



FISCAL POLICY MANUAL

FY 2021 - 2022

Deadlines and Due Dates Quick Reference

Monthly Reimbursement Package	Due 20th of the month following expense.
Final Reimbursement of FY (September expenses)	Due no later than October 20th
Audit Reports	Within 7 months of Agency FYE (see Section VI-Other Contract Compliance Items)
Late Fee - Audit Report	On the next Reimbursement Request received after due date-lesser of 5% or \$500
Budget Transfer \$10,000 and under	No later than September 30 th (see Section IV-Budget Transfers)
Budget Transfers over \$10,000	Two weeks before the next scheduled Council meeting but no later than two weeks prior to the August Council meeting
Late Fee - Program Quarterly Report	On the next Reimbursement Request received after a late Report-lesser of 5% or \$500

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I. INTRODUCTION

CSC Establishment & Mission

The Children's Services Council of St. Lucie County is an independent special district of local government authorized by Florida Statute 125.901 and by local Ordinance No. 90-41 on October 2, 1990. St. Lucie County citizens voted to reauthorize the Children's Services Council on November 4, 2014.

The Council began collecting Ad Valorem taxes in October 1991 and began funding programs in January 1992. The Council is authorized by Florida law to levy taxes up to .5 mills per \$1,000 of assessed property value. For fiscal year 2018/2019, the Children's Services Council (CSC) of St. Lucie County will be assessing .4765 mills.

The mission of the CSC of St. Lucie County is to improve the quality of life for all children in St. Lucie County. CSC of St. Lucie County is focused on:

- ★ Ensuring every baby is a healthy baby
- ★ Stopping child abuse before it happens by building strong families
- ★ Keeping kids in school
- ★ Keeping kids off the streets
- ★ Keeping kids off drugs, alcohol, and other risky behaviors

Purpose of the Fiscal Policy Manual

This Manual is intended to summarize the fiscal policies of the Children's Services Council as they affect programs funded by the Council. This Manual, coupled with the Technical Assistance Guide, provides formats for establishing budgets, processing reimbursements, requesting budget transfers, and requesting start-up funds. The goal of this manual is to help establish mutually understood guidelines for the fiscal management of CSC funds. Please note that this fiscal policy is part of your contract with CSC.

Fiscal Period

The fiscal period covered for all programs funded by Children's Services Council begins on October 1 and ends the following September 30. Reimbursements should include only those expenses *paid for* in the month for which the request is being made.

Role of the CSC Fiscal Staff

The CSC fiscal staff is charged with reviewing and processing all reimbursement requests made by CSC funded programs. This review process is intended to ensure that programs spend within their approved budgets, that program funds last through the end of the contract period, and that requests are presented on a reimbursement basis. Programs are also subject to on-site monitoring reviews. The fiscal staff is available for technical assistance upon request.

Acknowledge Receipt of Manual

The contract executed between CSC and Providers includes the following statement acknowledging the receipt of a copy of this policy manual and the Technical Assistance Guide:

The administration of the Agreement will be pursuant to the COUNCIL'S "Fiscal Policy Manual". The PROVIDER acknowledges receiving a copy of this manual.

II. THE PROGRAM BUDGET

Basis of CSC Funding

The funding recommendations presented by the Children's Services Council staff and approved by Council are based on both programmatic and financial considerations. Staff reviews the purpose for which all dollars are to be expended as outlined by the budget narrative in the program proposal. Thus, line item budgets initially approved by CSC are meant to be followed by line item. Requests for reimbursements should only be applied against the line item to which the expense applies.

The following expenses are not allowable:

- ★ expenses for items not within the narrative/definition of a budget line item
- ★ expenses not pertaining to the funded program
- ★ expenses for a line item that is in a deficit (has been spent out)
- ★ expenses for program operations outside of St. Lucie County

A Budget Transfer Request can be submitted to move funds from one line item to another. The budget transfer should be submitted according to the Budget Transfer Procedure presented in this Fiscal Policy Manual. No budget transfers will be accepted after September 30th. Note, however, that Budget Transfers over \$10,000 must be approved by Council and therefore must be submitted no later than two weeks prior to the August Council meeting.

Funding is by Reimbursement

The Children's Services Council funds providers on a monthly reimbursement basis only. All requests for reimbursements are to be based on actual expenditures for a given month and should be supported by complete and appropriate documentation. Reimbursements should include only those expenses *paid for* in the month for which the request is being made, i.e., a check dated October 20, 2021, must be submitted with the October 2021 Reimbursement. Specific support documentation requirements are discussed in detail in Section III: "Reimbursement Support Documentation". If your program has no expense for a given month, please notify CSC that you do not intend to submit a reimbursement for the month. Please submit your notice of "no reimbursement request" by the reimbursement deadline.

