

**FISCAL MANUAL
Child Care**

**ACS Division of Financial Services
Effective July 1, 2011**



**Michael R. Bloomberg, Mayor
John B. Mattingly, Commissioner**

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

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I. Budget

A. General

1. Versions of Budgets

ACS Child Care Budget is releasing several versions of budgets and summary documents for Fiscal Year 2012 because of the many changes impacting the contract Child Care system. Below is a summary of the documents released for reference. Approximately 16,200 children in contract programs and using vouchers will no longer be eligible for subsidies under the NYS Child Care Block Grant effective September 2, 2012. This affects approximately 6,600 contract center-based and family child care network slots. Following are the different budgets you may receive for FY12.

- **2012 Initial Contract Value** – budget accompanying contracts for Fiscal Year 2012 reflecting an estimated funding amount used in order to initiate the procurement process so that contracts will be registered by July 1, 2011 and so that contract payments can continue at the beginning of Fiscal Year 2012.
- **2012 July 1st Budget** – budget provided in May reflecting additional adjustments made due to the approximately 6,500 contract seat reductions and any other changes to date with your particular agency. This includes funding to support the 6,500 seats operating through the summer (July 1st – September 2nd).
- **2012 Adjusted Budget** – will be provided after the start of Fiscal Year 2012 (July 1st) to reflect any further changes that may occur as a result of changes to the ACS Child Care budget. Changes would include any funding added to ACS' budget by the New York City Mayor and City Council for specific programming.

2. Payroll Calculation

In Fiscal Year 2012 there are 261 operational days; therefore all payroll information should reflect 26.1 pay periods.

3. Monthly/Quarterly Financial Statement Reporting

There are monthly reports and procedures that all Child Care contractors should produce for reporting purposes to ACS and to their sponsoring board. ACS Financial Services may request copies of such reports at any time. Contractors must generate the following reports on a regular basis:

- Monthly Trial Balance – closing the books each month
- Board meeting minutes: Communicating the review of financial information
- A Schedule of budgeted versus actual expenses for ACS Child Care, CACFP and UPK for Fiscal Year 2012 year to date
- A Cash Flow projection and forecast for Fiscal Year 2012
- UPK monthly spending
- Quarterly - Form 941 (Federal) & Form NYS-45 (State) Payroll/UIB reports – submit to ACS on a quarterly basis

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4. Communication Process

In Fiscal Year 2010 ACS Budget began phasing into communication by email with contractors.

- ACS should have email addresses for the following people – Board Chair, Board Secretary, Executive Director, Site Director, Fiscal Officer, and Bookkeeper.
- To add or change please see the Correspondence Add/Change Form – Appendix A in the appendix section of this bulletin.

5. Official Contractor Information Changes

Contractors who require an address, TIN or name change are strongly encouraged to process this action through the NYC Payee Information Portal (PIP). The Web URL for this portal is <https://a127-pip.nyc.gov>. If the contractor has any problems with the portal, they should contact the FISA help desk at 212-857-1700.

In addition, if you need to update your sponsor or program information please request the appropriate form (Sponsor Profile Form or Program Profile Form) by writing to Gloria Ellis, NYC Children's Services, 66 John Street 8th Floor, NY NY 10038. Complete and return the form to ACS as directed.

B. Former Kindergarten Classrooms

In Fiscal Year 2011 the City Council and other funding allowed former Kindergarten classrooms to remain open. As of the writing of this Bulletin no funding has been identified to continue operating these classrooms after June 30, 2011.

C. Closing Classrooms

For contractors that will close a classroom and for staff that will be affected, Collective Bargaining Agreement procedures must be adhered to.

- Staff that transfer employment to another ACS contract Child Care center should transfer Time and Leave balances. Contractors must forward documentation to ACS Budget, attention Sunday Bafunso to receive a written approval for Time and Leave transfer.
- For staff ending employment that have accrued Time and Leave, the contractor must forward documentation to ACS Budget, attention Sunday Bafunso, and receive written ACS approval prior to payments being made. Time and Leave liabilities for classrooms closing by June 30 should be accrued in Fiscal Year 2011. A memorandum with more details and procedures will be forthcoming.

D. Universal Pre-Kindergarten (UPK)

The 2011-2012 UPK school-year begins Wednesday September 7, 2011. For Fiscal Year 2012 contractor UPK budgets, ACS will use the budget and slots based on final slots in the 2010-2011 school year after any required adjustments are made. Possible adjustments that could be made include: 1) because slots added during the January Expansion are only funded at 50%, then for every two slots added in the 2010-2011 expansion, contractors will receive one full slot in 2011-2012; 2) any prior negotiated rates with DOE that expire after 2010-2011

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may require slot adjustments; 3) DOE has not confirmed Full Day funding for 2011-2012 and slots would be funded at the Half Day rate; and 4) changes due to site closings or recognized slots changed since last school year.

1. Budget Value in July 1st Contracts

The value of supplemental services in the budget line reflects the Fiscal Year 2011 value on record as of November 2011 including any Full Day funding. This number will be updated to reflect adjusted Fiscal Year 2012 slots and rates when ACS releases the Adjusted Budget in July.

2. Number of Slots

Contractors will begin Fiscal Year 2012 with the same number of slots as in Fiscal Year 2011. Contractors may not shift UPK slots earmarked for ACS children to non-ACS children without ACS approval.

3. Cash Advances

ACS will make a one month cash advance for UPK based on the award.

4. Full Day UPK

ACS has not received final notice of funding for Full Day slots from DOE. Therefore budgets will reflect half day funding for any contractor that had Full Day last fiscal year. Once ACS is notified by DOE, contractors will be notified of the number of approved Full Day slots by site.

