a sum of employees. For instance, if a site employs 2 full-time BA Case Planner's, the Number of Individuals in Title would read 2, and the Hours Per Week to Program would read 35. The equation for FTE equals (number of months worked divided by 12) times (number of hours worked per week divided by the agency standard work week).

Other Funding makes up the difference, if applicable, between the ACS Budgeted Amount and the Annual Salary. This can be outside grants or in-kind contributions (private match).

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

ADMINISTRATION FOR CHILDREN'S SERVICES
FY16 PROGRAM FULL BUDGET SUBMISSION
CONSULTANTS

AGENCY:
PROGRAM NAME:
BOROUGH:
MAILING ADDRESS:

SITE	TYPE OF CONSULTANT / SERVICE PROVIDED	CONSULTANT NAME	TOTAL NUMBER OF HOURS	AMOUNT PER HOUR	TOTAL ACS BUDGETED AMOUNT	OTHER FUNDING, IF APPLICABLE
TOTAL					$0.00	$0.00

Other Funding makes up the difference, if applicable, between the ACS Budgeted Amount and the cost. This can be outside grants or in-kind contributions (private match).

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

ADMINISTRATION FOR CHILDREN'S SERVICES
FY15 PROGRAM FULL BUDGET SUBMISSION
RENT AND UTILITIES

AGENCY:
BOROUGH:
MAILING ADDRESS:
TERM OF LEASE:
LEASE RENEWAL: ____YES ____NO

PROGRAM ADDRESS:
FLOOR AND ROOM NUMBER:
COST PER SQ. FT.:
LANDLORD'S NAME:
LANDLORD'S ADDRESS:

RENTAL COST	ACS BUDGETED AMOUNT	EQUATIONS (ONLY APPLICABLE TO ACS FUNDING)	OTHER FUNDING, IF APPLICABLE
SQ. FT. USED FOR ACS ACTIVITY			
COST PER SQ. FT.			
TOTAL COST OF SQUARE FOOTAGE	$ -	=[(Cost per Sq. Ft.) x (Sq. Ft. for ACS Activity)] This is your Rental Cost.	
UTILITY COST		= (Electricity) + (Gas)	
TOTAL - RENT & UTILITIES	**$ -**	=(Utility Cost) + (Rental Cost)	**$ -**

Other Funding makes up the difference, if applicable, between the ACS Budgeted Amount and the Cost of the Rent and Utilities associated with the program. This can be outside grants or in-kind contributions (private match).

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

ADMINISTRATION FOR CHILDREN'S SERVICES
FY15 PROGRAM FULL BUDGET SUBMISSION
FRINGE BENEFITS

AGENCY:
BOROUGH:
MAILING ADDRESS:

SITE NAME AND FRINGE DESCRIPTION	RATE	TOTAL NUMBER OF EMPLOYEES	TOTAL SALARIES	ACS BUDGETED AMOUNT	OTHER FUNDING, IF APPLICABLE
SITE NAME:					
FICA					
WORKER'S COMPENSATION					
DISABILITY INSURANCE - SHORT TERM					
UNEMPLOYMENT INSURANCE					
OTHER INSURANCE (LIST EACH)					
MEDICAL					
SITE NAME:					
FICA					
WORKER'S COMPENSATION					
DISABILITY INSURANCE - SHORT TERM					
UNEMPLOYMENT INSURANCE					
OTHER INSURANCE (LIST EACH)					
MEDICAL					
SITE NAME:					
FICA					
WORKER'S COMPENSATION					
DISABILITY INSURANCE - SHORT TERM					
UNEMPLOYMENT INSURANCE					
OTHER INSURANCE (LIST EACH)					
MEDICAL					
TOTAL - FRINGE BENEFITS	**0.00%**			**$0.00**	**$0.00**

Other Funding makes up the difference, if applicable, between the ACS Budgeted Amount and the Total Salary. This can be outside grants or in-kind contributions (private match).

If your fringe benefits are higher than 26%, please provide supporting documentation to explain this rate.

Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

ADMINISTRATION FOR CHILDREN'S SERVICES
FY15 PROGRAM FULL BUDGET SUBMISSION
OTHER PROGRAMMATIC OTPS - EXPENSES NECESSARY TO OPERATE

AGENCY:
BOROUGH:
MAILING ADDRESS:

CATEGORY	ACS BUDGETED AMOUNT	OTHER FUNDING, IF APPLICABLE
AUDIT FEES		
COMMERCIAL LIABILITY INSURANCE		
OTHER INSURANCE		
EQUIPMENT		
SERVICES TO CLIENT: (Itemize)		
OTHER OTPS:		
Stipends (PYA only)		
TOTAL		

Other Funding makes up the difference, if applicable, between the ACS Budgeted Amount and the Total Cost of Services. This can be outside grants or in-kind contributions (private match).

Please refer to the instructions for non-allowable expense items.

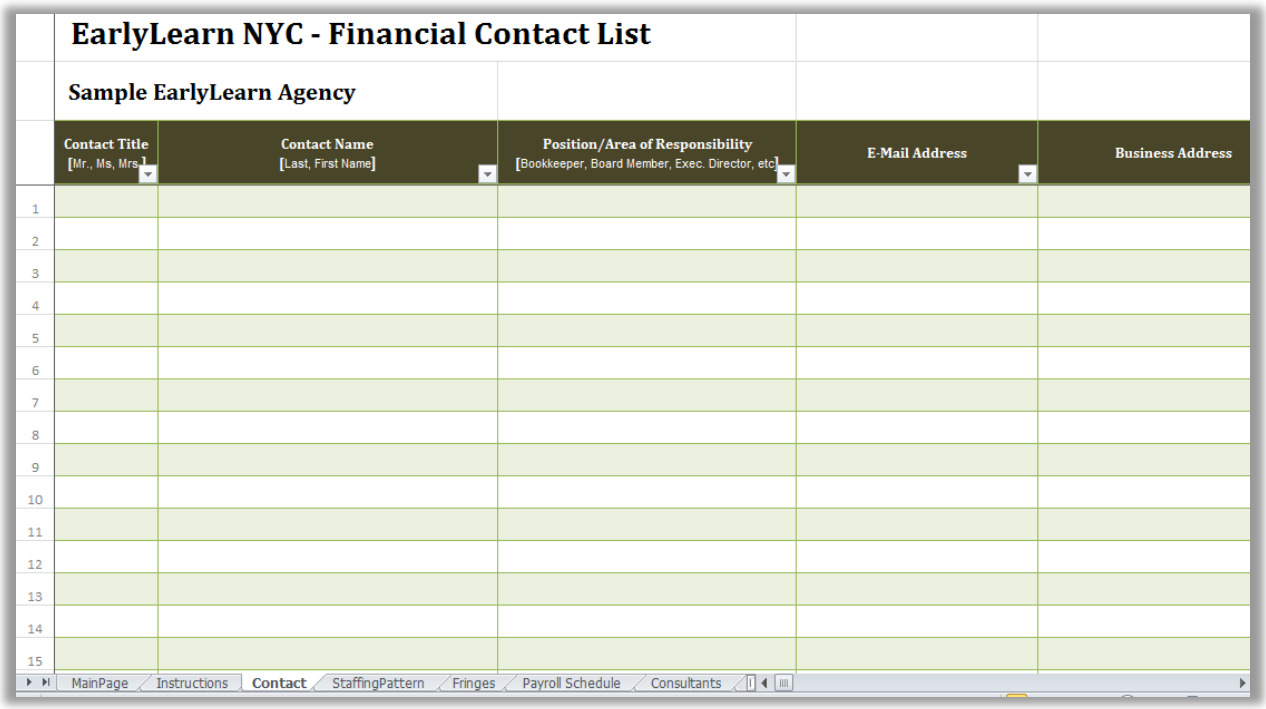
Agencies must allocate their costs to the appropriate ACS and non-ACS programs using a fair and accurate allocation methodology. The allocation methodology must be based on expense type, i.e.: square footage for space costs, full time equivalent (FTE) or working hours for personnel costs, etc. The method must be developed in accordance with generally acceptable accounting principles and applicable laws, regulations and policies.

2.8.3 APPENDIX III: EARLYLEARN CONTRACT SUPPORTING SCHEDULES

All providers are required to complete and upload the ACS-EL Supporting Schedules at the time of budget submission.

Access the template on the HHS Accelerator Provider Homepage.

EarlyLearn Financial Contact List



EarlyLearn NYC - Financial Contact List

Sample EarlyLearn Agency

	Contact Title [Mr., Ms, Mrs.]	Contact Name [Last, First Name]	Position/Area of Responsibility [Bookkeeper, Board Member, Exec. Director, etc]	E-Mail Address	Business Address
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

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EarlyLearn Staffing Listing

Sample EarlyLearn Agency

EarlyLearn Staffing Listing

Staffing Listing by Site with Title and Salary Allocation

EarlyLearn Budget Operational Period: July 2016 to June 2017

			EMPLOYEE NAME		DOB				TOTAL SALARY		
DOE SITE ID	SITE STND HRS	TITLE	LAST NAME	FIRST NAME	MM/DD/YY	UNION AFFILIATION	FTE	WEEKLY HOURS	ANNUAL AMOUNT	ADMIN %	PRGM %
FFF23	40	DIRECTOR/EDUCATION COORDINAT	LASTNAME	FIRSTNAME	01/01/50	Local 205	1	35	$55,000.00	10.0%	90.0%
1									$0.00	0.0%	0.0%
2									$0.00	0.0%	0.0%
3									$0.00	0.0%	0.0%
4									$0.00	0.0%	0.0%
5									$0.00	0.0%	0.0%
6									$0.00	0.0%	0.0%
7									$0.00	0.0%	0.0%
8									$0.00	0.0%	0.0%
9									$0.00	0.0%	0.0%
10									$0.00	0.0%	0.0%
11									$0.00	0.0%	0.0%
12									$0.00	0.0%	0.0%
13									$0.00	0.0%	0.0%
14									$0.00	0.0%	0.0%
15									$0.00	0.0%	0.0%
16									$0.00	0.0%	0.0%
17									$0.00	0.0%	0.0%
18									$0.00	0.0%	0.0%
19									$0.00	0.0%	0.0%
20									$0.00	0.0%	0.0%
21									$0.00	0.0%	0.0%
22									$0.00	0.0%	0.0%
23									$0.00	0.0%	0.0%
24									$0.00	0.0%	0.0%
25									$0.00	0.0%	0.0%

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EarlyLearn Schedule of Fringe Benefits

Sample EarlyLearn Agency

EarlyLearn Schedule of Fringe Benefits for FY17

Item	Annual Amount	Annual Percentage	
Sample Item	$30,000.00	3.00%	==>Percentage of your overall EL payroll
Employer's FICA		7.65%	
Unemployment Insurance (UIB Rate)			
Commuter Tax (MCTA)			
Workers Compensation			
Health Insurance			
Welfare Fund			
Pension			

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EarlyLearn Payroll Schedule

Sample EarlyLearn Agency

EarlyLearn Schedule of Consultants for FY17

Total Administrative:	$0.00
Total Programmatic:	$0.00
Total Consultant:	$0.00

	Name	Service	Rate	Total Amount	Function Area
	Sample	Psychology	contract	$6,000.00	Programmatic
1				$0.00	
2				$0.00	
3				$0.00	
4				$0.00	
5				$0.00	
6				$0.00	
7				$0.00	
8				$0.00	
9				$0.00	
10				$0.00	
11				$0.00	
12				$0.00	

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EarlyLearn Schedule of Consultants

EarlyLearn Agency Name: Sample EarlyLearn Agency

FY17 Payroll Schedule (July 2016 to June 2017)

Payroll Services Provider:

	Operating Month	Earned Period (Pay Period) [Enter a valid date from July 1, 2016, thru June 30, 2017]		Process Date	Pay Date [Check Date]	Accelerator Reporting Month
		From	To			
	Sample -July 2016	July 01 2016	July 15 2016	July 22 2016	July 25 2016	July 2016
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						

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2.8.4 APPENDIX IV: ATTESTATION

The Single Audit Act Amendments of 1996 state that non-Federal entities that expend $750,000 or more in a year in Federal awards must have either a single or a program-specific audit conducted for that year. The Circular's definitions of single and program-specific audits are the following: a single audit is an agency-wide audit that includes both the financial statements and the Federal awards; whereas the program-specific audit is an audit of one particular Federal program performed in accordance with program-specific guidelines.