NOTE: Timely reimbursement requests are important. Submit expenses in the month in which they are paid. Do not expect to be reimbursed later in the fiscal year for prior months' expenses. Prior fiscal year expenses are not eligible for reimbursement using the new fiscal year budget.

Reduction of Provider Funds

The contract executed between CSC and Providers includes the following statement regarding reducing provider funds during the fiscal year/contract period:

Notwithstanding anything herein to the contrary, the parties agree that the dollar amount may be reduced in the event that the Council determines that the Provider will not spend the entire amount allocated by the September 30th fiscal year end. This determination may be made (a) based upon the Council's review of Provider's program and its expenditure history or (b) during the course of reviewing a budget revision submitted by the Provider pursuant to Council's procedures. Before any such reduction becomes final, the Provider will be notified in writing of the proposed action and shall have the opportunity to address the Council regarding the proposed reduction. The decision of the Council on this issue shall be within its sole discretion and shall be final.

Budget Definitions

The program budget is comprised of line items with specific definitions or inclusions. The following line items are generally utilized when forming a program's budget narrative. In submitting Requests for Reimbursement, the approved budget narrative based on the definitions below, should be used to apply funds to line items. Note that in any line item, only the share of costs that apply to the St. Lucie County program funded by Children's Services Council should be submitted for reimbursement. Cost Allocation is discussed in Section V: "Record Keeping". Only the line items presented below can be used. Do not add, delete, rename, or rearrange line items.

Administrative Costs—Costs of staffing associated with the administration of a funded program but not directly associated with client service. Administrative costs would include salaries and FICA, Worker's

Comp and Re-employment for personnel not providing services to clientele. All administrative costs must be clearly defined in a program's initial proposal (budget narrative) for funding and may not duplicate any other costs associated with the program. Administrative costs are to be documented on the Administrative Detail form and include supporting documentation.

Advertising-Costs related to advertising for program promotion, staff recruitment and/or volunteers for the program. This line item can also be used for promotional items purchased for the program.

Audit Expense-The Program's pro rata share of the annual independent financial audit expense. Audit report must be submitted to CSC before reimbursing the expense.

Books/Educational Materials-Cost of materials used in the program as an educational tool for the clients (e.g., books, reading materials, games, puzzles, videos, etc.).

Equipment Purchases-Equipment purchased as a necessary item for the operation of the program. Equipment purchased with CSC funds becomes the property of CSC if the program terminates within two years of the equipment purchase.

Equipment Rental & Maintenance-The cost of renting and maintenance of equipment including copiers, computers, postage equipment, etc.

FICA-The employer's mandatory 7.65% for Social Security. This calculation is only the employer's share of FICA. FICA must not be calculated for contract employees. Note that some payroll items may not be subject to FICA and thus your program budget for FICA may be less than 7.65%. In that case enter the lesser amount. Only request reimbursement for the amount of FICA paid.

Food and Nutrition-The cost of nutritional food items served to clients of the program. Food items for Staff or Agency Board members is not eligible for reimbursement. Full receipt detail is required.

Insurance-Cost of general liability, professional liability, property, business auto, crime bond, and directors and officers liability insurance as determined necessary for the operation of the program.

Life/Health Insurance-The employer's share for any life and/or health (medical) insurance program the employer offers its employees.

Occupancy (Building & Grounds)-All costs related to the program's place of business. Includes rent (building and land), mortgage, contracted janitorial and maintenance services, exterminating expenses, and occupancy related licenses and permits.

Office Supplies-Cost of all supplies and materials used by the program staff that may include office and housekeeping supplies.

Other/Contract-Specific costs for contractual services not reportable on any other line item as detailed in the program's budget narrative.

Other/Miscellaneous-Specific program related costs not reportable on any other line item (e.g., background checks, volunteer testing, etc.) as detailed in the program’s budget narrative.

Pro-Rata Share- Proportionate share of an expense in accordance with a basis approved by CSCSLC. For example: EE time, Square footage, etc.

Professional Fees-Cost of fees and charges of professional practitioners, technical consultants, or semi-professional technicians who are not employees of the program and are engaged as independent contractors for specified services on a fee or other individual contractual basis. This line item would include attorney, accountant or consultant fees. Contracted janitorial maintenance and repair services related to buildings and grounds should be included in the “Occupancy” line item.