5. Cost Allocation of UPK

The Adjusted Budgets released in July 2012 will reflect cost allocated budgets based on slots for costs funded by the NYS Child Care Block Grant, NYC funds and DOE UPK funds. All services must be cost allocated between the various funding sources. A cost allocation plan must be provided upon request.

6. UPK Budget Modifications and Fiscal Year 2012

Budget modification requests must be in line with the approved models as outlined in the most recent edition of the UPK Bulletin – *ACS Universal Pre-Kindergarten (UPK) 2010-2011 School Year Models Bulletin*.

7. Funding and UPK Documentation Collection

Final awards are based on children served on October 31st **AND** for whom a full set of required documentation has been accepted by DOE. Packets should be delivered to your local DOE UPK office and you should obtain a receipt. ACS will budget based on the number of slots on record with the DOE. If there are any discrepancies or questions please see – Appendix F in the appendix section of this bulletin for a listing of DOE contacts.

8. UPK Expense Reporting

Contractors **MUST** report UPK monthly expenses for September through June for Fiscal Year 2012 using the CAPS Form. Initial budgets reflect the projected Fiscal Year 2012 UPK Supplemental Services budget and

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ACS Budget will be issuing a summary of funding report for the total Contractor budget to include UPK when the Adjusted Budget is released.

See Appendix C for a CAPS Reporting Form. The mid-year and final DOE UPK expense report will be based on UPK reporting in the UPK Supplement line in CAPS.

Recording expenditures for Child Care & UPK funding and expenditures should be represented in your general ledger. A Trial Balance should be used to produce the monthly CAPS report and should produce reports showing the value of Child Care and UPK funding and expenses.

E. Family Day Care Networks

Networks should closely monitor the maximum number of children their budget allows. Networks should be conducting monthly evaluations of actual enrollment and expenses against the stipend budget. If enrollment adjustments are required in order to live within budget the Network should contact their Resource Area Consultant immediately to correct the situation. ACS will **not** be providing any funds for any Network that overspends its budget.

1. Budgets

Contractor networks must not exceed their stipend budget. Budgets will not be increased for any reason. If a Network overpays a provider the Network cannot pass on that cost to ACS. Overpayments are the responsibility of the Network to correct.

All family day care expenditures should be submitted to ACS Payments on one CAPS report.

2. Paid Rates

ACS implemented the 2009 Market Rate which affects Paid Rates for Family Day Care Networks and Family Day Care Limited Purchase of Service (LPOS) contractors. All payments must be based on the current Paid Rate Schedule as provided in Appendix D.

3. Provider Payments

All payments should be made on scheduled pay dates e.g. the 8th and 23rd of each month.

4. Full Time Equivalents

In order to allow flexibility in enrollment, ACS previously converted the Family Day Care Network total budget capacity to a Full Time Equivalent (FTE). The FTE represents the maximum number of children that an organization can serve at the most expensive level of care. A Full Time Infant in the Group Family Day Care setting, or (GFDC F/T Infant) is the most expensive funded level of care in ACS contracted Family Day Care. FTE converts the annual Stipend budget into the number of Infants in the Group Family setting that could be served for one year. All other modalities/settings are equivalent to a fraction of this FTE. As children are enrolled, ACCIS recalculates the number of vacancies at the GFDC F/T Infant rate. The Network must operate within this budgeted amount.

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F. Children with Special Needs

ACS recognizes that many center based and Family Day Care Network contractors serve children with special needs and has established an application process for programs and providers to request support for accommodating these children.

The NYC Department of Education (DOE) and Department of Health and Mental Hygiene (DOHMH) are the agencies responsible for the evaluation of special needs to children. ACS programs refer children to the DOHMH, DOE or state approved providers for evaluation, Individualized Family Service Plan and Individualized Education Plan (IFSP, IEP) development and services. Unless approved by the State Education Department, ACS programs do not provide direct special needs services. Programs facilitate and support the child's IEP by in many cases allowing services to be provided on site (e.g. Special Education Itinerant Teacher (SEIT), speech therapy, etc). If a child has been diagnosed with a health impairment, documentation from a certified medical physician is required.

If a center based contractor or family child care provider serve a child with a special need and determines that additional services beyond what is provided through the child's IFSP or IEP are needed, the program must work with the parent and the DOE to have the requested additional services justified and included in the child's IFSP or IEP and expenses approved.

ACS does not provide extra funding for this purpose; all contractors must operate within their approved budget. If DOE does not agree that additional services are needed, ACS on a case by case basis may approve the use of a program's accrual for this purpose. The requests must demonstrate a strong justification for the increase in services. Requests to use accruals for these purposes must be done in writing to ACS; the child must be currently eligible and the case active. Such approval will be time specific. If the child becomes ineligible at anytime the spending must stop. Shortly you will receive information regarding the status of the rate for any approved special needs child. Contractors may not adjust the budget or increase expenditures without prior written approval from ACS Child Care Budget. Requests to use accruals should be sent to the attention of Sunday Bafunso.

Shortly, ACS plans to inform contractors of its revised Special Needs Rate Application process.

G. Parent Fees

Effective May 1st 2011 ACS implemented a new schedule for Parent Fees. Remember, contractor accounting systems must reflect the total amount that **should** be collected based on the ACS1 reports and the actual amount of fees **actually** collected from parents. All programs are responsible for collecting the entire amount of parent fees due. If you are not able to collect this amount please contact ACS immediately.

H. Project Full Enrollment (PFE)

Project Full Enrollment or PFE is still in development and all Child Care contractors will be notified in advance with an implementation schedule including explanations and details when PFE is to be implemented.

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1. Payments

Currently ACS is making payments at the beginning of the month based on a prior month's expenses. When PFE is implemented the basis for your monthly payment will change from a prior month's expenses to a prior month's enrollment. (See Section II for more information on current ACS Child Care Monthly Advance Policy.)