Subrecipients that are not subject to the Single Audit are required to prepare Preventive schedules for final reconciliation of the fiscal year and to submit their financial statements to ACS. The additional requirements will serve to provide accurate information to complete a final closeout process for the fiscal year and comply with New York State monitoring requirements. Following is a sample of the attestation which must be completed on official letterhead.

Date: ----------
Assistant Commissioner, Audit
Administration for Children's Services/ Financial Services
150 William Street, 10thFl.
New York, NY 10038

Dear Assistant Commissioner,
As stated in the Instructions, by signing below, (organization name) attest that we have received less than $750,000 in Federal funds and, therefore, not required to perform a Single Audit. The schedules submitted have been audited and the required testing has been done to ensure that the expenditures are chargeable to the ACS contract(s):

CONTRACT NAME	CONTRACT NUMBER

CONTRACT NAME
CONTRACT NUMBER

_____ _____ _____
Signature Title Date

2.8.5 APPENDIX V: SAMPLE BUDGET NARRATIVE

Sample Budget Narrative for ABC Nonprofit Organization

A. Salary Total: $378,678

Direct Salaries: $344,000

- ***Program Director*** oversees the entire program spending 100% of his/her time hiring, supervising and training staff. This individual's annual salary is $65,000 and will be covered for 12 months of the budget period.

- ***Program Supervisor*** will spend 100% of his/her time providing supervision of the Counselors who provide direct services to the participants who are receiving job counseling and post-high school education coaching. This individual's annual salary is $51,000 and will be covered for 12 months of the budget period.

- ***Six Program Counselors*** provide direct services to the student clients with a caseload of 20 students at a time, per contract requirements. The average case will be open for no more than three months and the counselor will serve 80 clients per year. The average salary of each counselor is $38,000 for a total of $228,000 and will be covered for the 12-month budget period.

Admin Salaries: $34,678

Admin. Salaries: Salaries are directly charged and cost allocated to each direct program and will be covered for the 12-month budget period.

- ***Executive Director:*** The annual salary for this position is $95,000 and a 7% portion will be covered for 12 months of the contract, based on a time study or $6,650.

- ***Administrative Assistant:*** The annual salary for this position is $30,000 and a 6.4% portion will be covered for 12 months of the contract based on a time study or $1,920.

- ***Finance team:*** Salaries for the team are allocated based on the number of projected transactions for the year. 8.79% of the salaries will be charged to the contract. The Fiscal Director's annual salary is $75,000 with $6,593 charged to the contract. The Payroll Specialist's annual salary is $40,000 with $3,516 charged to the contract. Two Accounting Clerks have salaries of $30,000 each with $2,637 each charged to the contract.

- ***IT Specialist:*** This position is directly charged to the program with an allocated salary based on the number of employees in each program. The salary is $45,000 with $3,956 charged to the contract.

- ***HR Specialist:*** This position is directly charged to the program with an allocated salary based on the number of employees in each program. The salary is $55,000 with $4,835 charged to the contract.

- ***Custodian:*** This position is charged directly to the program with an allocated salary based on the square footage used by the program and a share of the square footage in the administrative area. The Custodian's salary is $22,000 with $1,934 charged to the contract.

B. Fringe Benefits Total: $198,248

The agency's overall fringe benefit rate is 40.84% with the program's rate at 40.97%.

Direct Fringe Benefits of $125,049 will be charged for the full twelve months.

- FICA + Medicare will be paid for all salaries: $344,000 x .0765 = $26,316
- Workers' Compensation Insurance will cost = $10,320
- Disability Insurance will cost = $5,779
- Unemployment cost is $390,744 x .059 = $23,054
- Retirement for full-time employees: $33,000 x .06 =$1,980
- Health Insurance cost for full-time employees assumes 50% single and 50% family with an average monthly premium of $600 x 8 x 12 = $57,600

Administrative Fringe Benefits of $73,199 will be charged for twelve months

- FICA + Medicare will be paid for all allocated salaries: $34,666 x .0765 = $2,652
- Workers' Compensation Insurance cost will be $34,666 x .03 = $1,040
- Disability Insurance will be $34,666 x .0168 = $582
- Unemployment will be $34,666 x .059 = $2,045
- Retirement for full-time employees: $34,666 x .06 =$2,080
- Health Insurance for full-time employees is estimated at 50% single and 50% family with an average monthly premium of $600 x 9 x 12 = $64,800

Staff Development Total: $6,400

- Each program employee attends one annual training conference per year with a cost of $800 per attendee or 8 x $800 = 6,400

Staff Travel Total: **$1,200**

- Travel and food for the annual conference is estimated at $150 per employee for train fare and daily meals. Meals are based on 75% of the Federal Meals and Incidentals Rate. 8 x $150 = $1,200.

Equipment Purchases Total: **$5,500**

- Funding is for one piece of specialized training equipment required to perform the work of the contract. This is a one-time purchase and will be made at the beginning of the year.

Client Transportation-Recipient Total: $7,920

- The program pays for each client to receive up to 6 public transportation trips on a MetroCard. 480 x 6 x $2.75 = $7,920

Medical Supplies and Expenses Total: $0

- Not applicable to this program

Facilities & Maintenance – Non Residential Total: $15,373

- Rent is allocated by the square footage used by the program in the agency's offices and allocated a percentage of administrative rent. Annual rent is $144,000.

    - Program 1's directly allocated rent is 7.27% of total space or $144,000 x .0727 = $10,470. Administration's portion of the rent is also allocated to Program 1. Program 1s administrative portion is 8.79% or $23,463 x .0879 = $2,062 for total rent of $12,532.
    - Heat Light and Power: is allocated in the same way as rent with annual allocated amount of $69.62 per month x 12 = $835.44.
    - Extermination: monthly contract of $150 is allocated based on direct square footage and administrative portion for $13.87 per month x 12 = $156.64.
    - Repair/Maintenance: costs are allocated based on square footage with administrative portion averaging $72.52 per month x 12 = $870.25.
    - Liability/Property Insurance is allocated based on square feet and administrative with annual cost of $268.95 paid annually.
    - Equipment Rental: Office copier/printer rental is allocated based on FTE in the program with administrative allocate for $58.30 x 12 = $699.62.

Room and Board- Residential Treatment N/A Total: $0

- Not applicable

Service Payments N/A Total: $0

- Not applicable

Other than Personnel Services Total: $16,814

- One program consultant charged directly to Program 1 based on an annual contract billed at an hourly rate up to contract maximum = $4,000.

    - ADP Payroll allocated based on number of employees with allocated administrative portion of $21.86 per payroll x 12 = $568.44 per year.
    - Internet charges based on number of employees with allocated administrative portion of $26.24 per month x 12 = $314.83 per year.
    - Telephone charges based on number of employees with allocated administrative portion of $113.69 per month = $1,364 per year.
    - Water rates based on number of employees with allocated administrative portion of $4.37 per month x 12 = $52.47 per year.
    - Office Supplies including binders, file folders, printer paper, toner, staples, etc. are allocated by employee at an average of $546.58 per month x 12 months = $6,558.91.

- Postage: Direct and allocated based on clients includes communications and fiscal reports etc. and allocated administrative portion $65.25 x 12 months =$783
- Cleaning Supplies are based on square footage with allocated administrative portion of $7.75 per month x 12 months = $93.
- Dues and Subscriptions specific to Program 1: Subscription for membership of organizations; one membership paid annually at $400 and one membership paid annually at $800 = $1,200.
- Audit: based on program size billed annually = $2,184.79.

C. Match N/A Total: $0

D. Indirect Costs N/A Total: $0

Grand Total: $630,133

E. Attachment of Policies and Procedures Manual, including Personnel and Purchasing policies.

2.8.6 APPENDIX VI: HHS ACCELERATOR DOCUMENT VAULT

A user who is restricted from a contract will have limited access in the document vault.

Document Vault

The document vault is a secure, web-based filing cabinet which allows ACS and its contractors to store and share documents. Standard file types such as .doc, .docx, .rtf, .xls, .xlsx, .ppt, .txt, .tif, .jpeg, and .pdf can be uploaded provided that the file size limit of 12 MB is not exceeded. Stored documents should be related to the fiscal management and development of contracts.

A user restricted from a contract will not be able to open a file if it is linked to a restricted contract and categorized as one of the Document Types below. However, if the document is linked both to the restricted contract and to a contract for which the user has full access, the user will be able to open the file from the Document Vault. Document Types that can be restricted from users include:

- Administrative Overhead Documentation
- Banking Documentation
- Consultant Agreement
- Cost Allocation Plan
- Debt Service Documentation
- Direct Deposit/Electronic Funds Transfer (EFT) Vendor Payment Enrollment Form
- Financial Disclosure Forms
- Fringe Benefits Justification
- Indirect Rate Justification
- Paystubs
- Program Income Documentation
- Real Estate Tax Documentation
- Recoupment Justification Documentation
- Subcontractor Agreement

ACS will provide the budget template and other documents which can be located in the HHS Accelerator Document Vault.

Click on the link below to access the NYC HHS ACCELERATOR guide:
http://www.nyc.gov/html/hhsaccelerator/downloads/pdf/Introduction%20to%20the%20Document%20Vault.pdf

Please see page 20 for instructions on how to access the templates shared by ACS with your organization.

Key Documents to Maintain in your Document Vault
The following are examples of documents that may prove useful to store in your document vault. Document names followed by an asterisk (*) are required by the HHS Accelerator application process:

Corporate Structure Documents

- Annual Report
- Board list (including officers and length of term)*
- Certificate of Incorporation*
- Certificate of Occupancy or Place of Assembly Permit
- Chief Executive Officer resume, or equivalent*
- Corporate By-Laws*
- IRS Determination Letter*
- Lease or Rental Agreement
- Organizational Chart*
- Reference Letters
- W9

Financial Documents

- OMB Single Audit Report*
- Board Approved Organization Budget
- CHAR500 – Annual Filing for Charitable Organizations*
- Independent Audit or Certified Public Accountant (CPA) Review Report*
- IRS Form 990