Postage/Shipping-Postage, parcel post, commercial trucking, and other delivery service costs. Costs of postage meter rental should be listed under the “Equipment Rental & Maintenance” line item.

Printing & Publications-Includes cost of brochures, videos and other informational materials for the program. Copy machine rental or leasing costs should be listed under the “Equipment Rental & Maintenance” line item.

Re-Employment (formerly FL Unemployment)-The amount paid for re-employment insurance.

Retirement-The employer’s share for program employees’ retirement.

Salaries-All program salaries including full-time, part-time, and temporary staff. The gross amount paid to an employee(s) working directly in the program. Staff working in administrative functions are reserved for the Administrative Costs line and cannot be listed in this category.

Specific Assistance to Individuals-Expenses for specific materials, rental and utility subsidies, and any other assistance rendered to clients as detailed in the budget narrative.

Subscriptions, Dues, Memberships-Costs for the purchase of professional periodicals necessary for maintaining information related to the program. Cost of individual or organization dues relevant to the functions of the program. Payments to national parent organizations would be reported in this line item.

Telephone-Expenses for all telephone services, internet and communication lines.

Travel/Conferences/Training-Travel related costs including conference and seminar registrations, hotels, meals, airfare, per diem, and lodging. Meals are reimbursed at the following rate per 24-hour day: breakfast-\$6, lunch-\$12, and dinner-\$20. **NOTE:** Only the amount paid by the agency/program to its employees can be reimbursed up to these maximum amounts, and those payments to employees must be documented.

Travel (Daily)-Mileage costs associated with the daily operation of the program. The mileage rate allowed is the current IRS rate “as amended.” The IRS rate effective January 1, 2021 is \$0.56 per mile. To support the amount requested for mileage reimbursement, please provide documentation of dates traveled, miles traveled, purpose and locations visited, start and end points, and the rate applied to the mileage for CSC

reimbursement. Only the amount paid by the agency/program to its employees can be reimbursed up to this maximum rate, and those payments to employees must be documented.

Expenses for fuel are allowable only for business-owned vehicles that are used for the CSC funded program. For business vehicles for which fuel is purchased, fuel receipt forms must be provided for *each* purchase and a monthly vehicle mileage log to show vehicle usage must be submitted for each vehicle for which fuel is purchased. CSC has two forms to document both fuel purchases and vehicle usage: Fuel Receipt Form and Vehicle Mileage Log. Note that these business vehicles will not be allowed additional per mile reimbursement.

Utilities-Costs for electric, water, sewer, gas, and waste removal (not housekeeping/janitorial).

Workers Compensation-The amount paid for workers compensation insurance as assigned by the carrier.

III. REIMBURSEMENT SUPPORT DOCUMENTATION

Required Documentation

Before the first month's reimbursement request can be paid, providers must have on file with CSC:

1. A fully executed contract inclusive of an approved line item budget.
2. A Certificate of Insurance as documentation of the coverage required by contract.
3. A current independent audit report as required by CSC policy and contract.

Current Month Expenditures: Reimbursements are made only for the month just completed and expenditures from previous months should not be submitted. Any exception to this rule should be for extraordinary reasons. A written explanation and sufficient documentation to verify that the expenditure has not previously been reimbursed must be submitted. Expenses from the prior fiscal year are not eligible for reimbursement.

Complete documentation is required to be available for onsite inspection at any time. Documentation must be submitted every month with the Monthly Reimbursement Request form for all line items. To facilitate timely reimbursements, please submit COMPLETE documentation for all expenditures every month. This practice will allow on-going monitoring and could limit the need for an on-site fiscal review.

Supporting documentation: Consists of at least two forms of documentation:

- 1) Expense detail (receipt/invoice)- description of item(s) purchased, date purchased, item(s) cost, vendor, form of payment, etc.
- 2) Proof of Agency (check/ACH)- payment must show the Agency contracted with CSC has paid for the expense.