2. Child Agency Payment System (CAPS)

CAPS expense reports will continue to be submitted for each month during Fiscal Year 2012. Mail CAPS to ACS Payment Services, 150 William Street, 9th Floor, New York, NY 10038 attention: Parvinder Singh. CAPS reports must be consistent with the contractor's monthly trial balance. Submitting expenditures on the CAPS form in excess of actual expenditures could result in the contractor being placed in an "At-Risk" status.

I. Budget Modification Requests

Budget modification requests should be sent directly to the ACS Child Care Budget Unit to the attention of Sunday Bafunso.

1. Streamlining Submissions

Effective March 29, 2011 the budget modification policy changed to reduce budget modification requests and maximize contract flexibility in managing budgets. Contractors do not need to submit budget modification requests except for a final request at the end of the fiscal year to align both regular and UPK budgets with spending. Final budgets must be compliant with all relevant guidelines. Payment Services no longer disallows spending on a line by line basis. This policy allows reimbursement up to 96% of the budget. Also since FY2010 ACS no longer requires budget modification requests be submitted to the Resource Area. ACS Budget will contact the Resource Area Director and/or contractor's ECE for consultation whenever necessary. Budget modification requests requiring a review and approval by the ACS Facilities Unit still remains in effect. Please see Appendix E for an updated budget modification request form.

2. Policy

All Child Care contractors are responsible for operating within the ACS Child Care Budget. ACS will not increase budgets. Contractors making decisions that increase costs over the ACS Child Care budget will not be reimbursed for the overages. If spending goes over the ACS approved budget, contractors must find other funding sources to cover these expenses.

3. Submission Requirements

Submit your signed modification requests to 150 William Street, 10th Floor Attention: Sunday Bafunso Fiscal Year 2012 Budget Modification. Please include the following with all submissions:

- Cover letter with justification for each modification,

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- Documentation for moving funds to or from Personnel-related lines [e.g., Payroll, UIB rate letter, Welfare Fund invoices, etc.],
- Facilities approval for any facilities-related requests, and
- Leases and utilities bills for Contractor-leased site requests.
- End of year budget modification requests will only be accepted up to the first week in August. Anything submitted after that date will be disallowed in the audit.

J. Cost Allocation Plans

Every Child Care Contractor must have an up-to-date (Direct/Indirect) Cost Allocating and Cost Allocation Plan where appropriate, which has been approved by your Sponsoring Board within the last 12 months. Your Cost Allocation Plan will explain how your agency decides to allocate expenses among your agency's various funding streams. Your (Direct/Indirect) Cost Allocating Plan will explain how your agency defines and allocates expenses as programmatic [direct], administrative [indirect] or dual-benefit, which is a mix of programmatic and administrative. Your Sponsoring Board-approved Cost Allocation and Direct/Indirect Cost Plans should be available for review upon request.

For more details about Cost Allocation Plans and (Direct/Indirect) Cost Allocating, contact: Jim Ford | (212) 341-9660 | James.Ford@dfa.state.ny.us

K. Sub-Contracting of Services

Budget modification requests for sub-contracted services such as accounting, bookkeeping, custodial, etc., must have prior written approval from ACS before your organization incurs a liability. An ACS approval letter must accompany the budget modification requests for sub-contracted services. If not, any related costs will be determined to be **questionable** and **will be disallowed**.

II. Bookkeeping and Accounting

A. Chart of Accounts

A chart of accounts is a listing of all of the accounts that make up your accounting system. These accounts provide the framework for recording every transaction in the organization. Your chart of account should list the accounts in the following order: Assets, Liabilities, Net Assets, Revenue and Expenses. A good format to follow is the Unified Chart of Accounts (UCOA) which is designed to provide a framework that matches the reporting needs of the IRS and the filing of the Form 990.

B. Fund Accounting

Fund accounting is the tracking and reporting of segregated accounts in the form of "funds" to track projects and programs. These funds must be treated as separate entities with their own general ledger and must provide individual income statements and balance sheet reports. They must then report in total for the entire organization.

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C. Budget Process

The budget process is the process in which the budget is monitored quarterly in order to ensure that expenses and revenue are aligned. If they are not the organization must go through a process which aligns them.

D. Cash and Accrual Basis of Accounting

A cash accounting system that does not record accruals but instead recognizes income (or revenue) only when a payment is received and expenses only when a payment is made. There's no match of revenue against expenses in a fixed accounting period, so comparisons of previous periods aren't possible.

The cash method is simple in that the books are kept based on the actual flow of cash in and out.

An accrual basis of accounting is when revenues are recorded when they are earned, and expenses are recognized in the period incurred. It does not matter when cash is received or paid.

Only the accrual method of accounting is acceptable under generally-accepted accounting principles (GAAP).

E. Fiscal Policy and Procedures Manuals

Fiscal Policy and Procedures Manual is developed to assist an organization with the Operation's accounting system – the manual supports compliance with statutory requirements and administrative procedures. Furthermore, the manual documents the chart of accounts (balance sheet accounts, revenue source codes, expenditure objects and sub-objects), and policies and procedures related to budgeting, revenue and receipts, expenditures and disbursements, purchasing, contracts, journal vouchers, payroll/personnel, and financial reporting.

F. 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 have to follow generally accepted accounting principles (GAAP). Financial Statements Reports consist of:

- **Statement of Financial Position or Balance Sheet:** Depicts the overall value of an organization at a given time, mostly used at the end of the year (what is owned and owed).
- **Statement of Activities or Income:** Depicts the change of assets over the year (how much money the company made).
- **Cash Flow Statement:** Depicts changes in the cash position during the year (how much cash the company collected and what it spent it on).
- **Notes to the Financial Statement:** Depicts the significant accounting policies the organization follows, as well as any significant changes in the above statements.
- Voluntary health and welfare organizations are bound to produce an additional statement, namely the **Statement of Functional Expenses**, which shows all the expenses of the organization.