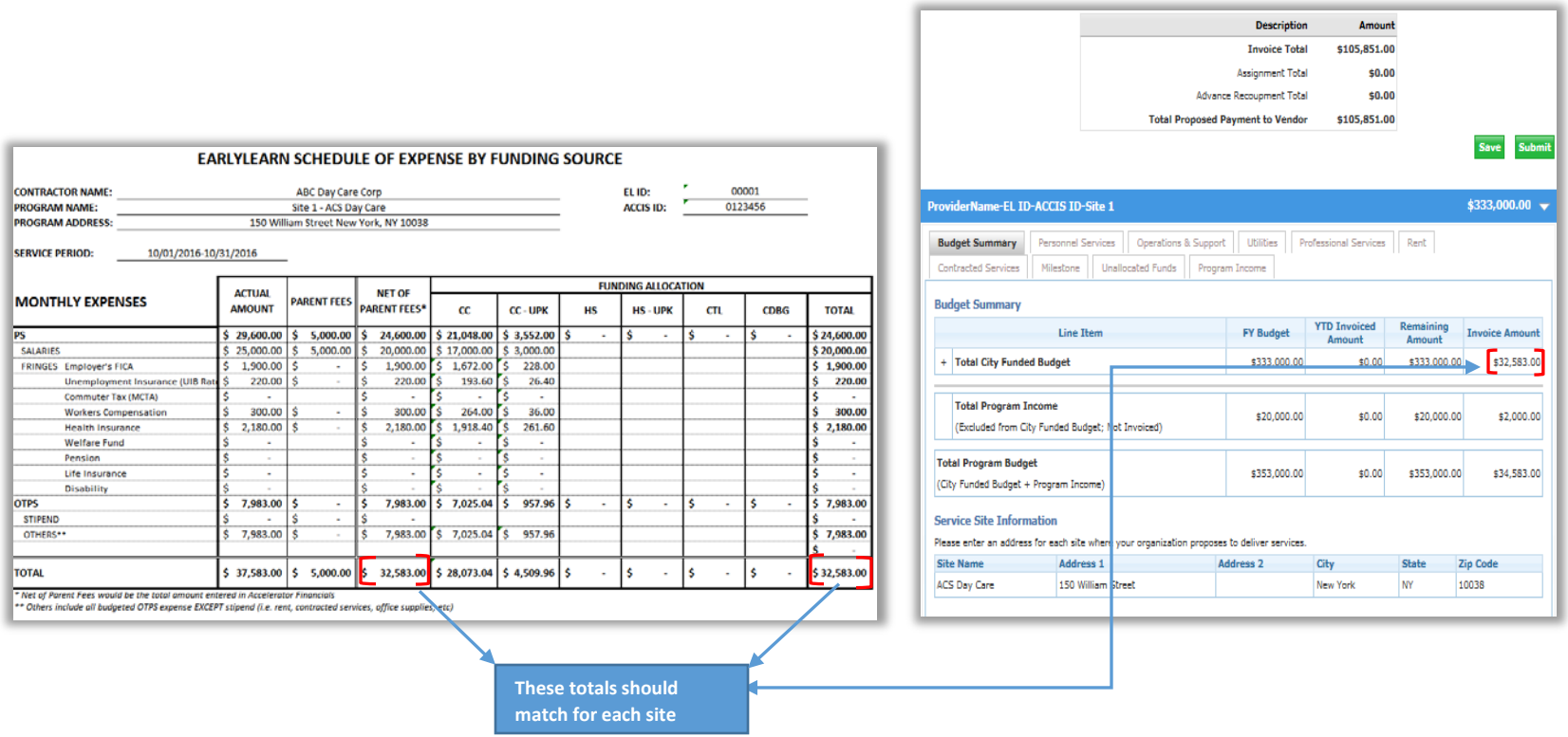
Policy Documents

- Fiscal Manual
- Policies and Procedures Manual
- Human Resources or Personnel Policies Manual

2.8.7 APPENDIX VII: EARLYLEARN SCHEDULE OF EXPENSE BY FUNDING SOURCE – SITE LEVEL

All EarlyLearn contractors are required to complete and attach the ACS-EarlyLearn Schedule of Expense by Funding Source **for each site** when submitting the monthly invoice. This form is a generic template which summarizes the expenses funded by the EarlyLearn contract and Parent Fees for each site. Access the form through the HHS Accelerator Document Vault and complete accordingly.

C**omplete the site tabs based on the number of budget in AF and the summary will be calculated automatically.** If your contract has budgets for 5 sites 5 site tabs must be completed.



EARLYLEARN SCHEDULE OF EXPENSE BY FUNDING SOURCE

CONTRACTOR NAME: ABC Day Care Corp
PROGRAM NAME: Site 1 - ACS Day Care
PROGRAM ADDRESS: 150 William Street New York, NY 10038
EL ID: 00001
ACCIS ID: 0123456
SERVICE PERIOD: 10/01/2016-10/31/2016

MONTHLY EXPENSES	ACTUAL AMOUNT	PARENT FEES	NET OF PARENT FEES*	FUNDING ALLOCATION						
				CC	CC - UPK	HS	HS - UPK	CTL	CDBG	TOTAL
PS	$ 29,600.00	$ 5,000.00	$ 24,600.00	$ 21,048.00	$ 3,552.00	$ -	$ -	$ -	$ -	$ 24,600.00
SALARIES	$ 25,000.00	$ 5,000.00	$ 20,000.00	$ 17,000.00	$ 3,000.00					$ 20,000.00
FRINGES Employer's FICA	$ 1,900.00	$ -	$ 1,900.00	$ 1,672.00	$ 228.00					$ 1,900.00
Unemployment Insurance (UIB Rat	$ 220.00	$ -	$ 220.00	$ 193.60	$ 26.40					$ 220.00
Commuter Tax (MCTA)	$ -		$ -	$ -	$ -					$ -
Workers Compensation	$ 300.00	$ -	$ 300.00	$ 264.00	$ 36.00					$ 300.00
Health Insurance	$ 2,180.00	$ -	$ 2,180.00	$ 1,918.40	$ 261.60					$ 2,180.00
Welfare Fund	$ -		$ -	$ -	$ -					$ -
Pension	$ -		$ -	$ -	$ -					$ -
Life Insurance	$ -		$ -	$ -	$ -					$ -
Disability	$ -		$ -	$ -	$ -					$ -
OTPS	$ 7,983.00	$ -	$ 7,983.00	$ 7,025.04	$ 957.96	$ -	$ -	$ -	$ -	$ 7,983.00
STIPEND	$ -	$ -	$ -							$ -
OTHERS**	$ 7,983.00	$ -	$ 7,983.00	$ 7,025.04	$ 957.96					$ 7,983.00
										$ -
TOTAL	$ 37,583.00	$ 5,000.00	$ 32,583.00	$ 28,073.04	$ 4,509.96	$ -	$ -	$ -	$ -	$ 32,583.00

* Net of Parent Fees would be the total amount entered in Accelerator Financials
** Others include all budgeted OTPS expense EXCEPT stipend (i.e. rent, contracted services, office supplies, etc)

Description	Amount
Invoice Total	$105,851.00
Assignment Total	$0.00
Advance Recoupment Total	$0.00
Total Proposed Payment to Vendor	$105,851.00

Save Submit

ProviderName-EL ID-ACCIS ID-Site 1 $333,000.00

Budget Summary | Personnel Services | Operations & Support | Utilities | Professional Services | Rent | Contracted Services | Milestone | Unallocated Funds | Program Income

Budget Summary

Line Item	FY Budget	YTD Invoiced Amount	Remaining Amount	Invoice Amount
+ Total City Funded Budget	$333,000.00	$0.00	$333,000.00	$32,583.00
Total Program Income (Excluded from City Funded Budget; Not Invoiced)	$20,000.00	$0.00	$20,000.00	$2,000.00
Total Program Budget (City Funded Budget + Program Income)	$353,000.00	$0.00	$353,000.00	$34,583.00

Service Site Information

Please enter an address for each site where your organization proposes to deliver services.

Site Name	Address 1	Address 2	City	State	Zip Code
ACS Day Care	150 William Street		New York	NY	10038

2.8.8 APPENDIX VIII: EARLYLEARN SCHEDULE OF EXPENSE BY FUNDING SOURCE – SUMMARY

The Summary automatically calculates the data entered in the Site tabs. Follow the instructions indicated on the template. This form **must be dated and signed by an authorized individual,** including printed name and title, e.g. Chief Financial Officer, Controller, Finance Director, etc. This form must be submitted in PDF Format.

Contractors may access the form through the HHS Accelerator Document Vault and complete accordingly.

EARLYLEARN SCHEDULE OF EXPENSE BY FUNDING SOURCE
SUMMARY

CONTRACTOR NAME ABC Day Care Corp **EL ID:** 00001

SERVICE PERIOD: 10/01/2016-10/31/2016

MONTHLY EXPENSES		ACTUAL AMOUNT	PARENT FEES	NET OF PARENT FEES	FUNDING ALLOCATION						
					CC	CC - UPK	HS	HS - UPK	CTL	CDBG	TOTAL
PS		$29,600.00	$ 5,000.00	$ 24,600.00	$ 21,048.00	$3,552.00	$ -	$ -	$ -	$ -	$ 24,600.00
SALARIES		$25,000.00	$ 5,000.00	$ 20,000.00	$ 17,000.00	$3,000.00					$ 20,000.00
FRINGES	Employer's FICA	$ 1,900.00	$ -	$ 1,900.00	$ 1,672.00	$ 228.00					$ 1,900.00
	Unemployment Insurance (UIB Rate	$ 220.00	$ -	$ 220.00	$ 193.60	$ 26.40					$ 220.00
	Commuter Tax (MCTA)	$ -		$ -	$ -	$ -					$ -
	Workers Compensation	$ 300.00	$ -	$ 300.00	$ 264.00	$ 36.00					$ 300.00
	Health Insurance	$ 2,180.00	$ -	$ 2,180.00	$ 1,918.40	$ 261.60					$ 2,180.00
	Welfare Fund	$ -		$ -	$ -	$ -					$ -
	Pension	$ -		$ -	$ -	$ -					$ -
	Life Insurance	$ -		$ -	$ -	$ -					$ -
	Disability	$ -		$ -	$ -	$ -					$ -
OTPS		$ 7,983.00	$ -	$ 7,983.00	$ 7,025.04	$ 957.96	$ -	$ -	$ -	$ -	$ 7,983.00
STIPEND		$ -	$ -	$ -							$ -
OTHERS		$ 7,983.00	$ -	$ 7,983.00	$ 7,025.04	$ 957.96					$ 7,983.00
											$ -
TOTAL		$37,583.00	$ 5,000.00	$ 32,583.00	$ 28,073.04	$4,509.96	$ -	$ -	$ -	$ -	$ 32,583.00

** Net of Parent Fees would be the total amount entered in Accelerator Financials*
*** Others include all budgeted OTPS expense EXCEPT stipend (i.e. rent, contracted services, office supplies, etc)*

We hereby certify that the Board of Directors and/or Principals of this organization have reviewed and approved the financial information presented in this document.

Approved By: _____ _____
Name and Position **Date**

Page 1

2.8.9 APPENDIX IX: LINE ITEM EXPENSE TEMPLATE

All contractors are required to complete the EarlyLearn Line Item Expense Template for quarterly submission with invoices in HHS Accelerator.

October 2016

FUNDING DISTRIBUTION (YTD BALANCE)	$888,750.24	$15,176.25	$56,001.60	$5,753.63	$965,681.72	$353,078.70	$34,899.10	$431,948.84	$145,755.08	$0.00	$0
BUDGET CATEGORIES	**BASE BUDGET**	**WAGE ADJUSTMENT**	**UPK ENHANCEMENT**	**HS COLA**	**TOTAL BUDGET**	**CHILD CARE**	**CHILD CARE UPK**	**HEAD START**	**HEAD START UPK**	**CITY FUNDS (Head Start)**	**COMM DEVELO**
INSTRUCTIONAL STAFF	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
SUPPORT STAFF	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
FICA	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
UNEMPLOYMENT INSURANCE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
PENSION	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
WELFARE FUND	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
HEALTH INSURANCE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
WORKERS COMP (NYC ADMINISTERED)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
SUBSTITUTE STAFF	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TOTAL PS & FRINGE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
RENT	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TAXES	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
WATER/SEWER	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
LICENSING & PERMITS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
INSURANCE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
CUSTODIAL SERVICES	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
ALARM	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
MAINTENANCE & REPAIR	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
UTILITIES	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TELECOMMUNICATIONS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TOTAL FACILITY	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
FAMILY CHILD CARE STIPEND	$0.00	$0.00			$0.00	$0.00					
INSTRUCTIONAL MATERIALS/SUPPLIES	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
OFFICE / JANITORIAL SUPPLIES	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
OFFICE EQUIPMENT / FURNITURE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
INSTRUCTIONAL EQUIPMENT / FURNITURE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
POSTAGE	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
ADVERTISING	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
INSTRUCTIONAL FIELD TRIPS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TRAINING / STAFF DEVELOPMENT	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
TRANSPORTATION	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
FOOD (CACFP ONLY)					$0.00						

2.8.10 APPENDIX X: HHS ACCELERATOR FINANCIALS QUICK GUIDE

Please refer to the Quick Guide below to manage Financial Tasks.