Support documentation must include both the expense detail and proof of Agency payment to be considered complete and eligible for reimbursement. Support can include but may not be limited to the following:

- Copies of checks, bank statement or bank transaction detail
- Copies of Payroll Checks, Payroll Tax Deposit (FICA)
- Receipts, invoices, bills, credit card statements etc.
- Travel Vouchers/Expense Reports-including mileage and rate
- Worker's Compensation Policy (to show rate charged)
- Fringe benefit invoices (for payments on health insurance, retirement)
- Worksheet or Memo Detailing the Cost Allocation Method Applied to expenses shared by a CSC funded program and other programs or operations outside St. Lucie County.
- Rosters corresponding to admission fee/ticket purchases for field trips. Total amount paid and the total ticket purchases must match.
- Employee Reimbursement Forms for out-of-pocket expenses

Policies Relating to Reimbursements

Line Item Budgets

The provider may not exceed any line item in the budget. The provider may request budget transfers during the fiscal year to reallocate funds between line items and between position budgets within the Salary line item due to changes in needs. Note that the total program budget must remain the same pursuant to the agreed upon contract. All budget transfer requests must be submitted to CSC for approval.

Position Budgets

A position budget within the Salaries line item may be over-expended by 5% without prior approval as long as the total budgeted Salary line item is not over-expended. This policy pertains only to positions currently provided for in the approved budget. New positions may not be added in order to utilize underspent position budgets.

Equipment

Equipment may not exceed 15% of the total program budget unless waived by the Council. Equipment purchased is intended for use by the CSC's funded program. Should a program not continue for two years

beyond the time of equipment purchase, all equipment purchased with CSC funds is considered to be owned by the CSC and will be returned for use by another funded program.

Real Property

CSC will not provide funding to agencies for the acquisition of real property.

General Guidelines

Note the following guidelines apply to Reimbursements in all budget line items:

- All documentation must be legible and should be organized in a manner consistent with the listing on the Monthly Reimbursement Request form.
- Only the share of costs that apply to the program funded by Children’s Services Council should be submitted for reimbursement. Charges should be a prorated share of the program to the total office operation. Only the share pertaining to St. Lucie County program operations should be requested for reimbursement.
- Funding within Salaries and FICA line item should be used at a rate in proportion to the number of months of operation and the frequency for which expenses are paid. CSC expects its funding to be used to help keep the program operational for the full contract year.
- Expenses incurred on behalf of employees are restricted to those positions funded by CSC. For example, fringe benefit expenses and travel expenses can be reimbursed only for those employees funded by CSC. Additionally, such expenses can only be reimbursed at the percentage of the position for which CSC funds. For example, if CSC funds 50% of a position, only 50% of fringe benefit and travel expenses can be reimbursed. Please mark supporting documentation to show the percentage allocated to CSC
- Receipts/Invoices are required for ALL expenses submitted to CSC and should clearly indicate vendor name and the date of purchase. Please include copies of checks to document that the expense has been paid by the funded agency.
- For receipts/invoices that include items not being requested for reimbursement, please circle or underline the items considered for reimbursement.
- Sales tax should be deducted from expenses where the tax should not have been charged/paid. Remember to use your tax exempt certificate!
- Purchases made with a company credit card must be requested in the month the credit card is paid and support documentation should include the statement in addition to receipts/invoices.
- Please redact all Social Security numbers from documents sent to CSC.
- Do not use cash as a method of payment for expenses. Cash does not provide the audit trail necessary for CSC reimbursement. Expenses paid via cash will not be reimbursed.
- Employee reimbursement for their out-of-pocket expenses should be documented appropriately on a formal Employee Reimbursement Form. This form should be included as support documentation.
- Late, overdraft, interest fees are not eligible for reimbursement.

Deadlines and Due Dates:

Monthly Reimbursement Package	Due 20th of the month following expense.
Final Reimbursement of FY (September expenses)	Due no later than October 20th
Audit Reports	Within 7 months of Agency FYE (see Section VI-Other Contract Compliance Items)
Late Fee - Audit Report	On the next Reimbursement Request received after due date-lesser of 5% or \$500
Budget Transfer \$10,000 and under	No later than September 30 th (see Section IV-Budget Transfers)
Budget Transfers over \$10,000	Two weeks before the next scheduled Council meeting but no later than two weeks prior to the August Council meeting
Late Fee - Program Quarterly Report	On the next Reimbursement Request received after a late Report-lesser of 5% or \$500

Monthly Reimbursement Due Dates

Effective with the 18-19 grant year, Reimbursement Requests will be due to CSC by the 20th of the month following the related expenses. Previously, the due date was the 15th of the month following the expense with an additional 5-day grace period to the 20th. Note that no additional grace period will be afforded beyond the 20th of the month. A final Request for Reimbursement for September expenses is due by October 20th. If the 20th falls on a holiday or a weekend, the due date then moves to the next business day.