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III. Payment

A. City of New York Payee Information Portal

The Payee Information Portal is a service that allows vendors for the City of New York to manage account information, view financial transactions with the City of New York and much more. To begin go to the following web site <https://a127-pip.nyc.gov/webapp/PRDPCW/SelfService> and then click on the Activate button to begin filling out an electronic application

To view the Activation Quick Start Guide for Payee/Vendor go to the following address:

https://a127-pip.nyc.gov/LoginExternal/Forms/Activation_Quick_Start_Guide.pdf

For help from the FISA Call Center call 212-857-1700.

B. Monthly Advances – Child Care Payment Policy

ACS Financial Services policy, which addresses contractor cash flow concerns, is to issue monthly advances large enough to cover monthly budgeted expenses. Funds will be issued on or before the first day of each month. To ensure timely payments, contractors are urged to submit their monthly CAPS reports by the 15th of each month. Mail CAPS to ACS Payment Services, 150 William Street, 9th Floor, New York, NY 10038 attention: Parvinder Singh. Should ACS Payments Services receive CAPS submissions after the 15th of the month, ACS may not be able to process a timely payment prior to the first day of the month.

The Child Care Payment Policy should provide adequate funding to meet daily operations and eliminate requests for emergency payments; as well as mitigate large year-end fund recoupments when required. Please see Appendix B.

C. Child Agency Payment System (CAPS) Submissions

Monthly Advance Payments are based upon a prior months' CAPS submission, and are processed ten days before the beginning of the month to ensure contractors receive payment on or before the first business day of the month via EFT. Therefore, to ensure timely payments, **contractors are urged to submit their monthly CAPS reports by the 15th of each month.** Mail CAPS to ACS Payment Services, 150 William Street, 9th Floor, New York, NY 10038 attention: Parvinder Singh. Should ACS Payments Services receive your CAPS submissions after the 15th of the month, Children's Services may not be able to process a timely payment prior to the first day of the month.

- Contractors will be advanced more money for a three-payroll month;
- Contractors will not end the year with a large advance that needs to be recouped.

IV. Audit

Contractors must annually file an IRS Form 990 and a New York State Attorney General's Charities Bureau form CHAR500. Copies of your annual filings must be provided upon request.

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A. Funds Owed to ACS and Repayment Plans

Contractors have been notified if there is a balance due to ACS based on audits between Fiscal Year 2000 and 2009. Any required repayment plan should be submitted as soon as possible.

For more details about Repayment Plans, contact: Afaf Rezk | (212) 676-9175 | Afaf.Rezk@dfa.state.ny.us

B. Fiscal Year 2011 Audit

As you are aware, the City requires all contracted care agencies to submit annual financial audits as a condition for contracting with the City. ACS audit guidelines require that the ACS Child Care specific audit be submitted no later than October 31st (90 days from the close of the preceding Fiscal Year ending on June 30th). The NYC's Comptroller's Office, Mayor's Office of Contracts and the ACS Agency Chief Contracting Office require up-to-date submission of audits.

For questions concerning Child Care audits, contact the following:

- If you have only a Child Care contract: Hemang Patel, | 212-676-9105 | Hemang.Patel@dfa.state.ny.us
- If you have both a Child Care and Head Start contract: Geraldine Gibson Ross, | 212-676-9145 | Geraldine.Gibson-Ross@dfa.state.ny.us

V. Contacts

A. Financial Services Contacts

When contacting NYC Children's Services, always contact the unit that most closely administers your area of concern.

1. Budget

For questions about your budget or a budget modification, contact:
Sunday Bafunso, CFE | (212) 676-9157 | Sunday.Bafunso@dfa.state.ny.us
Sharon Francis | (212) 676-8818 | Sharon.Francis@dfa.state.ny.us

2. Payment

For questions about a payment for child care services, contact:
Gisele Assile | (212) 341-3550 | Gisele.Assile@dfa.state.ny.us
Parvinder Singh | (212) 341-3546 | Parvinder.Singh@dfa.state.ny.us

3. Audit

For questions about your program's audit or audit processes, contact either:
Hemang Patel | 212-676-9105 | Hemang.Patel@dfa.state.ny.us if you have a Child Care contract only.
Geraldine Gibson-Ross | 212-676-9145 | Geraldine.Gibson-Ross@dfa.state.ny.us, if you have both a Child Care and Head Start contract.

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B. Technical assistance

ACS Child Care and Financial Services offer technical assistance to its contractors through the following resources:

ACS Child Care Budget

Sunday Bafunso, CFE

(212) 676-9157 | Sunday.Bafunso@dfa.state.ny.us

Day Care Council of New York

Ms. Andrea Anthony, Executive Director

212-206-7818 | AAnthony@dccnyinc.org

Mayor's Office of Contract Services

Capacity Building and Oversight

Go to: <http://www.nyc.gov/html/mocs/html/programs/cbo.shtml> for information on training.

The Council of Community Services of NYS, Inc. (CCSNYS) - The State Board Training Consortium (SBTC)

Offers free capacity building workshops for boards

1-800- 515-5012 x 126 or 121 | vvenezia@ccsnys.org

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Glossary

Advance Payment is the cash payment ACS issues to a contractor for its program costs prior to the month in which costs will be incurred.

Allocable Cost means the cost of an item that is allocable to a particular program (such as Child Care or Head Start) or other activity in accordance with the relative benefits that a program receives from the item. A cost is allocable if it is treated consistently with other costs incurred for the same purpose in like circumstances and if it:

- is incurred specifically for the award;
- benefits both the award and other work and can be distributed in reasonable proportion to the benefits received; or
- Is necessary to the overall operation of the organization even though a direct relationship to any particular cost objective cannot be shown.