NYC HHS Accelerator

Quick Guide to Timing Financial Tasks

System controls ensure that Agencies and providers are able to work from an accurate and approved Contract Budget.

When ...	Can I ....?					
	Initiate an Advance	Submit an Invoice	Initiate a Budget Modification	Initiate a Contract Configuration Update	Initiate a Positive Amendment	Initiate a Negative Amendment
Unregistered Contract	No	No	No	Yes*	No	No
Invoice Pending	Yes	Yes	No	No	Yes	No
Payment Pending Approval	Yes	Yes	No	No	Yes	No
Budget Modification Pending	Yes	No	No	No	Yes	No
Contract Configuration Update Pending	Yes	No	No	No	Yes	No
Positive Amendment Pending	Yes	Yes	Yes	Yes	Yes	Yes
Negative Amendment Pending	No	No	No	No	Yes	Yes

*Contract Budget for the Fiscal Year must be in "Approved" or "Active" status

Policies & Procedures - Part 3

EarlyLearn NYC Fiscal Manual

ACS Division of Financial Services

Version 3-1

Date of Issue: July, 2018

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Administration for Children's Services

SECTION 3.1 INTRODUCTION

3.1.1 INTRODUCTION

On September 28, 2016, the Non-profit Resiliency Committee (NRC) was launched by Mayor Bill de Blasio to offer opportunities for collaboration and to expand lines of communication between the City and nonprofit human service sector. Effective FY 18, the standard human service contract and standard performance contract has been revised by the NRC to streamline and clarify provisions, align language with other guidance and regulations (e.g., Federal, State) and respond to feedback from non-profit providers. Discretionary contracts have also been revised. All City providers must comply with applicable law, including the Charter of the City of New York (Charter), the rules and regulations of the Procurement Policy Board (PPB) and the Comptroller's Directives. All Agency transactions are subject to audit by the Office of the Comptroller.

Part 3 - EarlyLearn (EL) Fiscal Manual is a set of policies and procedures which applies to all organizations under EL contracts with the City of New York, Board Members, management and financial staff in the areas of Financial Reporting, Budgeting, Cost Allocating, Payment, Audit and Accounting. The objective of this section is to foster documentation of internal controls in policy and procedure manuals by EarlyLearn contractors and to ensure compliance with all applicable Federal, State and City regulations.

Where specific requirements pertain to Head Start Agencies, i.e., those agencies receiving Head Start funds and operating Head Start programs, these requirements are defined under a Head Start caption. The same methodology applies to agencies funded for Child Care (CC) or Pre-K for All (Pre-K). Where there is no specific definition in the caption, the requirement governs EarlyLearn contracts in general.

The Office of Head Start (OHS) issued a comprehensive revision of the Head Start Program Performance Standards (HSPPS) effective November 7, 2016. All applicable financial and administrative requirements have been updated to conform to the latest revision of the HSPPS.

Throughout this section, and in keeping with consistent terminology, "G*rantee*" is used to refer to the Administration for Children's Services (ACS) as the recipient of the Federal award. "*Subrecipient*" refers to the Agency that receives a sub-award from ACS to carry out part of a Federal program.

Administration for Children's Services

SECTION 3.2 ACCOUNTING OPERATIONS

3.2.1 FISCAL OPERATIONS

All EarlyLearn contractors must implement measures to ensure that their fiscal operations reflect the following:

- Conformance with all applicable City, State and Federal statutes, regulations, and policies;
- Written financial policies and procedures are created and followed;
- Maintenance of an automated accounting and record-keeping system adequate for effective oversight; and
- Conformance with staff qualifications and competency requirements, as outlined below:

HS Performance Standards: §1302.91 Staff qualifications and competency requirements:

Head Start directors hired after November 7, 2016, must have, at a minimum, a baccalaureate degree and experience in supervision of staff, fiscal management, and administration.

Fiscal officer. A program must assess staffing needs in consideration of the fiscal complexity of the organization and applicable financial management requirements and secure the regularly scheduled or ongoing services of a fiscal officer with sufficient education and experience to meet their needs. A program must ensure a fiscal officer hired after November 7, 2016, is a certified public accountant or has, at a minimum, a baccalaureate degree in accounting, business, fiscal management, or a related field.

3.2.2 EARLYLEARN ACCRUAL ACCOUNTING

All subrecipients must follow the accrual basis of accounting.

3.2.3 BANK ACCOUNTS FOR EARLYLEARN SUBRECIPIENTS

EarlyLearn contractors must establish and maintain bank accounts in a New York Charter Bank located in New York City and/or a bank authorized to do business in New York State which must be used solely in connection with funds received from the grantee. Each EL subrecipient should establish one bank account to receive all payments from the grantee. A waiver of this requirement can be requested in writing to the grantee and the waiver must be approved by the grantee. If approved, the subrecipient may use a general bank account or a set of accounts for deposits and disbursements.

Bank Reconciliation

Bank reconciliation of all accounts must be prepared on a monthly basis, reviewed and approved by the appropriate staff and kept on file for examination by the grantee, when requested.

3.2.4 ALLOWABLE COST

Allowable costs shall be determined in accordance with the applicable cost principles. In general, EarlyLearn contractors, including CDBG sub-recipients, must be guided by 2 CFR Part 200. However, All Head Start Agencies are governed by 45 CFR Part §75.

Prior Written Approval
In order to avoid subsequent disallowance or dispute, based on costs not being reasonable or allocable, the subrecipient may seek prior written approval for indirect costs in advance of incurring special or unusual costs.

3.2.5 LIMITATION ON ALLOWANCE OF COSTS

The Head Start grant may be subject to statutory requirements that limit allowable costs. When the maximum amount allowable under a limitation is less than the total amount determined in accordance with the principles, the unrecoverable amount under the grant may not be charged to the grant.

3.2.6 DISALLOWED COSTS

Any cost found by the grantee to be improperly incurred by the subrecipient shall not be subject to reimbursement.

Common Reasons for Disallowing Costs:

- Purchase disallowed under Federal, State or City laws and regulations;
- Lack of documentation;
- Credit not handled correctly;
- Non-compliance with procurement requirements;
- Improper dispersal of Cost of Living Adjustments (COLA);
- Claiming a cost as both direct and indirect;
- Charging a federal grant differently than other funds;
- Failure to retain on file or update a written cost allocation plan and/or indirect/direct plan
- Improper allocation of costs;
- Year-end spending issues;
- Lack of formal system for recording obligations;
- Liquidation of Head Start liabilities more than 90 days after the grant year ends;
- Fees and penalties; and
- Bonus payments

3.2.7 HEAD START REPORTING REQUIREMENTS

All HS Agencies must establish and maintain efficient and effective reporting systems that generate official reports for Federal, State, and local authorities, as required by applicable law.

HS Act: 642(d) (2) (A)-(1) - Each Agency must ensure the sharing of accurate and regular information for use by the Governing Body and the Policy Committee about program planning, policies, and Agency operations.

HS Act: 642(c) (1) (E)-(IV) (IV) - The Governing Body is responsible for establishing procedures and guidelines for accessing and collecting information in reports received by the

Governing Body/Policy Committee. Listed below are the required monthly, quarterly and annual reports for Head Start:

Monthly: SEC.642 (d) (2) (A)-(D)

- Monthly financial statements, including credit card expenditures
- Monthly variance reports showing budget versus actual
- Monthly program information summaries
- Program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency
- Monthly reports meals and snacks provided through USDA programs

Quarterly: IRS 941 1304.51(H) (2)

Annually: SEC.642 (d) (2) (E)-(G) (1)

- Single Audit, if expenses exceed $750,000
- The annual self-assessment, including any findings related to such assessment
- The community-wide strategic planning and needs assessment of the Head Start Agency, including any applicable updates
- The program information reports

Reporting to HHS Agencies and the IRS
Annually:

- Single Audit
- Compliance Supplement; HS Act Sec. 647(c)(2)
- Annual Report to the Public HS Act Sec. 644(a)(2)(A)-(H)
- IRS 5500 1304.51(h)(2)
- IRS 990 (for non-profits) 1304.51(h)(2)

3.2.8 MONTH END CLOSING

All Head Start subrecipients are required to have financial management systems that provide timely, current and complete disclosure of financial information. Regulations related to Head Start financial management can be found in 45 CFR §75.302. CDBG agencies must prepare month-end closing in keeping with the requirements of §200.302.

3.2.9 RECONCILIATION

<u>EarlyLearn Contracts</u>

Section 4.07 Recoupment of Disallowances, Improperly Incurred Costs and Overpayments.

The Department (The Grantee) may, at its option, either require the Contractor (EarlyLearn Contractor) to reimburse the Department or withhold for the purposes of set-off, any monies due to Contractor under this Agreement up to the amount of any disallowance or improperly incurred costs resulting from any audits of Contractor, and/or the amount of any overpayment to Contractor with regard to this Agreement or to any other agreement between the parties hereto, including any agreement(s) that commenced prior to the commencement date of this Agreement. Prior to the imposition of withholding for the purposes of set-off, the Department will provide the Contractor with an opportunity to be heard upon at least (10) days prior written notice.

Section 4.07 Failure to Spend Funds.

In the event that Contractor fails to spend funds for any part of the Budget within the time indicated therein (i.e. the fiscal year unless otherwise indicated) or at the level of expenditures indicated therein, the Department reserves the right, in its discretion, to recoup any funds advanced and not spent. If Contractor fails to spend funds in the Budget, the Department reserves the discretion to reduce the Budget going forward to account for the expected future level of expenditures. Interest paid is not an allowable expense and must be paid with non-restricted, non-EarlyLearn funds.

Administration for Children's Services

SECTION 3.3 CHILD & FAMILY WELL BEING

Child & Family Well Being (CFWB) Program Description

3.3.1 CHILD CARE

Child Care subsidized services are funded by several Federal, State and local resources. Each funding stream has eligibility requirements for the differing types of care. The grantee is the recipient of the Child Development Block Grant (CDBG) and the New York City allocation of the Federal Child Care Development Block Grant (CCDBG), and governs the eligibility requirements for subsidized child care.

Eligible children are between six (6) weeks and thirteen (13) years of age (18 years if the child has a documented special need). Contracted center-based care is for children between the ages of 6 weeks and up to four (4) years of age (kindergarten eligible). Contracted Family Child Care is for children between the ages of six (6) weeks and up to four (4) years of age (Pre-K eligibility). Additionally, children must meet one or more of the following criteria:

- Family income below 100% of Federal Poverty Level (FPL);
- Receiving Temporary Assistance for Needy Families (TANF) or Social Security Income (SSI); and
- The child is in foster care, is receiving preventive services or under protective services.

Child Care Centers

EarlyLearn Child Care programs are offered in two types of settings:

- Center-based care is available for children from six-weeks through four-years-old; and
- Home-based care is available for children from six-weeks through four-years-old through Family Child Care Networks (FCCN).