Late Fee Assessment

Independent Financial Audits are due within seven (7) calendar months of the close of the PROVIDER’S fiscal year. A late fee of 5% or \$500, whichever is less, will be applied to the next reimbursement and cannot be reclaimed under future reimbursement requests. The fee will effectively reduce the total amount reimbursable on a program’s budget. See Section VI of this manual for details.

Quarterly Program Reports are due by the 20th of the month following the reporting quarter. These reports will address demographics on clients served, progress toward program outcomes, and efforts to identify and secure alternative funding. Any program report not filed by the 20th will be assessed a financial penalty against their next month’s Reimbursement Request. The financial penalty will be the lesser of 5% of the approved monthly reimbursement or \$500. The amount of this fee cannot be

reclaimed under future Reimbursement Requests. The fee will effectively reduce the total amount reimbursable on a program's budget. For example, a program with a \$120,000 budget that is assessed two \$500 fees will only be able to receive a maximum of \$119,000 for their budget year. The financial penalty fee will be assessed monthly until the quarterly program report is received. If a quarterly report is not received before the due date for the next quarterly report, Council will send written notice to the Agency to terminate the contract. The financial penalty will continue to be assessed during the termination process up to the point of termination or resolution. For assistance or questions regarding the Quarterly Reports please contact the CSC Program Department.

Submission Address

The required reimbursement documentation is to be submitted electronically to accountspayable@cscslc.org.

Common Errors to Avoid

1. Budget Transfers submitted after Budget Transfer deadlines.

- See Section IV for budget transfer information and deadlines.

2. Over-Expended Line items

- Line-Item budgets and position budgets within the Salaries line item may not be over-expended (with the exception of the 5% position budget rule-see Policies Relating to Reimbursements in Section III.). Amounts requested over the budgeted amount will not be reimbursed.

3. Mathematical Errors

- Ensure all columns and rows are added correctly.
- Do not round up numbers.
- Use of the excel worksheets will minimize errors because formulas for adding columns and calculating percentages are built into templates.

4. Improperly Categorized Expenses

- Do not request reimbursement for an expense in a line item that does not apply. For example, an expense for office supplies should not be requested in the utilities line item.

5. Incomplete Forms

- Ensure that all required forms are submitted as outlined in the Technical Assistance Guide and above under “Required Documentation.” Do not forget the agency certification page with required original signatures and current contact information. Make sure the columns are totaled accordingly.

6. Duplicate Invoices

- Be sure that you do not resubmit an invoice that has already been paid. To help ensure against duplicate invoices, keep expenses/requests for reimbursement current.

7. Untimely Requests for Reimbursements

- Reimbursement Requests should only include expenditures for the month for which the request is being made. Items paid in prior months should not be included in the Reimbursement Request. Keep requests current. Any exception to this rule should be for extraordinary reasons. A written explanation and sufficient documentation to verify that the expenditure has not previously been reimbursed should be submitted. Items to be paid in the future should not be included in the Reimbursement Request.

8. Illegible Documentation

- Please ensure that all documentation and receipts are legible and include service or transaction dates. Complete copies of documents are required, partial or cut-off versions are not acceptable.

9. Salary Detail without Employee Names

- The Salary Detail Sheet must accurately show both job titles and employee names to enable the CSC fiscal staff to trace the expense to salary documentation.

10. No Client Lists/Log For: Restaurant Expense, Field Trips, Scholarships, Gift Cards, Stipends

11. Mystery Total

- Show calculations as to how total expense requested was derived.

12. Failing to Utilize Tax Exempt Status

- Require program staff to utilize tax exempt status whenever possible.

13. Not Taking Pro Rata Share – It is important to ensure that:

- Only the share of costs that apply to the program funded by Children’s Services Council be submitted for reimbursement. Charges should be a prorated share of the CSC funded program to the total office operation. Please show calculations. Only the costs associated with the St. Lucie County program are reimbursable.

- Funding in each line item be used at a rate in proportion to the number of months of operation for the total twelve-month contract and the frequency of expenses. CSC expects its funding to be used to help keep the program operational for the full contract year.

Method of Payment

After CSC Fiscal review and approval, CSC will initiate payment by direct deposit. Payment will be initiated within 21 business days of receipt of the complete Monthly Reimbursement Request. Note that incomplete or incorrect reimbursement requests that the PROVIDER must revise or resubmit will be paid within 21 business days of receiving the properly submitted request.