Allowable Cost is determined by the tests of reasonableness and necessity as defined in Office of Management and Budget (OMB) Circulars [2 CFR Part 220] A-21, [2 CFR Part 225] A-87 and [2 CFR Part 230] A-122.

Child Agency Payment System (CAPS) is maintained by ACS Financial Services Payment Services and summarizes an agency's budget, spending, payment and year to date variance. Agencies submit actual monthly expenses using the CAPS expense report.

Cash Flow is an assessment and understanding of cash coming into and flowing out of an organization in specific periods of time. This can be based on projections or actual cash flow.

Cash Flow Budget is a budget that provides an overview of cash inflows and outflows during a specified period of time. This is often called the cash flow, or the cash budget. Just as cash flow is one of the most critical elements of an organization, the cash flow projection is one of the most critical elements of planning. ***All child care contractors should produce Cash Flow Budgets and Reports and have them available for review on request.***

Cash Flow Statement shows actual cash inflows and outflows of the organization over a specified period of time. The Cash Flow Statement reconciles the Income Statement (Profit and Loss) with the Balance Sheet.

CHAR500 – see New York State Attorney General Charities Bureau Form CHAR500

Cost Allocating Plan is a plan in which expenses are classified into either program expenses/direct cost or administrative expenses/indirect cost. This has to be done for all programs irrespective of whether it has one funding source or multiple funding sources. This is required as part of the A-133 audit, Statement of Activities.

Cost Allocation Plan or (CAP) is needed when a nonprofit organization has more than one funding source that supports the organization's operation. A CAP is a written account of the methods used by an agency to allocate costs to its various funding sources. It is the process of assigning two or more programs, the costs of an item shared by the programs. The goal is to ensure that each program bears its fair share and only its fair share, of the total cost of the item.

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Direct Cost means those costs that can be identified specifically with a particular project, program or activity (i.e., a particular award, project, service, or other direct activity of an organization). A cost may not be assigned to an award as a direct cost if any other cost incurred for the same purpose, in like circumstances, has been allocated to an award as an indirect cost.

Disallowance occurs when an agency submits expenses over the approved budgeted line. Agencies should not allow this to happen before a Budget Modification request has been submitted and approved prior to spending. If an agency spends money over an approved budget line and ACS does not approve a Budget Modification request, the disallowance will become part of the audit and requires repayment to ACS.

Form 941 is the Employer's Quarterly Federal Tax Form used by employers to report employment taxes, withholding amounts, deposit amounts, and amounts due to the IRS. Form 941 includes totals for:

- Number of employees and total pay for the period being reported
- Amounts withheld from pay of employees for the period
- Taxable Social Security and Medicare wages for the period
- Calculation of total Social Security and Medicare wages
- Adjustments for sick pay, tips, group-term life insurance, and other
- Advance earned income credit payments made to employees

The form requires a calculation of the total taxes and the total deposits made during the period. The difference between the total taxes due and the total deposits is the amount still owed that must be paid. **ACS requires all contractors to submit copies of Form NYS-45 on a quarterly basis.**

Form NYS-45 is the New York State employer quarterly combined withholding, wage reporting and unemployment insurance return. **ACS requires all contractors to submit copies of Form NYS-45 on a quarterly basis.**

Form 990 (IRS Form 990) is the Internal Revenue Service form filed annually by public charities. The IRS uses this form to assess compliance with the Internal Revenue Code. The form lists organizational assets, receipts, expenditures and compensation of officers.

Full Time Equivalent (FTE) in a Family Day Care Network represents the maximum number of children that contracted Family Day Care networks can serve at the most expensive level of care. A Full Time Infant in the Group Family Day Care setting, or (GFDC F/T Infant) is the most expensive funded level of care in ACS contracted Family Day Care. FTE converts the annual Stipend budget into the number of Infants in the Group Family setting that could be served for one year. All other modalities/settings are equivalent to a fraction of this FTE. Your full FTE allocation should be in ACCIS. As children are enrolled, ACCIS recalculates the number of vacancies at the GFDC F/T Infant rate. You may serve more or fewer children based on the provider type (GFDC or FDC), level of care and full or part-time care of the children enrolled.

Indirect Cost means those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular sponsored project, program or activity but are nevertheless necessary to the operations of the organization. For example, the costs of operating and maintaining facilities are generally treated as indirect costs.

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Metropolitan Commuter Transportation Mobility Tax (MCTMT) is an employer payroll tax. Employers are required to withhold New York State income tax from employee wages and whose payroll expense exceeds \$2,500 in any calendar quarter. The MCTMT rate is 0.34% of an employer's payroll expense for employees employed within the Metropolitan Commuter Transportation District or MCTD. Filings are required quarterly. Please see <http://www.tax.state.ny.us/mctmt/emp.htm> for more information.

New York State Attorney General Charities Bureau Form CHAR500 – is the form that must be filed annually for registered organizations. New York City requires an updated form be on file for its contractors. Form CHAR500 is posted at www.charitiesnys.com/pdfs/CHAR500-08.pdf. If the organization's income and/or assets exceed \$25,000, a copy of IRS form 990, 990EZ or 990PF must also be filed each year.

Prior Approval means securing the agency's written permission in advance of incurring costs, e.g. ACS requires prior approval on budget modifications before an agency begins spending.

Project Full Enrollment (PFE) changes the way Child Care group center-based contractors will be paid. Under PFE Contractors will receive payment at the beginning of each month based on a previous month's enrollment level and not be reimbursement based on submitted expenses. This will apply only to center-based care. Initial implementation has Family Day Care (Stipends and Admin) and UPK continuing to be paid through CAPS.