3.3.2 PRE-K FOR ALL (Pre-K)

Pre-K for All is a free educational program available through the Department of Education. A child is eligible for Pre-K if he or she resides in New York City, and will be 4 years old by December 31st of the school year. Programs are offered as either half day or full day in local elementary schools and community-based sites. Funding is integrated into the EarlyLearn NYC contract and many of the grantee-funded Child Care centers include Pre-K, funded at half day. To support full day expansion starting City Fiscal Year 2015, the grantee provided additional Pre-K funding known as “Enhancement” to the base EarlyLearn contract funds. For further guidance, please refer to presentations from August 24, 2015 and October 1, 2014 along with FAQs on the EarlyLearn website: **http://www1.nyc.gov/site/acs/early-care/early-learn-nyc-finance-documents.page**

3.3.3 HEADSTART

In order to be eligible for Head Start services, a child shall be either 3 or 4 years of age and shall meet one or more of the following criteria:

- Family income below 100% of Federal Poverty Level (FPL);
- Receiving Temporary Assistance for Needy Families (TANF) or Social Security Income (SSI); and
- Homeless (as defined by the McKinney-Vento Act).

In addition to families meeting one of the above listed eligibility criteria, programs with Head Start funding may serve families with incomes **above** 100% of FPL, up to maximum of 10% of their funded enrollment. Each program is allowed to serve 10% of their program's enrollment above the poverty level, as per Head Start Performance Standard § 1305.4.

After priority is given to those meeting the above criteria, and in addition to the 10% over-income, programs with Head Start funding may also serve a limited number of families with incomes between 100% and 130% of FPL (up to a maximum of 35%). Head Start enrollment should include 10% of children with disabilities.

3.3.4 EARLY HEAD START

Early Head Start is a year-round program that provides services for pregnant women and for children from birth through age three and their families. Early Head Start children and their families receive:

- High-quality early childhood education in a warm and nurturing relationship-based environment
- Parent education and engagement
- Health and mental health services or referrals , including prenatal education
- Nutrition education
- Family support services

3.3.5 DUAL PROGRAMS

Dual programs serve children who are eligible for both Child Care and Head Start services. In order to be eligible for a dual slot, a child must meet the Head Start age and income requirements:

- Children must be pre-school age (3 years or 4 years);
- Family income below 100% of FPL; and
- Recipient of cash assistance through TANF.

SECTION 3.4 MATCHING OR COST SHARING

3.4.1 HEAD START

Head Start is a federally funded and community-supported program. Through matching or cost sharing (Non-Federal Share), the federal government awards community organizations 80 percent of the cost of the program and expects the subrecipient to fund 20 percent from cash or in-kind donations. Federal regulations guide all grant expenses, including non-federal share match. Costs must be reasonable, necessary, allowable, and allocable and meet the cost principles. Non-Federal Share is calculated at 20 percent of the total grantee budget (i.e. Federal funds plus Non-Federal Share), which is the same as 25 percent of the Federal funds.

Example of Calculation of Non-Federal Share with total funding of $1,250,000:-

Non-Federal Share:	$250,000	= 20% of $1,250,000
Federal Grant:	$1,000,000	= 80%
Total Funding:	$1,250,000	= 100%

Non-Federal Share = 20% of total funding, i.e. (20% of $1,250,000).

OR

25% of Federal funds, i.e. (25% of $1,000,000) –
For every $1 spent of Federal funds, there must be a $.25 Non-Federal match.

For buildings with Federal Interest, it is not allowable to charge the difference between rent paid and the appraisal value as Non-Federal Share in-kind. For Head Start sites, if the appraisal value includes renovations paid for with Federal funds, there can be no charge for Non-Federal Share in-kind, due to the use of Federal funds. This would be interpreted as charging the same cost against Head Start twice – once, to renovate with Federal funds, and again for Non-Federal Share.

Budget

The Head Start grant application must include proposed budgets for federal and non-federal funds.

3.4.2 PARENT FEES

Child Care

Families with children enrolled in EarlyLearn are required to pay a weekly parent fee with regard to the daily attendance of the child. All families in receipt of child care or a dually eligible child care slot (infant/toddler or pre-school) are required to pay the weekly parent fees, with the exception of families who are homeless, or in receipt of Public Assistance or Protective Services, as determined by the HRA or ACS.

Child Care parent fees are required by CCDBG and are not classified as unrestricted income. These fees must cover the cost of the Child Care program.

i. Parent/Caretaker Fees

The NYC ACS sets a weekly fee for Child Care services (Center-based and FCC Network providers) in accordance with New York State regulations. The grantee also advises the contractor of the fee the parent/caretaker must be charged for each enrolled family.

The contractor must collect parent/caretakers fees weekly in advance for children whose program eligibility requires parent contributions. Contractors are required to have a parent/caretaker fee collection policy. This policy must be shared with all fee paying parents/caretakers. Parent/caretaker fees are billed and collected in advance of service. It is the responsibility of the parent/caretaker to pay the fee and the contractor to collect the fee. The fee is revenue which is essential to the operation of the contractor's program(s). Parent Fees are a separate funding source and must be tracked separately.

ii. Private Pay

ACS encourages the integration of fee paying children with EL Head Start or Child Care-subsidized children. Fee paying families would have a different fee schedule from the one the -subsidized children are contracted for. Note that the separation of children by income is discouraged.

3.4.3 PRE-K FOR ALL

Programs are offered as either half day or full day in local elementary schools and community-based sites. Many of the funded child care centers include Pre-K. Pre-K is free but the wrap-around hours associated with the Child Care program still requires a fee.

In-Kind Contributions:

Only private funding may be viewed as the source of "in-kind" contributions. In-kind contributions are not subject to cost allocation principles, as long as the Pre-K program is not charged more than it would have been charged under an appropriate cost allocation methodology.

3.4.4 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Community Development Block Grant program funds are used by sub-recipients of the grantee as an allowable cost for Child Care. Services must comply with the CDBG national objective pertaining to limited clientele income requirement so that at least 51 percent of enrollees are from low and moderate income households. Not less than 70 percent of CDBG funds must be used for activities that benefit low-and moderate-income persons. In addition, each activity must meet one of the following national objectives for the program: benefit low-and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

3.4.5 CHILD AND ADULT CARE FOOD PROGRAM (CACFP)

i. Child Care Centers - CACFP

Eligible public or private nonprofit centers, outside-school-hours care centers, Head Start programs, and other institutions which are licensed or approved to provide day care services must participate in CACFP. For-profit programs (or contractors with for- profit centers under their administration), receive subsidized tuition payments for child care services or are eligible for free and reduced meal reimbursement from CACFP if meals were served in months with twenty five

percent (25%) of enrolled children, or twenty five percent (25%) of the licensed capacity (whichever is less). Meals served to children are reimbursed at rates based upon a child's eligibility for free, reduced price, or paid meals. The EarlyLearn program requires all contractors to maintain a CACFP agreement which covers food costs paid for by CACFP.

ii. Family Child Care Homes – CACFP

If the contractor has a Family Child Care Network ("FCC Network"), the contractor serves as the administrator of CACFP for its family child care or group child care home providers ["FCC Network provider(s)"] and is responsible for ensuring FCC Network providers are participants in CACFP. Reimbursement for meals served in child care homes is based upon eligibility for tier I rates (which targets higher levels of reimbursement to low-income areas, providers, or children) or lower tier II rates.

iii Pre-K for All - CACFP

Note: If the food for Pre-K students is paid for by any other State, Federal, or City program, food related costs are not allowable. Food related costs not covered by such programs may be allowable. Pre-K Contractors are strongly encouraged to take full advantage of funding available from the CACFP operated by the NYS Department of Health. Subject to the above, food and salary costs associated with the provision of one daily snack/meal of adequate nutritive quality may be allowable.

In addition to following CACFP standards, contractors are required to follow the New York City Food Standards for all meals served. Pre-K programs that operate fewer than three hours must provide a nutritional snack. Full day Pre-K contractors must provide at least a lunch and snack to ensure that the nutritional needs of the children are met. Food preparation staff costs must be reasonable when compared to length of time the students are at the site and the number of students being fed. If Pre-K staff are required to eat with the Pre-K students, the cost of food for staff may also be allowable.

3.4.6 FUND-RAISING

Costs of organized fund-raising for capital or obtaining contributions are unallowable. Fund raising for the purposes of meeting program objectives are allowable with prior written approval from the grantee. Fund raising activities must be conducted after normal business hours and on week-ends and staff must volunteer to participate.

Administration for Children's Services

SECTION 3.5 ALLOCATING COSTS

3.5.1 ALLOCATING COSTS BY FUNDING STREAM

i. EarlyLearn

A Cost Allocation Plan (CAP) is a written account of the methodology used by the EarlyLearn contractor to allocate program costs among its various funding sources. A CAP is required based on contractual agreement with the grantee and in accordance with federal regulations. EarlyLearn agencies shall accurately and equitably allocate costs which are attributable to the operation of two or more programs or which are attributable to two or more funding sources. The goal is to ensure that each program bears its fair share of the total cost of any item. The requirement to allocate the costs of shared resources can be met by using logical and rational methods. Generally, the methods used to allocate a shared cost should be the simplest, most straightforward way of allocating this type of cost fairly.

ii. Braided Funding

Funds from two or more funding sources are coordinated to support the total cost of services to individual children, but revenues are allocated and expenditures tracked by funding source. In braiding, cost allocation methods are required to assure that there is no duplicate funding of service costs and that each funding source is charged its fair share of program and administrative costs.

iii. Space Allocation

The following requirements should be considered when allocating space at EarlyLearn Facilities:

- Use floor plans, blueprints or measurements;
- Assign square footage to individual programs to the extent possible;
- Calculate percentages of shared use from assigned square footage;
- Apply percentages of shared use to square footage which can't be assigned to individual program (common areas);
- Make sure all space is accounted for; and
- Factor in amount of time used to equitably apportion shared space.

iv. Pre-K for All

Pre-K for All funds cannot be used to cover non Pre-K related expenses. Therefore, contractors receiving funds from any public agency or private source to operate a program/programs in addition to the Pre-K for All, have a continuing obligation under the terms of the Agreement to establish a cost allocation methodology and to allocate costs across programs, where applicable.

3.5.2 ALLOCATING BETWEEN PROGRAM AND ADMINISTRATIVE COSTS

The process of allocating between direct and indirect costs refers to the distribution of costs between direct/program and indirect/administrative funds which, taken together, equal the total cost of the program.

3.5.3 DIRECT AND INDIRECT COSTS

Head Start regulations for determining direct and indirect costs charged to Federal awards are provided in CFR §75.413 and §75.414.

Direct Costs

Direct Costs are those costs that can be identified specifically with a particular final cost objective, such as Head Start, Child Care, Pre-K and CACFP or other internally or externally funded activities, or that can be assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (Facilities & Administration) costs.

Application to Head Start Agencies

Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (Facilities & Administrative) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. Certain costs that would otherwise be treated as indirect costs if directly related to a specific award may also include extraordinary utility consumption, the cost of materials supplied from stock, or services rendered by specialized facilities or other institutional service operations.

Classification of Indirect (F&A) Costs

Indirect (F&A) costs for nonprofit organizations must be classified within two broad categories:

(a) "Facilities" is defined as depreciation on buildings, equipment, and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.

(b) "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel, and all other types of expenditures not listed specifically less than one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable).

3.5.4 INDIRECT COST RATE

An Indirect Cost Rate may be limited to the Administrative Cost Limitations according to regulations for each funding stream. E.g. 15% for Head Start. Grantees are not required to obtain a negotiated indirect cost rate. Those who have never had a negotiated indirect cost rate have three options for dealing with indirect costs. See Appendix C - Uniform Guidance Highlights.

Indirect Cost Agreement:
An indirect cost rate agreement is negotiated with the cognizant Federal agency for indirect costs (Cost Allocation Services, or CAS), as outlined in §75.414, which is explained in more detail in Appendix IV to Part 75. This applies to grants or awards which are received directly from a Federal agency.