All reimbursements to programs on an annual contract will be paid by direct deposit. Your fiscal representative will be notified of the date the direct deposit was initiated by email. The email notification will include an attachment of your excel workbook updated with the current month's reimbursement on the 12-Month Reimbursement Summary and 12-Month Salary Detail forms. These reports are based on actual payments made by line item and therefore will facilitate your record keeping of payments received. Any differences between the amount requested and the amount reimbursed/paid will be noted at the bottom of the 12-Month Reimbursement Summary form. The Excel program file will include various tabs each of which present a different report. The two "12-Month" reports should be printed out when you receive your email notification and retained for reference. Note that these two reports have green colored tabs and are referred to as "green sheets" for easy reference. Retain and refer to these "green sheets" monthly for your current budget by line item and your current balance by line item.

Refer to the Technical Assistance Guide to see samples of the "green sheets". Note that each "green sheet" provides for reimbursements for each of the twelve months of the fiscal year as well as the total spent and the balance remaining.

IV. BUDGET TRANSFERS

Policy

Effective with Fiscal Year 21-22, agencies are permitted to submit one Budget Transfer Requests per quarter, a total of 4 request per year. The Chief Executive Officer is authorized to approve requests of \$10,000 or less while any requests in excess of \$10,000 will be brought before the Council for approval.

The provider may not exceed any line item in the budget. However, the provider may over-expend a position budget within the Salaries line item by a max of 5% without prior approval as long as the total budgeted Salary line item is not over-expended. This policy pertains only to positions currently provided for in the approved budget. New positions may not be added in order to implement the 5% rule. The provider may request budget transfers during the fiscal year to reallocate funds between line items and

between positions budgets within the Salaries line item due to changes in needs and should be done so in anticipation of an expense. Note that the total program budget must remain the same—that is, no additional dollars can be added to a program budget during the fiscal year. All budget transfer requests must be submitted to CSC for approval. In reviewing and approving a Budget Transfer Request, CSC staff will consider the overall impact on the program and its expected outcomes and goals.

Children’s Services Council of St. Lucie County will accept Budget Transfer Requests via email scan or fax. Budget Transfer Requests submitted in either of these formats must be signed and must be legible. Children’s Services Council reserves the right to request delivery of the original if the scanned or faxed version cannot be read. The date of receipt of the Budget Transfer Request will be the date that a legible copy is received whether by email scan, fax, hand delivery or mail delivery.

Requests of \$10,000 or less can be considered for approval by the CSC Chief Executive Officer throughout the fiscal year but no later than Sept 30th. Requests which exceed \$10,000 require Council authorization. Budget Transfer Requests requiring Council approval must be submitted at least two weeks in advance of a Council meeting but not later than two weeks prior to the August Council meeting. Budget transfers over \$10,000 are not accepted in September.

A narrative explanation of the request must be provided in the “Explanation of Request” section of the form or on a separate attached sheet for each line item, whether adding or subtracting funds. The form must be signed by the Chief Executive Officer of the agency overseeing the program as well as by the preparer from the Accounting department.

It is the responsibility of program/agency staff to monitor their budget and submit timely Budget Transfer Requests. The program budget should be reviewed on an on-going basis. Programs should consider a routine review after submitting their sixth month Reimbursement Request (March of the fiscal year) and again at the end of June (ninth month) to ensure sufficient time to submit any necessary changes.

CSC staff will confirm that the budget revision was approved by returning the Budget Transfer Request with CSC approval signatures. Such verification must be received by the program before any changes in the budget can be considered on the Monthly Reimbursement. This verification will be a copy of the Budget Transfer Request form with signatures of the CSC Chief Financial Officer and Chief Executive Officer . Remember to update your line item budgets on the “monthly reimbursement request” form to reflect approved Budget Transfers. For transfers involving the salary and/or admin costs lines, the changes must be made on the “monthly salary detail” and/or “admin costs detail” forms. Both forms are linked to their respective budget lines on the “monthly reimbursement request” form and will automatically populate the amount change(s).

V. RECORD KEEPING

Maintenance of Books & Records: Provider Responsibility

It is the responsibility of the provider to:

- Maintain books, records, and documents (including electronic storage media) in accordance with standard accounting procedures and practices which reflect all payments by CSC to the provider under the executed contract between CSC and the provider.
- Assure that records pertaining to the contract between CSC and the provider, including all financial records and supporting documentation, be available at all reasonable times and upon reasonable prior request, for inspection, review, or audit by CSC staff or other personnel assigned by the Council.
- Maintain and file with CSC in a timely manner all fiscal reports related to services under the contract between CSC and the provider. See the “Monthly Reimbursement Request” section of this manual for Deadlines and Due Dates.
- Maintain and file with CSC in a timely manner all program reports related to services under the contract between CSC and the provider. Program Quarterly Reports are due the 20th of the month following the end of each quarter. Failure to submit these reports in a timely manner will result in a late fee assessment-see Section III for details.