Trial Balance is a list and total of all the debit and credit accounts for an organization for a given period – usually each month. The format of the trial balance is a two-column schedule with all the debit balances listed in one column and all the credit balances listed in the other. The trial balance is prepared after all the transactions for the period have been journalized and posted to the General Ledger. Key to preparing a trial balance is making sure that all the account balances are listed under the correct column. The appropriate columns are: Assets = Debit balance, Liabilities = Credit balance, Expenses = Debit Balance, Equity = Credit balance, Revenue = Credit balance. ***All child care contractors should produce Monthly Trial Balance reports which should be used to prepare the CAPS Expense Report submissions and have them available for review on request.***

Unemployment Insurance - NYS Normal Tax The tax rate that results from an employer's experience is called the normal tax rate. This is calculated annually based on various factors, including prior unemployment experience and the balance of the Unemployment Insurance fund. For 2011, newly liable employers are assigned a combined normal and subsidiary tax rate of 4.025%. In addition a Re-employment Services Fund tax rate of 0.075% is added for a total of 4.1%. New tax rates are mailed to employers each March.

Unemployment Insurance - Tax Rate Notices Tax rate notices are mailed to the address on record for each employer in March of every year, well before the April 30th due date for the first quarter tax return. Each individual employer's tax rate also appears on their NYS-45, Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return.

VI. Appendices

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

A. Child Care Email Correspondence Add/Change Form



Child Care Budget Email Correspondence

Add / Update Form

Sponsor Name:	Budget ID	circle one	Add Change
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Tell us what type of information each contact should be receiving by checking the appropriate box.

Contact Name	Email Address	Budget Bulletins	Budget Mod Actions	Memos	UPK	PFE	Other
Board Chair	email address	<input type="checkbox"/>					
Board Secretary	email address	<input type="checkbox"/>					
Board Treasurer	email address	<input type="checkbox"/>					
Executive Director	email address	<input type="checkbox"/>					
Fiscal Officer	email address	<input type="checkbox"/>					
Bookkeeper	email address	<input type="checkbox"/>					
Site Director	email address	<input type="checkbox"/>					
FDC Director / Coordinator	email address	<input type="checkbox"/>					
Other 1	email address	<input type="checkbox"/>					
Other 2	email address	<input type="checkbox"/>					

Effective January 1, 2010 ACS Child Care Budget will be using email as the main form of communication with child care sponsors. Budgets, modifications, memos, etc. will be sent by email instead of regular mail. This will allow ACS to send more quickly and to include all relevant parties.

Please use this form to add names and email addresses and indicate what information that person should receive.

Notes:

Budget modification actions include the original budget for the fiscal year, budget amendments, correspondence concerning budget amendment requests.

Other includes responses to enquiries, other correspondence, etc.

Mail to: ACS Child Care Budget
150 William Street 10th Fl, Attn: Email Addresses
New York, NY 10038

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

B. Fiscal Year 2012 Child Care Payment Policy



Susan Nuccio
Deputy Commissioner/
Chief Financial Officer
Financial Services
150 William Street
10th Floor
New York, NY 10038
Email Address:
susan.nuccio@dfa.state.ny.us

Richard Beck
Assistant Commissioner
Financial Services/
Payment Services
150 William Street
9th Floor
New York, NY 10038
Email Address:
richard.beck@dfa.state.ny.us

To: Sponsors of Child Care Programs
From:  Richard Beck, Assistant Commissioner
Financial Services/Payment Services
Date: May 6, 2011
Subject: Fiscal Year 2012 Child Care Payment Policy

The NYC Administration for Children's Services, Financial Services division, will continue its Child Care Payment Policy in FY12 to address the cash flow concerns experienced by many of our contractors. Funds will be issued on or before the first day of each month subject to timely CAPS submission by the contractor. The payment schedule is attached. The Child Care Payment Policy for FY12 should provide adequate funding to meet daily operations and eliminate requests for emergency payments, as well as mitigate large year-end fund recoupments.

Highlights of the Child Care Payment Policy for FY12:

- Contractors will continue to receive their monthly payments on or before the first day of the month;
- Payments will continue to be based upon the contractor's CAPS submission from two months prior to the payment month (e.g., May 2011 CAPS will be used to determine the July 2011 payment - see attached schedule);
- Contractors will be advanced funds for a three-payroll month.

Contractors are urged to submit their monthly CAPS reports by the 15th of each month to ensure timely payments on or before the first business day of the month via EFT. Should we receive the CAPS submissions after the 15th of the month, Children's Services may not be able to process a timely payment by the first day of the month.

Contacting Children's Services

If you have any questions regarding this Child Care Payment Policy for FY12, please contact Ms. Gisele Assile, Executive Director of Child Care & Head Start Payment Services at (212) 341-3550 or via e-mail, Gisele.Assile@dfa.state.ny.us.

FISCAL YEAR 2012 CHILD CARE PAYMENT POLICY

FISCAL YEAR	SERVICE PERIOD <i>[CAPS Submitted]</i>	PAYMENT <i>[Before the First Day]</i>
FISCAL YEAR 2012	May 2011	July 2011
	June 2011	August 2011
	July 2011	September 2011
	August 2011	October 2011
	September 2011	November 2011
	October 2011	December 2011
	November 2011	January 2012
	December 2011	February 2012
	January 2012	March 2012
	February 2012	April 2012
	March 2012	May 2012
	April 2012	June 2012

cc: Susan Nuccio
 Jose Mercado
 Steve Schimmele
 Gisele Assile
 Parvinder Singh

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

C. CAPS Expense Form



ADMINISTRATION FOR CHILDREN'S SERVICES
MONTHLY EXPENSE REPORT - CHILD CARE SERVICES

CHILD AGENCY PAYMENT SYSTEM - CAPS

Contract Name: _____ Budget ID: _____
 Program Type: _____ Reporting Month / Year: _____
 Address: _____ Tax ID Number: _____
 City / State / Zip _____