De Minimis Rate
Any agency that has a direct Federal grant or sub-award and has never negotiated an indirect cost rate, except for a governmental department or agency unit that receives more than $35 million in direct federal funding, may elect to charge a *de minimis* rate of 10 percent of modified total direct costs (MTDC), which may be used indefinitely. Election and effective date of the *de minimis* rate should be reflected in the fiscal policies and procedures of the Agency. Adoption of the *de minimis* rate does not impact the Agency's responsibility to assure that administrative costs do not exceed 15 percent of the total Head Start award (federal + match).

3.5.5 ADMINISTRATIVE COSTS

Expenses are reported in functional classifications such as program expenses and administrative expenses. Administrative costs cover the organization-wide management functions of accounting, budgeting, coordination, direction, and planning, as well as the management of payroll, personnel, property and purchasing. Such costs can be for either personnel or non-personnel functions.

Note: The Indirect Cost Rate is 100% administrative.

The agency's actual percentage can be obtained by dividing the total administrative costs incurred to date or at the end of the budget period by the total approved costs (Federal share plus non-Federal share) incurred to date or at the end of the budget period. The total expenditures for administrative costs are to be reported in the final Financial Status Report (SF-425) for the budget period.

3.5.6 PROGRAM COSTS

Program costs cover expenses directly related to (1) the direction, coordination or implementation of component services as well as (2) the delivery of such component services.

3.5.7 DUAL BENEFIT COSTS

Dual benefit costs can apply to personnel or non-personnel costs. Dual benefit costs include, but are not limited to, salaries, benefits and other costs (such as travel, per diem, and training costs) of staff that perform both program and development and administrative functions. Space costs, and costs related to space, such as utilities, are frequently dual benefit costs. The subrecipient must determine and allocate appropriately the amount or percentage of space dedicated to development and administration. Agencies must classify dual benefit costs as administrative or programmatic and properly allocate such costs according to the percent of the cost that is dedicated to each function.

3.5.8 ADMINISTRATIVE COST LIMITATIONS

i. Head Start Administrative Cost Limitation

Section 644 (b) of the Head Start Act and Head Start regulation 45 CFR 1303.5 limit the amount of funds that may be charged as development and administrative costs to 15% of the total costs, including the required non-Federal Share contribution to such costs, for both Head Start only programs and Dual programs. However, there are some exceptions. If a Head Start contractor has a negotiated rate in excess of 15%, the maximum that can be charged to Head Start grant funding is 15%. The net percentage of the negotiated rate in excess of 15% can be accounted for as non-Federal Share.

ii. Child Care Administrative Cost Limitations

The percentage of funds that may be charged as development and administrative costs for Child Care is 25% of the total cost of the program. In dual programs, contractors must apply the administrative cost rate appropriate to the funding:

- Combined Head Start and Non-Federal Share funded expense development and administrative costs cannot exceed 15%
- Child Care, Community Development Block Grant and Child Care related Pre-K for All-funded development and administrative costs cannot exceed 20%

Administration for Children's Services

SECTION 3.6 FUNDING SOURCES FOR EARLYLEARN PROGRAMS

3.6.1 EARLYLEARN FUNDING MODEL

The EarlyLearn system combines three types of early childhood education programs and braids five funding streams managed by ACS and the New York City Department of Education (DOE). The Department and its contractors must follow fund accounting, which separately tracks revenue and expenditures by funding source. The categories of funds disbursed by ACS to contractors are:

a. Head Start Grant/Early Head Start

The grantee and Department receive funding through a direct federal Head Start grant to provide high-quality early childhood services to children in poor families and low-income children with special needs and limited English proficiency.

b. Child Care Block Grant (CCBG)

The Department receives funding from the State for CCBG to provide contracted center-based and home-based childcare for eligible children in low-income working families and families receiving public assistance.

c. Community Development Block Grant (CDBG)

The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at Housing and Urban Development (HUD). The CDBG program provides annual grants on a formula basis to local government and States.

d. City Tax Levy (CTL)

New York City tax levy dollars are used to support the early childhood education system through revenue from real estate related taxes, income taxes, consumption and other taxes.

e. Pre-K for All

The New York State Pre-K for All program, funded by state education dollars, provides resources through the Department of Education to operate public prekindergarten classes for 4-year-olds in local public schools and community-based child care centers. 3-K for 3-year olds was launched in Fiscal Year 2018 and will be rolled out to more areas in the next few years.

f. Pre-K for All Enhancement

The Pre-K for All Enhancement initiative was implemented in FY15. This initiative adds additional funding for the following three areas:

1. Salary enhancement for Pre-K for All Lead Teachers with specific credentials;
2. Support Staff for increased class size and Quality Enhancement; and
3. Funds for substitute teachers while Teachers and Assistant Teachers attend professional development provided by the Department of Education.

g. Health & Safety

Head Start subrecipients must keep all facilities purchased or constructed in whole or in part with Head Start funds in good repair, in accordance with all applicable federal, state, and local laws, rules and regulations, including Head Start requirements, zoning requirements, building codes, health and safety regulations and child care licensing standards.

h. Weekly Parent Fees

The weekly parent fee, for Child Care services only, is assessed on the family level. This is a statutory requirement for Child Care subsidized services only. For families with multiple children, the fee is "attached" to the youngest child receiving Child Care and only the program providing services to that child is responsible for collecting the fee from the family. ACS deducts the aggregate parent fees due from the contractors' payments.

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SECTION 3.7 PROCUREMENT

3.6.2 PROCUREMENT REGULATIONS FOR HEAD START AND CDBG FUNDED SUB-RECIPIENTS

The date for the implementation of procurement standards became effective for fiscal years beginning on or after December 26, 2017. All contractors are required to document procurement procedures for purchasing services, supplies and other expendable property, equipment and real property.

The Simplified Acquisition Threshold (SAT) is the dollar amount below which an entity may purchase properties or services using small purchase methods to expedite the purchase of items costing less than that amount. Currently, the amount is $150,000. Federal principles lay out the following five permissible methods of procurement:

- "Micro purchase" means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro purchase threshold of $3,500 (as per 48 CFR 2.1, effective 10/1/2015 through 9/30/2020);
- Small purchases, except most construction, that are less than the SAT;
- Competitive sealed bids with formal advertisement; required for most construction and all others above the SAT;
- Competitive proposals, required above the SAT; and
- Non-competitive proposals or sole source.

NOTE: "Supplies" are defined as all tangible personal property other than those described in §75.2 - Equipment. A computing device is a supply if the acquisition cost is less than the capitalization level established by ACS for financial statement purposes ($5,000).

This does not mean computers and related equipment should not be inventoried and tracked, which are practices recommend by ACS. Rather, it refers only to capitalization and depreciation.

i Head Start

Head Start Agencies must follow the standards for procurement found in regulations **§45 CFR 75.329 – Procurement procedures**. Purchases of equipment, purchase/construction/renovation of facilities, etc., must comply with all applicable Federal requirements, including prior approval.

ii CDBG

CDBG agencies must be guided by the Federal principles under **§200.320 – Methods of procurement to be followed.**

Administration for Children's Services

SECTION 3.7 PAYROLL/PERSONNEL INTERNAL CONTROLS

3.7.1 WRITTEN PERSONNEL AND PAYROLL MANUAL

Each subrecipient shall develop, follow, and regularly update a written payroll and personnel manual. Such manual shall include policies and procedures regarding payroll and personnel practices and comply with the law. The payroll manual shall include policies and procedures that govern attendance, vacation and sick leave, executive compensation, incentives, bonuses and pension. The personnel manual shall include the policies and procedures that govern hiring and termination of staff, the engagement of paid and non-paid consultants or subcontractors, including but not limited to, FCC Network providers, and volunteers. The personnel manual shall contain policies such as employee conflict of interest, sexual harassment and protection for "whistle-blowers".

Leave Accrual Payment Liability

For each Head Start program year, the grantee will only fund accrued leave that is liquidated within ninety (90) days after the close of the fiscal year. Accrued leave which is determined to be a prior year liability must be treated as a liability of the Agency. EarlyLearn Contractors must ensure that all vacation and sick leave is paid out by June 30th or ninety (90) days after the close of the fiscal year.

Subrecipient-related compensation requirements §75.437/200.437

(a) Costs incurred in accordance with the Agency's documented policies for the improvement of working conditions, employer-employee relations, employee health, and employee performance are allowable. However, an organization now needs a "documented policy" in order to pay health and welfare costs with federal funds. Costs that would previously have been described in fiscal policies and procedures as *employee morale costs* are no longer allowable.

COMPENSATION - GENERAL

Compensation is specifically defined in Section 653 of the Head Start Act to include "salaries, bonuses, periodic payments, severance pay, the value of any vacation time, the value of a compensatory or paid leave benefit not [explicitly] excluded and the fair market value of any employee perquisite or benefit not [explicitly] excluded". Expenditure for medical or life insurance, disability, retirement or any other employee welfare or pension benefit are not counted as compensation.

Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits. Under regulation 45 CFR §1301.31, subrecipients are required to have personnel policies that specify salary rates and fringe benefits. All EarlyLearn subrecipients must document compensation-related discussions or decisions of governing boards and provide copies of minutes of board meetings to the grantee.

3.7.3 WAGE COMPARABILITY

The Head Start Act indicates that Early Head Start and Head Start staff shall not receive compensation at (1) a rate which is in excess of the average rate of compensation paid in the area where the program is carried out; or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

3.7.4 COST OF LIVING ADJUSTMENTS

Cost of Living Adjustments, if provided by the various funding sources, will be applied at the rate being paid to agencies. ***Head Start and Dual Funded*** agencies must follow all expense requirements outlined in Head Start funded COLA grant awards. Each Agency follows ACS guidelines to request a COLA increase in accordance with the terms of their funding award for the fiscal year base funding level. Base funding excludes training and technical assistance funds and any one-time funding Agencies may have received during the fiscal year. COLA funds are to be used to increase staff salaries and fringe benefits and to pay for higher operating costs. Only the allocated portion of each funding may be eligible for COLA adjustments, depending on directives.

Programs that use COLA funds to increase staff salaries should increase the hourly rate of pay and permanently increase the Head Start pay scale, rather than only increasing the salaries of current employees. Sections 653 and 640(j) of the Head Start Act provide further guidance on the uses and limitations of the COLA funds.

3.7.5 BONUS AND INCENTIVE COMPENSATION

Bonus and incentive payments are generally unallowable. However, incentives are allowable based on the pre-determined requirements under **§75.430 – Compensation – personal services.**

§75.430 Incentive compensation to employees based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-Federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-Federal entity so consistently as to imply, in effect, an agreement to make such payment.

3.7.6 EXECUTIVE COMPENSATION

i. Key Employee List

Agencies shall submit a list of its key employees within thirty (30) days of the execution of the EarlyLearn contract, at the beginning of each fiscal year and after any salary changes for executive level staff. The list shall include the Executive Director, Chief Financial Officer, Chief Operating Officer or the functional equivalent of such positions, and the senior financial and programmatic supervisory personnel involved directly or indirectly in the performance of the contract. For each listed key employee, the Agency shall provide current total compensation (including all benefits),

all sources of the employee's total compensation, whether from this contract or another City, State, Federal or private source, and the dollar amount of compensation from each such source.

ii. Compensation Policies - Executive Level Staff

Compensation is defined as salary and benefits, i.e. health, paid leave, retirement and other welfare related benefits, as well as perquisites and related insurance. All of these items and any other benefits must be reported in the employee's year end W2. Fringe benefits under the categories of Social Security, Medicare and 401K that are typically part of a 30-35% fringe rate are excluded from counting as compensation, in keeping with Section 653 of the Head Start Act.