Allocation Methods

Only the share of costs that apply to the program funded by Children’s Services Council should be submitted for reimbursement. If a cost is shared by more than one program and/or County, charges should be prorated to each program as a percent of program use to total office operation. A variety of methods can be used to allocate expenses. Examples of cost allocation methods might include: space utilized—for rent; time spent—for salaries. In all cases in which cost allocation is used to charge CSC for expenses incurred, the cost allocation method must be documented. Also, the method used to allocate expenses should be consistent from month to month. The cost allocation methods should be supported with logical statistics that are documented. Remember, funding is expected to last the full length of the contract period. Only the appropriate pro-rata share should be requested from CSC.

On-Site Monitoring

Providers are subject to fiscal monitoring visits each fiscal year. On-site monitoring visits will be conducted based on the documentation provided with Monthly Reimbursement Requests, issues found with Monthly Reimbursement Requests, and the stability of the Agency’s fiscal staff. On-site fiscal monitoring visits will generally not be necessary if complete documentation is submitted with each Monthly Reimbursement Request. Fiscal items may be addressed during program monitoring visits.

VI. OTHER CONTRACT COMPLIANCE ITEMS

Audit & Management Letter

The Children’s Services Council is committed to assurances that all funds provided are being used in a manner consistent with the policies of the Council and in the best interest of the taxpayers. To attain this level of assurance, providers must submit either an audit or a fiscal review annually as prescribed below. Note that the audit requirements are included in the PROVIDER contract. The Agency must submit an audit within seven (7) calendar months of the close of the PROVIDER’s fiscal year. Final audit reports only, no drafts will be accepted. Noncompliance with audit deadlines will result in penalty fees and action to terminate will begin if the audit is not received within nine (9) calendar months of the close of the PROVIDER’s fiscal year. Full language as written in the PROVIDER contract is shown below. The audit report and management letter are accepted preferably via email.

Within seven calendar months of the close of its fiscal year, the PROVIDER must submit a certified independent financial audit of all its corporate activities and any accompanying management letter(s) to the COUNCIL. This audit shall be conducted consistent with the American Institute of Certified Public Accountants (AICPA), Standards for Non-Profit Organizations, or other mutually agreed upon standards. The audit must be performed by a firm licensed to perform audits in the State of Florida and be conducted in accordance with generally accepted auditing standards and standards established by the American Institute of Certified Public Accountants (AICPA). The audit will separately identify COUNCIL’s revenues, fees, donations, and expenditures by program.

Sample due dates are provided below:

<u>Fiscal Year End Date</u>	<u>Audit Due Date</u>
March 31	November 1
June 30	February 1
August 31	April 1
September 30	May 1
December 31	August 1

If PROVIDER does not comply with the audit requirement, it is considered out of compliance. Consequences of failure to comply with the audit requirement will include, but may not be limited to, the following:

- 1) A PROVIDER not in compliance with the audit requirement at the beginning of any month will be assessed a financial penalty in the processing of their next month’s reimbursement request. The audit will be due in the COUNCIL’s office on the first working day of the month after seven calendar months have passed. The financial penalty will be the lesser of 5% of the approved monthly reimbursement or \$500. The amount of this fee cannot be reclaimed under future reimbursement requests. The fee will effectively reduce the total amount reimbursable on a program’s budget. For example, a program with a \$120,000 budget that is assessed two \$500*

fees will only be able to receive a maximum of \$119,000 for their budget year. The fee will be assessed on every PROVIDER program receiving funding from the COUNCIL. In other words, a PROVIDER with which the COUNCIL has Agreement(s) for four programs will be assessed four financial penalties for the same late audit.