Budget Lines	Expense Code	(B) Expenditures This Month		(C) Prior Month Adjustment		(D) Total Expenditures Prior Months		(E) Total Expenditures YTD (B1 + C1 + D1)	(F) Budget	(G) Remaining Balance (F-E)
		Child Care (B1)	UPK (B2)	TOTAL	Child Care (C1)	UPK (C2)	Child Care (D1)			
PERSONNEL SERVICES (PS)										
PERSONNEL SERVICES (PS)	1100									
SUBSTITUTE SALARIES	1300									
FRINGE BENEFITS	1200									
WELFARE PLANS	1200									
SUBTOTAL PS	1800									
PHYSICAL FACILITIES (PF)										
RENT	2110									
MAINTENANCE AND REPAIRS	2171									
OTHER FACILITY COSTS	2130									
RENOVATION	2150									
SUBTOTAL PF	2100									
FAMILY DAY CARE NETWORKS (FDC)										
FDC PROVIDER STIPEND ONLY	2701V									
FDC ADMIN ONLY	2702V									
SUBTOTAL FDC	2700									
OTHER THAN PERSONNEL SERVICES (OTPS)										
CLASSROOM SUPPLIES	2215									
OTHER OTPS	2230									
SUBTOTAL OTPS	2200									
GDC LPOS	2703L									
UPK SUPPLEMENTAL SERVICES	2217									
GRAND TOTAL		50	50	50	50	50	50	50	50	50
PARENTAL FEE COLLECTED										

We hereby certify that, to the best of our knowledge and belief, the information contained herein is correct, that it corresponds with the books and records of this agency, that the expenditures reported were in compliance with the intent of the program objectives approved by ACS, and that documentation is available to support this report and will be available for audit.

NAME OF PREPARER _____ SIGNATURE OF PREPARER / DATE _____ PREPARER TELEPHONE / EMAIL ADDRESS _____

NAME OF DIRECTOR _____ SIGNATURE OF DIRECTOR / DATE _____ DIRECTOR TELEPHONE / EMAIL ADDRESS _____

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

D. Family Child Care Paid Rates

ACS Family Child Care Network Paid Rates

The rates listed below are the New York City Children's Services' paid rates for family child care network providers. These rates are based on the New York State child care market rates that became effective on October 1 2009. These rates are contracted rates and are determined by the availability of funding. The chart below provides the weekly paid rate and corresponding daily value for child care providers by modality, child age and length of child care service day. All family child care networks are to pay their providers these rates.

Family Child Care Provider Paid Rates

Fiscal Year 2012

Provider Category			Weekly Rate Effective 10/1/09	Daily Value
Group Family Day Care	Infant	Full Day	\$176.94	\$35.39
	Toddler	Full Day	\$163.94	\$32.79
	Preschool	Full Day	\$132.94	\$26.59
	School Age	Full Day	\$94.00	\$18.80
	Infant	Part Day	\$97.94	\$19.59
	Toddler	Part Day	\$92.94	\$18.59
	Preschool	Part Day	\$87.94	\$17.59
	School Age	Part Day	\$56.05	\$11.21
Family Day Care	Infant	Full Day	\$142.94	\$28.59
	Toddler	Full Day	\$132.94	\$26.59
	Preschool	Full Day	\$132.94	\$26.59
	School Age	Full Day	\$94.00	\$18.80
	Infant	Part Day	\$82.94	\$16.59
	Toddler	Part Day	\$82.94	\$16.59
	Preschool	Part Day	\$87.94	\$17.59
	School Age	Part Day	\$56.05	\$11.21

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E. Child Care Budget Modification Request Form



ADMINISTRATION FOR CHILDREN'S SERVICES
Modification Request Form - CHILDCARE

Childcare Budget Modification Form

SPONSOR NAME _____ CONTRACT NO.: _____
 PROGRAM NAME _____ TAX ID NO.: _____
 ADDRESS: _____ BUDGET ID.: _____
 CITY/STATE/ZIP: _____ FISCAL PERIOD : _____

Budget Categories	Expense Code	(A)	(B)	(C)	ACS CHILDCARE BUDGET USE ONLY
		Current Approved Budget	Requested Change (+) or (-)	Revised Budget	
PERSONNEL SERVICES (PS)					
PERSONNEL SERVICES (SALARIES)	1100			\$ -	
FRINGE BENEFITS (FICA & UIB.)	1200			\$ -	
WELFARE FUND & PERSONNEL INS.	1200			\$ -	
SUBSTITUTE SALARIES & FRINGE	1300			\$ -	
SUBTOTAL PERSONNEL SERVICES (PS)	1000	\$ -	\$ -	\$ -	
PHYSICAL FACILITIES (PF)					
RENT	2110			\$ -	
UTILITIES (GAS , LIGHT & HEAT)	2112			\$ -	
RENOVATION	2150			\$ -	
MAINTENANCE & REPAIRS	2171			\$ -	
OTHER FACILITY COSTS (ALARM , CUSTODIAN)	2130			\$ -	
SUBTOTAL PHYSICAL FACILITIES (PF)	2100	\$ -	\$ -	\$ -	
FAMILY DAY CARE NETWORK (FDC)					
FDC STIPEND	2701V			\$ -	
FDC ADMIN	2702V			\$ -	
SUBTOTAL FDC	2700	\$ -	\$ -	\$ -	
OTHER THAN PERSONNEL SERVICES (OTPS)					
CLASSROOM SUPPLIES / EQUIPMENT	2215			\$ -	
HOUSEHOLD / OFFICE SUPPLIES	2212			\$ -	
SERVICES	2211			\$ -	
OTHER	2210			\$ -	
SUBTOTAL OTPS	2200	\$ -	\$ -	\$ -	
GDC LPOS	2703L			\$ -	
UPK SUPPLEMENT	2217			\$ -	
GRAND TOTAL PROGRAM FUNDING		\$ -	\$ -	\$ -	0