In accordance with NY State Executive Order No. 38, contractors receiving State funding for their organizations must be in compliance and not exceed salary caps for executive compensation.
Head Start subrecipients must document a compensation policy for Executive Level positions, e.g. Directors and Chief Executive Officers and the governing board has a responsibility to approve reasonable (not excessive) compensation for these positions. Boards that engage in an annual process of reviewing and approving the compensation of key employees, as well as documenting the process in minutes of Board meetings, will be acting in the best interest of their organizations. *See Salary Table below*.

Salary Table No. 2018-EX
Rates of Basic Pay for the Executive Schedule (EX)

Effective January 2018

Level	Rate
Level II	$189,600

iii. Board Composition

Agencies shall submit to the grantee, within thirty (30) days of the execution of the EarlyLearn contract and at the beginning of each new fiscal year, a listing of all members of its Board of Directors.

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SECTION 3.8 INSURANCE, BONDING AND MAINTENANCE

3.8.1 INSURANCE, BONDING AND MAINTENANCE CONTRACT REQUIREMENTS

3.8.2 Workers' Compensation and Disability Insurance

Insurance that provides medical benefits and salaries to employees in the event of occupational disease or bodily injury resulting from any mishap during their employment. Coverage is also provided for any suit filed against programs due to an injury sustained by an employee.

3.8.3 Commercial General Liability

Insurance that protects programs against claims or suits from the bodily injury suffered by members of the public or from damage to their property, $1 million each occurrence. This also includes negligence or physical damage caused by staff; sexual abuse and molestation.

3.8.4 Fidelity

This covers loss of monies and securities due to employee theft, $1 million theft with a limit of liability equal to twenty five percent (25%) of the annual EarlyLearn budget. This also covers robbery from program premises, including computer theft through outside manipulation: robbery of program messenger away from the premises, premises monies and security; loss resulting from check forgery. It does not cover petty cash coverage.

3.8.5 Special Accident (Non-Employee Coverage)

This covers medical expenditures for non-employees injured in the program, who are authorized to participate in the activities of the insured.

3.8.6 Property

Covers physical damage to the subrecipient's property and other valuables owned by the subrecipient. Staff personal property and the homes of Family Day Care providers are excluded. It is written on an all-risk basis and covers standard perils such as burglaries, vandalism, fire and floods. Head Start subrecipients owning buildings with federal interest in a flood zone must secure flood insurance.

All insurance certificates must meet the following requirements:

- Certified by a Broker - notarized document attesting to accuracy of associated policies
- Notarized; and
- Include Broker's Name & Contact Information

3.8.7 Certificate of Liability Insurance (Form ACORD 25)

The following information must be included:

- Broker's Name & Contact Information
- Contractor's Name and Address
- Insured Site name and address
- Contact name on document
- Other Locations listed if more than one site
- Policy number

- Policy effective and expiration date
- NAIC No. {The NAIC# must match with the name of the Insurance Company (refer to naic.org)}
- Fidelity Bond/Insurance was listed
- Certificate of Holder section must show:

  The City of New York
  C/o The Administration for Children's Services
  150 William Street
  New York, NY 10038
- Description of Operations/Location section must include *"The City of New York, including its officials and employees are listed as additional insured"*

3.8.8 Certificate of Disability Insurance (Form DB-120.1)

The following information must be included:

- Legal Name and Address of Insured per Site
- Business Number of Insured
- NYS Unemployment Insurance Employer Registration Number
- Federal Employer ID or SS Number
- Name and Address of the Entity Requesting Proof of Coverage should read as follows:
  The City of New York
  C/o The Administration for Children's Services
  150 William Street
  New York, NY 10038
- Insurance Carrier's name
- Policy number
- Policy effective and expiration date

3.8.9 Certificate of Workers' Comp. Insurance – NY State Insurance Fund (Form U-26.3)

The following information must be included:

- Business Name and Address
- Policyholder Name and Address (Insured Site)
- Policy number
- Certificate number
- Period Covered by this Certificate
- Certificate Holder section showing :
  The City of New York
  C/o The Administration for Children's Services
  150 William Street
  New York, NY 10038"

3.8.10 State of NY Workers' Compensation Board Certificate of Coverage (Form C-105.2)

The following information must be included:

- Legal Name and Address of Insured per Site
- Business Number of Insured
- NYS Unemployment Insurance Employer Registration Number
- Federal Employer ID or SS Number
- Name and Address of the Entity Requesting Proof of Coverage should read as follows*:*
  The City of New York
  C/o The Administration for Children's Services
  150 William Street
  New York, NY 10038
- Insurance Carrier's name
- Policy number
- Policy effective and expiration date

3.8.11 Certificate of Fidelity Bond/Insurance

(If a separate certificate is provided to the grantee) The following information must be included:

- Broker's Name & Contact Information
- Insured Site Name and Address
- Contact name on document
- Other Locations listed if more than one site
- Policy number
- Policy effective and expiration date
- NAIC No. {The NAIC# must match with the name of the Insurance Company (refer to naic.org)}
- Certificate of Holder section must show:

  The City of New York
  C/o The Administration for Children's Services
  150 William Street
  New York, NY 10038
- Description of Operations/Location section must include *"The City of New York, including its officials and employees are listed as additional insured"*

3.8.12 Pre-K for All

See NYC Department of Education Standard Operating Procedures Manual

3.8.13 Physical Damage or Destruction Insurance

In addition to insurance required by ACS for all EarlyLearn contractors, in the event a subrecipient receives federal funds for purchasing, construction or renovation of a building and a Federal Interest exists, the subrecipient must purchase the following insurance policies:

(a) Insurance coverage

(1) The subrecipient must maintain physical damage or destruction insurance at the full replacement value of the facility, for as long as the facility is owned or occupied.

(2) If a facility is located in an area the National Flood Insurance Program defines as high risk, the subrecipient must maintain flood insurance for as long as the facility is owned or occupied.

(3) A subrecipient must submit to the responsible HHS official, within 10 days after coverage begins, proof of insurance coverage required under paragraph (a) and (b) of this section.

(b) *Maintenance*. A subrecipient must keep all facilities purchased or constructed in whole or in part with Head Start funds in good repair in accordance with all applicable federal, state, and local laws, rules and regulations, including Head Start requirements, zoning requirements, building codes, health and safety regulations and child care licensing standards.

All subrecipients are required to send copies of their current insurance policies to ACS.

SECTION 3.9 USE AND MANAGEMENT OF REAL PROPERTY AND EQUIPMENT

3.9.1 CONSTRUCTION, PURCHASES AND MAJOR RENOVATIONS

45 CFR §1303.50 – All subrecipients require prior Federal approval for construction, purchases and major renovations associated with their facilities. After November 7, 2016, if a grantee receives federal funds to purchase, construct or renovate a facility on real property the grantee does not own, or to purchase or renovate a modular unit on real property the grantee does not own, the grantee must have a lease or other occupancy agreement of at least 30 years for purchase or construction of a facility and at least 15 years for a major renovation or placement of a modular unit. The lease or occupancy agreement must:

(1) Provide for the grantee's right of continued use and occupancy of the leased or occupied premises during the entire term of the lease;

(2) Designate the regional grants management officer to receive a copy of any notice of default given to the grantee under the terms of the agreement and include the regional grants management officer's current address;

(3) Specify that the responsible HHS official has the right to cure any default under the lease or occupancy agreement within the designated period to cure default; and,

(4) Specify that the responsible HHS official has the right to transfer the lease to another interim or replacement grantee.

Copies of Documents – §1303.53

A grantee must submit to the responsible HHS official, within 10 days after filing or execution, copies of deeds, leases, loan instruments, mortgage agreements, notices of Federal interest and other legal documents related to the use of Head Start funds for purchase, construction, major renovation or the discharge of any debt secured by the facility.

Major renovation means a structural change to the foundation, roof, floor, or exterior or load-bearing walls of a facility, or extension of an existing facility to increase its floor area. Major renovation also means extensive alteration of an existing facility, such as to significantly change its function and purpose, even if such renovation does not include any structural change to the facility. In addition, all contracts must include a provision for administrative, contractual, or legal remedies to be enforced if the contractor violates or breaches the contract terms. All contracts must contain a clause for contract termination as a result of default or conditions beyond the control of the contractor. All contracts must contain a provision allowing the Department of HHS or any other duly authorized representative access to the contractor’s books, documents, paper, or records in direct connection with the contracted services.

Small-Construction Projects (Adequately Documented By FY and PY
Incidental alterations and [minor] renovations mean improvements to facilities which do not meet the definition of major renovation

3.9.2 CITY LEASE COSTS FOR HEAD START AND CHILD CARE

The City leases a number of centers where Head Start and/or Child Care funds are used to operate programs. NYC has a process in place using multiple City agencies to lease and oversee the facilities. RED&CM oversees those properties, working with NY City's Department of Citywide and Administrative Services.

3.9.3 PROPERTY MANAGEMENT - FEDERAL INTEREST

Head Start only
There must be a Notice of Federal Interest whenever grant funds are used to purchase, construct or make major renovations to a facility, including when the facility is a modular unit classified as personal property. A Federal interest created by the use of Head Start funds does not end until it is released by the ACF. 45 CFR §1309.21

Limitations on Federal Interest - §1303.48
When Head Start funds are used, the Federal government has an interest in all real property and equipment acquired or upon which major renovations have been undertaken. Facilities acquired with Head Start funds may not be mortgaged or used as collateral, sold or otherwise transferred to another party, without the written permission of the grantee and the responsible HHS official.

Recording notices of Federal Interest §1303.46
A notice of federal interest must be recorded in the official real property records for the jurisdiction where the facility is or will be located. The subrecipient must file the notice of federal interest as soon as it uses Head Start funds to either fully or partially purchase a facility or real property where a facility will be constructed, or as soon as it receives permission from the responsible HHS official to use Head Start funds to continue purchase on a facility.

Reporting on real property with Federal Interest - §75.343
ACS requires subrecipients to submit reports at least annually on the status of real property in which the Federal government retains an interest. ACF has opted to require annual real property reporting using Standard Form SF-429 and Attachment SF-429-A, as indicated in ACF-IM-HS-15-01: Real Property Reporting and Request Requirements. ACS requires all subrecipients to report as follows:

- Energy utilization for the program year

Insurance Coverage: Subrecipients operating in a site with Federal interest are required to obtain minimum insurance coverage as follows:

- A physical destruction insurance policy, including flood insurance where appropriate, which insures the full replacement value of the facility from risk of partial and total physical destruction. The insurance policy is to be maintained for the period of time the facility is owned and used for operating a Head Start Program.

Federal Interest - Default
Subordination of the Federal interest allows a lender to take precedence over HHS in receiving its money back in case the borrower (Agency) defaults on the mortgage.

Head Start subrecipients involved in purchase of facilities with respect to which the responsible HHS official has subordinated the Federal interest to that of the lender, must keep the lender informed of the current addresses and telephone numbers of the agencies to which the lender is obligated to give notice in the event of a default.

Federal Interest - Leases
In order to protect Federal interest, the grantee will work together to ensure that lease provisions allow the grantee the right to designate a new lessee in the event of default.

3.9.4 PROPERTY MANAGEMENT - OWNERSHIP

The grantee will require subrecipients to ensure the following specifications are defined for each owned facility:

- Receive express written permission before using a facility for a purpose other than that for which it was funded. 45 CFR §1309.21.
- Obtain title insurance with the grantee named as loss payee. 45 CFR §1309.23.
- Obtain physical destruction insurance (may include flood insurance). 45 CFR §1309.23.
- Adequately maintain facilities. 45 CFR §1309.23.
- Submit timely certified copies of all required documents. 45 CFR §1309.40.