- 2) *The financial penalty fee assessment will be based on the due date of the audit and not on the timing of the next submitted reimbursement request. In other words, an audit received on the 12th day of the month that was due on the first working day of the month will be assessed a late fee even though the agency has not yet requested the monthly reimbursement.*
- 3) *The financial penalty fee described in number 1 above will be assessed monthly until the audit is received subject to provisions of number 4 below.*
- 4) *If an audit is not received within nine calendar months of the close of PROVIDER's fiscal year, the COUNCIL will send written notice to the PROVIDER to terminate the Agreement. The financial penalty fee will continue to be assessed during the termination process up to the point of termination or resolution.*
- 5) *In addition, if an audit is not received within nine calendar months of the close of PROVIDER's fiscal year and the Agreement with Provider has already been terminated or has expired, PROVIDER shall be prohibited from receiving any future funding from the COUNCIL unless PROVIDER comes into full compliance with this paragraph including, but not limited to, the submission of the audit to the COUNCIL, and the COUNCIL in its sole discretion agrees to provide future funding to the PROVIDER."*

Programs funded for less than \$35,000 may request COUNCIL approval of a fiscal review in lieu of an audit. The review shall be performed consistent with the American Institute of Certified Public Accountants (AICPA), Standards for Non-Profit Organizations, or other mutually agreed upon standards. The COUNCIL is committed to assurances that all funds provided are being used consistent with its policies and in the best interest of the children and taxpayers.

Please notify CSC in writing if your agency changes its fiscal year.

Certificate of Liability Insurance

The Provider is responsible for maintaining general liability and any other necessary insurance during the existence of the contract between CSC and the Provider. The Provider is responsible for submitting a current Certificate of Insurance as often as is necessary to maintain a current certificate on file with the Council. Please refer to your contract for details on insurance requirements.

Keep CSC Informed

The Provider acknowledges the importance of keeping the Council informed about the services it is providing through their contract with CSC and the funding sources affecting the CSC funded program. It is the responsibility of the Provider to promptly notify the CSC prior to any significant change(s).

Significant changes that would require notification to the Council include, but are not limited to:

- the commencement or conclusion of employment of funded and/or key staff
- the location of facilities where services are being provided.
- the number of staff assigned to a service delivery site.
- the acquisition of additional funding for the program funded by CSC (note that CSC funds will not be used for expenditures also funded by other sources)
- the loss of funding from sources other than CSC that could affect the operation of the program as originally presented to CSC
- the delivery of the services as set forth in its proposal
- the funding sources affecting the CSC funded program

VII. START-UP FUNDS

During the initial contract period or during a major expansion of a program, start-up funds can be issued for an amount up to 25% of the total contract. To be considered for start-up funds, the Provider must submit a written request to CSC indicating the need for the funds and how the funds will be used. If start-up funds are issued to a Provider at the beginning of a contract period, monthly reimbursements can still be requested. The procedure for funding will be as follows:

- 25% of contract amount issued in start-up funds at beginning of contract period.
- Monthly Reimbursement Requests are submitted starting with the first month of the contract period.
- Start-up Funds must be “paid back” (or netted against the Monthly Reimbursement Request) during the 4th, 5th, and 6th months of billing with 1/3 of the total amount of start-up funds issued being “paid back” each month.
- Beginning with the 7th month of billing, reimbursements would return to the actual monthly expenses as submitted on the Monthly Reimbursement Request

Start-up funds are intended for the set-up of initial operations of a program rather than for on-going operational expenses. For example, the use of start-up funds for the purchase of necessary supplies, furniture, or equipment would be appropriate because these would be one-time expenses needed to start the program.

If it is necessary for a program to obtain start-up funds for an on-going operational expense such as salaries, the start-up request should only be for the first month’s expense since reimbursements will be forthcoming on a monthly basis. If start-up funds are requested for on-going operational expenses, the program should outline how it will obtain the funding resources necessary to sustain itself through the fourth, fifth, and sixth months during which their reimbursement requests will be reduced by one-third of the start-up funding amount.

VIII. FORMS

The forms utilized in the Reimbursement process of CSC are listed and explained in the Technical Assistance Guide. All forms are provided in an Excel workbook format that will be emailed to you. Use the Excel file to complete the required monthly forms on your computer. Each form can be accessed by clicking on the appropriate tab at the bottom of your Excel workbook screen. Samples of each form can be found in the Technical Assistance Guide as well.

IX. COUNCIL MEETING SCHEDULE

Council Meetings are generally held on the 2nd Thursday of each month at 8:30 AM in the CSC Board Room. For September, the Council Meeting date and time will be announced at the July meeting. Call to verify meeting date and time.

October 14, 2021

November 11, 2021

December 9, 2021

January 13, 2022

February 10, 2022

March 10, 2022

April 14, 2022

May 12, 2022

June 9, 2022

July 14, 2022

August 11, 2022

**September 2022 – TIME AND DAY TO BE
ANNOUNCED**