PLEASE ATTACH WRITTEN JUSTIFICATION FOR CHANGE(S)

COMMENTS :

NAME OF PREPARER	SIGNATURE OF PREPARER	DATE	TELEPHONE #
NAME OF DIRECTOR	SIGNATURE OF DIRECTOR	DATE	TELEPHONE #
SPONSORING BOARD	SIGNATURE & TITLE	DATE	TELEPHONE #

ACS Financial Services Child Care Fiscal Year 2012 Bulletin

F. DOE UPK Early Childhood Phone List

OFFICE OF EARLY CHILDHOOD PHONE LIST
 Executive Director, Recy Benjamin Dunn 212.374.2324 / © 917.825.1839
 Main Number: 212.374.0351 Fax Number: 212.374.5760

Operations Manager, Dominique West: 212.374.3851 / © 917.589.9450
 Data Manager, Jocelyn Alter: 212.374.6675 / © 917.208.8557
 Special Assistant, Michael Greenberg: 212.374.5767 / © 347.218.0716
 WSS & ERP Program Manager, Kelly Medora: 917-339-1777

Director of Instruction, Nana Ofosu-Amaah: 212.374.6858 / © 347.406.1059
 Citywide NYCELL Coordinator, Lynda Nicolas: 212.374.3481
 Education Administrator, Kim Adams: © 917.318.2119
 Education Administrator, Rosanna Tafari: 212.374.0336 / © 917.873.8715

Special Projects Manager, Stephen Richards: 212.374.5231 / © 917-287-7305
 Special Projects Manager, Carol Varlikos: 212.374.6812 / © 917.821.6261

QUEENS 23, 24, 25, 26, 27, 28, 29, 30, 32 82-01 Rockaway Blvd. 4th Floor Ozone Park, NY 11416	BROOKLYN/STATEN ISLAND 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 31 300 Adelphi Street Rm 201 (Instructional Office) Rm 206 (Operations Office) Brooklyn, NY 11205	MANHATTAN/BRONX 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 1 Fordham Plaza 7th Floor - (Instructional Office) 8th Floor - (Operational Office) Bronx, NY 10458
Operations Manager Richard Switach 718.642.5803 © 917.859.0473	Program Administrator Sherry Copeland 718.642.5803 © 917.515.4522	Program Administrator Teresa Caccavale 718.643.1173 x82254 © 917.209.1947
Operations Analyst Paul Barth (D30) 718.642.5862	Program Manager Kathleen Burgess 718.642.5810 © 646.369.6039	Operations Analyst Maria Robustelli 718.643.1173 x82255
Ermine Bergamino (D27) 718.642.5850	Program Specialist Marisa Natale 718.642.5833	Program Specialist Faye Edwards (D1,D2,D3) 718.741.5036
Avinash Bhanauth (D23,D26,D32) 718.642.5776	Instructional Coordinator Labiba Abdur Rahman 718.642.5786	Program Specialist Deanna Beasley (D6,D7,D10) 718.741.5818 © 917.207.0931
Aneta DeClara (D25) 718.348.2921	Instructional Coordinator Nancy Calabrese 718.642.5820	Program Specialist Carmen Iriazary (D8,D9,D12) 718.741.3414
Callista Frederic (D24) 718.642.5781	Yvonne Ganesh (D29) 718.348.2976	Instructional Coordinator Andre Noel (D4,D5,D11) 718.741.5022
Jessica Yanez (D28) 718.642.5856	Therese Buzzeo 718.642.5773	Program Specialist Carol Berg 718.643.1173
Administrative Assistant Veronica Scott 718.642.5872	Marisa Foreman 718.642.5834	Administrative Assistant Evelyn Johnson 718.741.5036
	Cynthia Marciano 718.348.2920	Administrative Assistant Diana Peczek 718.643.1173 x2245
	Debra Ann Marino 718.642.5790	Administrative Assistant Margaret Di Scala 718.643.1173
	Alice Neil 718.642.5858	Administrative Assistant Susan Hughes 718.643.1173
	Tiffany Scoble 718.642.5794	Administrative Assistant Vicki Klein 718.643.1173
	Ellen Tenebaum 718.642.5796	Administrative Assistant Carol Mongiello 718.643.1173
		Administrative Assistant Dorine Morse 718.643.1173
		Administrative Assistant Heather Morton 718.643.1173
		Administrative Assistant Patricia Mottola 718.643.1173
		Administrative Assistant John Palzis 718.643.1173
		Administrative Assistant Marie Elaine Petrino 718.643.1173
		Administrative Assistant Rosemary Pinto 718.643.1173
		Administrative Assistant Noemi Rodriguez 718.643.1173
		Administrative Assistant Valerie Sanchez 718.643.1173
		Administrative Assistant Laury Wooden 718.643.1173
		Administrative Assistant Karen Berliner 718.741.7849
		Administrative Assistant Wanda Castro 718.741.5754
		Administrative Assistant Christina D'Angelo 718.741.8635
		Administrative Assistant Tiffany Evans 718.741.5783
		Administrative Assistant Meghan Fitzgerald 718.741.8126
		Administrative Assistant Randy Galler 718.741.8692
		Administrative Assistant Kalinka Haber 718.741.8632
		Administrative Assistant Ann Lafragola 718.741.5727
		Administrative Assistant Arlene McIntosh 718.741.8632
		Administrative Assistant Lee Noto 718.741.5767
		Administrative Assistant Sheri Sachar 718.741.5728
		Administrative Assistant Gregory Sawitz 718.741.7483
		Administrative Assistant Susan Tsiropoulos 718.741.5823