Note: *In the event that a Head Start facility is operated in a city-owned building, the charging of rent to Non-Federal Share is not an allowable cost.*

3.9.5 PROPERTY MANAGEMENT - LEASEHOLD

The grantee will require Agencies to ensure the following specifications are defined for each leasehold facility:

Arm's length lease: This is an operating lease between the subrecipient and an unrelated property owner. The relationship between the contractor and the owner is arm's length. The lease does not include elements of purchase.

Less than arm's length: There is a less than arm's length relationship between the subrecipient and the landlord. One party to the Lease Agreement is able to control or substantially influence the actions of the other.

Lease to Purchase: The lease contains at least one of the elements of a purchase:

- The lease provides for transfer of ownership to the subrecipient.
- The lease provides for the Agency to purchase the property for less than fair market value.
- The duration of the lease is 75 percent or more of the expected economic life of the facility.
- Payments under the lease are at least 90 percent of the asset's value.

Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount that would be allowed had the institution purchased the property on the date the lease agreement was executed. This amount would include expenses such as depreciation, maintenance, taxes, and insurance.

Note: *In the event that the Head Start facility is operated in a city-owned building or NYCHA building where the rent is paid by the grantee, the charging of rent to Non-Federal Share is not an allowable cost.*

3.9.6 MORTGAGES

Protection of federal interest in mortgage agreements - §1303.49

(a) Any mortgage agreement or other security instrument that is secured by real property or a modular unit constructed or purchased in whole or in part with federal funds or subject to renovation with federal funds must:

(1) Specify that the responsible HHS official can intervene in case the grantee defaults on, terminates or withdraws from the agreement;

(2) Designate the responsible HHS official to receive a copy of any notice of default given to the grantee under the terms of the agreement and include the regional grants management officer's current address;

(3) Include a clause that requires any action to foreclose the mortgage agreement or security agreement be suspended for 60 days after the responsible HHS official receives the default notice to allow the responsible HHS official reasonable time to respond;

(4) Include a clause that preserves the notice of federal interest and the grantee's obligation for its federal share if the responsible HHS official fails to respond to any notice of default provided under this section;

(5) Include a statement that requires the responsible HHS official to be paid the federal interest before foreclosure proceeds are paid to the lender, unless the official's rights under the notice of federal interest have been subordinated by a written agreement in conformance with §1303.51;

(6) Include a clause that gives the responsible HHS official the right to cure any default under the agreement within the designated period to cure the default; and,

(7) Include a clause that gives the responsible HHS official the right to assign or transfer the agreement to another interim or permanent grantee.

(b) A grantee must immediately notify the responsible HHS official of any default under an agreement described in paragraph (a) of this section.

45 CFR §1309.21(b)
Facilities acquired with grant funds may not be mortgaged or used as collateral, or sold or otherwise transferred to another party, without the written permission of the grantee and the responsible HHS official, including refinancing of existing loans.

3.9.7 EQUIPMENT THRESHOLD POLICY

Effective Program Year 04 (2/1/2017-1/31/2018), the threshold for capital expenditures on general-purpose equipment will be $5,000 for subrecipients, in keeping with the Code of Federal Regulations (CFR), Uniform Guidance **§75.439** addresses equipment and other capital expenditures. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established for financial statement purposes, or $5,000, as defined by Uniform Guidance.

Prior approval is defined in **§75.2** as written approval by an authorized HHS official evidencing prior consent before an Subrecipient undertakes certain activities or incurs specific costs. The purchase of any equipment exceeding the $5,000 threshold is unallowable as a direct cost except with the prior written approval of the federal Department of Health and Human Services (HHS) or Administration for Children and Families (ACF), Office of Head Start, Region Two (OHS). For Program Year 04, subrecipients must use this new capitalization level for financial statements.

Administration for Children's Services

SECTION 3.10 AUDIT

3.10.1 AUDIT REQUIREMENTS

All EarlyLearn Providers are required to have an annual audit of their financial statements covering a fiscal period of one (1) year. Subrecipients must submit audited financial statements within thirty (30) days after the receipt of the final report, but no later than seven (7) months after the audit period (January), except where subrecipients are operating under a calendar year.

The audit must be performed in accordance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Government Auditing Standards (GAGAS), Non-profit Auditing Standards, grantee Audit Instructions, Federal laws including Audit of States, Local Governments, and Non-Profit Organizations including the Compliance Supplement (US OMB Single Audit) and shall contain a separate opinion of the adequacy of the provider's internal controls of Federal Awards to safeguard its assets. The Comptroller's Office maintains a Pre-Qualified Vendor List (PQL) of Certified Public Accounting firms for agencies to utilize when seeking auditing services.

3.10.2 SINGLE AUDIT THRESHOLD REQUIREMENTS

The Uniform Guidance replaced OMB Circular A-133 which was based on the Single Audit Act amendment of 1996. The new regulation has increased the Federal award expenditure threshold for filing a Single Audit from $500,000 to $750,000. A Federal program is defined as all Federal awards assigned a single Catalog of Federal Domestic Assistance (CFDA) number. Agencies spending at least $750,000 in federal funding from all sources (including Head Start, Early Head Start and Early Head Start – Child Care Partnership awards) are subject to the single audit requirement for fiscal years beginning December 26, 2014.

In order to determine if a subrecipient is subject to a Single Audit, the total Federal award expenditures made for the fiscal year (FY) must be multiplied by the CFDA Federal percentage for the Federal program**.** If the result of the calculation of total Federal award expenditures for any single or combination of Federal programs operated by a subrecipient is $750,000 or more, that subrecipient must conduct a Single Audit. The grantee requires submission of Single Audits nine (9) months after the end of the fiscal year (March). Auditors are required to follow the provisions of OMB Single Audit and program-specific guidance found in the Compliance Supplement and EarlyLearn Audit Instructions.

Administration for Children's Services

SECTION 3.11 GOVERNANCE

3.11.1 EARLYLEARN GOVERNING BODY RESPONSIBILITIES

Each EarlyLearn Agency shall have an active governing body which is responsible for setting the mission and strategic direction of the Agency as well as oversight of the finances, operations, and policies. The Governing Board: (a) ensures that its members have the requisite skills and experience to carry out their duties and that all members understand and fulfill their governance duties, acting for the benefit of the Agency and its public purpose; (b) is responsible for and ensures that the hiring, promotion and firing policies and practices for all board, staff and volunteer positions are fair and inclusive; (c) ensures that policies of the Agency (including but not limited to conflict of interest policy) are in writing, clearly articulated and officially adopted; (d) ensures that the Agency conducts all transactions and dealings with integrity and honesty; (e) ensures that the Agency promotes working relationships with board members, staff, volunteers, and program beneficiaries that are based on mutual respect, fairness and openness; (f) ensures that the resources of the Agency are responsibly and prudently managed; and, (g) ensures that the Agency has the capacity to carry out its programs effectively.

3.11.2 HEAD START GOVERNING BODY RESPONSIBILITIES

As part of their responsibilities, Head Start governing body and Policy Council members regularly review a wide variety of documents and reports, from personnel policies to federal directives. The key to effective program governance is the right structure, the right people, and the right practices. The Head Start leader's role is to ensure that the governance and management entities are working collaboratively to achieve positive outcomes for children, families, and their respective communities. Section 642(d) (2) of the Head Start Act of 2007 lists the documents and reports that must be regularly reviewed by the governing body and Policy Council.

3.11.3 HEAD START GOVERNING BODY COMPOSITION REQUIREMENTS:

Section 642 (c) (1) (b)

The governing body shall be composed as follows:

- Not less than one (1) member shall have a background and expertise in fiscal management or accounting.
- Not less than one (1) member shall have a background and expertise in early childhood education and development.
- Not less than one (1) member shall be a licensed attorney familiar with issues that come before the governing body.
- Additional members shall reflect the community to be served and include parents of children who are currently or were formerly enrolled in Head Start programs, and selected for their expertise in education, business administration, or community affairs.

3.11.4 PARENT POLICY COMMITTEE

Each subrecipient must establish and maintain a parent policy committee at the delegate level. The Head Start Policy Committee of each subrecipient and the Child Care Parent Committee of each

Child Care agency manage a Parent Activity Fund to meet the goals and obligations of their respective committees.

3.11.5 HEAD START POLICY COMMITTEE

Duties and responsibilities

A policy committee must approve and submit to the subrecipient its decisions in each of the following areas referenced at section 642(c)(2)(D)(i) through (vii) of the Head Start Act.

A policy committee must use ongoing monitoring results, data on school readiness goals, other information described in §1302.102, and information described in section 642(d)(2) of the Act to conduct its responsibilities.

Composition

A program must establish a policy committee in accordance with section 642(c)(3) of the Act, as early in the program year as possible. Parents of children currently enrolled in each program option must be proportionately represented on the policy council and on the policy committee at the delegate level.

The program must ensure members of the policy committee do not have a conflict of interest pursuant to sections 642(c)(2)(C) and 642(c)(3)(B) of the Act. Staff may not serve on the policy committee except parents who occasionally substitute as staff

Term

- A member will serve for one year;
- If the member intends to serve for another year, s/he must stand for re-election.
- The policy committee must include in its by-laws how many one-year terms, not to exceed five terms, a person may serve.
- A program must seat a successor policy committee before an existing policy committee may be dissolved.

3.11.6 HEAD START PARENT COMMITTEE

Parent Committee - §1301.4

(a) Establishing parent committees. A program must establish a parent committee comprised exclusively of parents of currently enrolled children as early in the program year as possible. This committee must be established at the center level for center-based programs and at the local program level for other program options. When a program operates more than one option, parents may choose to have a separate committee for each option or combine membership. A program must ensure that parents of currently enrolled children understand the process for elections to the policy council or policy committee and other leadership opportunities.

(b) Requirements of parent committees. Within the parent committee structure, a program may determine the best methods to engage families using strategies that are most effective in their community, as long as the program ensures the parent committee carries out the following minimum responsibilities:

(1) Advise staff in developing and implementing local program policies, activities, and services to ensure they meet the needs of children and families;

(2) Have a process for communication with the policy council and policy committee; and

(3) Within the guidelines established by the governing body, policy council or policy committee, participate in the recruitment and screening of Early Head Start and Head Start employees.

3.11.7 RESPONSIBILITIES FOR HEAD START SUBRECIPIENTS

Each Head Start subrecipient shall ensure the sharing of accurate and regular information for use by the governing body and the policy council/committee, about program planning, policies, and Head Start agency operations, including:

a. monthly financial statements, including credit card expenditures;
b. monthly program information summaries;
c. program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency;
d. monthly reports of meals and snacks provided through programs of the Department of Agriculture;
e. the financial audit;
f. the annual self-assessment, including any findings related to such assessment;
g. the community-wide strategic planning and needs assessment of the Head Start agency, including any applicable updates;
h. communication and guidance from the Secretary; and
i. the program information reports.

Head Start leaders need to ensure that their programs meet the requirements of the 2007 Head Start Act with regards to their governing body and policy council: the composition, roles and responsibilities, and the conduct of responsibilities of both of these important entities.

3.11.8 SELF ASSESSMENT

The annual fiscal Self-Assessment is a method of measuring agency compliance with Head Start Performance Standards. Self-Assessment promotes continuous improvement of internal controls and reporting systems. The governing board shall review and approve each subrecipient's internal methodology for completing the annual fiscal self-assessment.

Administration for Children's Services

SECTION 3.12 RETENTION OF RECORDS

3.12.1 HEAD START RECORD RETENTION POLICY

A subrecipient must retain records pertinent to the lease, purchase, construction or renovation of a facility funded in whole, or in part, with Head Start funds, for as long as the subrecipient owns or occupies the facility, plus three years**.** §**1303.54**