ESCAMBIA CHILDREN'S TRUST

Our Children. Our Community. Our Future.

Fiscal Guidelines for Funded Program

Updated 8/11/2026

Deadlines and Due Dates Quick Reference

Final Reimbursement of FY (September Expenses)	**No later than October 31st**
Reimbursement request for prior months expenses	**20th of following month unless otherwise specified in contract**
Late Fee – Reimbursement request	**$500 deduction from reimbursement request**
Program Quarterly Report	**Due per contract schedule, no reimbursements will be issued while quarterly report is late.**
Audit as per contract	**Must be provided within 180 calendar days of the close of providers fiscal year (see section XV. 3 General Conditions of contract.)**

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I. INTRODUCTION

ECT Establishment & Mission

Escambia Children's Trust (ECT) is an independent special district of local government authorized by Florida Statute 125.901 and by local Ordinance No. 2020-22 on November 3, 2020. ECT is committed to acting as a responsible steward of the funding entrusted to it by Escambia County voters. These funds are allocated to improve the lives of children in Escambia County, with program support guided by identified needs and data demonstrating the impact and effectiveness of the programs funded.

ECT began collecting Ad Valorem taxes in November 2021 and began funding programs in July of 2022. ECT is authorized by Florida law to levy taxes up to .5 mills per $1,000 of assessed property value.

The mission of ECT is to invest in our community's future through support of high-quality children's programs and services, research, education and advocacy. ECT's areas of focus are:

- Children are Healthy
- Children are ready to succeed in school and life
- Children are safe and protected from abuse and neglect
- Children have supports to help them avoid risky behaviors

Purpose of the Fiscal Policy Manual

This Manual is intended to summarize the fiscal policies of ECT as they affect the funded program. This Manual provides formats for establishing budgets, processing reimbursements, requesting budget transfers, and allowable expenses. The goal of this manual is to help establish mutually understood guidelines for the fiscal management of ECT funds. Please note that this fiscal policy is part of your contract with ECT.

Role of the ECT Fiscal Staff

The ECT fiscal staff is charged with reviewing and processing all reimbursement requests made by ECT 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 are available for technical assistance.

II. THE PROGRAM BUDGET

Basis of ECT Funding

The funding recommendations presented by the Program Committee and approved by the ECT Board of Directors are based on both programming and financial considerations. E C T Staff and Program Committee members review 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 ECT 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 for which the budget has been spent out.
- ★ expenses for program operations outside of Escambia County.
- ★ the purchase of real property (i.e. land, buildings, etc.).
- ★ capital improvements, an addition or change that 1) increases a property's value, 2) increases its useful life, or 3) adapts it (or a component of the property) to new uses. For example, renovations, the addition of a room, installing new windows, roof, floors, HVAC, electrical, or plumbing system. ECT will reimburse for repairs and maintenance due to normal wear and tear. Repair keeps equipment or buildings functioning at the same level for the next few years, and repair or maintenance returns the equipment or building to its previous condition. For example, repairs and maintenance could include maintenance to an existing air conditioning unit or refrigerator (but not replacing), fixing a broken pipe or faucet, patching a leak in the roof, repairing a hole in a wall, etc.
- ★ Medical equipment, services, or treatment unless specifically detailed in the program proposal.
- ★ Staff entertainment expenses. Alcoholic beverages.
- ★ Payment of fines, late fees or financing fees (e.g., credit card late fees, late fees from lease agreements, or on a standard bill).
- ★ Florida State sales tax on purchases made.
- ★ Expenses incurred outside of the budget period for reimbursement.
- ★ Car Allowances to staff employed in its funded programs.

- Bonuses to staff employed in its funded programs.
- Accrued vacation and sick time payouts, and payment of wages in lieu of notice except upon separation from employment as provided for in the personnel policies and procedures of the program.
- The use of ECT funds for Lobbying.
- Pre-paid expenses that fall outside of the contract term. For reference, pre- paid expenses are payments in advance of goods and/or services being delivered and/or for use in the future. ECT expects purchases made during the contract term to be consumed and/or eligible to be used within the same contract term.
- Supplanting of existing funding.
- Expenses related to fund raising.
- Lodging expenses for volunteers or contractors brought on site to work in the program
- Cash awards, gift cards, or personal expenses
- Prepaid gasoline purchases

ECT reserves the right to disallow costs (regardless of dollar value) for which the provider cannot provide appropriate supporting documentation (See supporting Documentation on page)

Funding is by Reimbursement

ECT 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, 2025, must be submitted with the October 2025 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 ECT 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. Prior contract year expenses are not eligible for reimbursement using the new contract year budget and expenses for future contract years cannot be paid with current contract funds

Reduction of Provider Funds

The contract executed between ECT 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 set forth in Section X, Method of Payment, Paragraph 1 above may be reduced in the event that ECT determines that the Provider will not spend the entire amount allocated during the term of this Agreement or in the event the Provider is not meeting performance expectations as determined by ECT staff. This determination may be made (a) based upon ECT's review of Provider's program and its expenditure history, (b) during the course of reviewing a budget revision submitted by the Provider pursuant to ECT's procedures, or (c) at any time that ECT becomes aware that the Provider is not meeting performance expectations. Before any such reduction becomes final, the Provider will be notified in writing of the proposed action and shall have the opportunity to address ECT regarding the proposed reduction. Such written notification should occur not less than ten (10) days prior to the Board meeting where such action is to be considered.

Any proposed reduction will be determined by the ECT Board. The decision of ECT 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 Escambia County program funded by ECT 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, or rename line items.

Advertising and Marketing-Costs related to advertising for program promotion, staff/volunteer recruitment for the program. This line item can also be used for promotional items purchased for the program and promotional videos that are filmed.

Accounting & Auditing Expense-The Program's pro rata share of the annual independent financial audit expense. Payroll service fees would also be included here.

Benefits- *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.

Life/Health Insurance-The employer's share for any life and/or health (medical) insurance program the employer offers its employees. *Retirement***-**The employer's share for program employees' retirement. *Re-Employment (formerly FL Unemployment)*-The amount paid for re-employment insurance. *Workers Compensation***-**The amount paid for workers compensation insurance as assigned by the carrier.

Building Maintenance – Building maintenance refers to the ongoing efforts and tasks undertaken to keep a building or facility in good condition. It includes both preventive and corrective measures to ensure the safety, comfort, and functionality of the structure. Building maintenance includes tasks such as cleaning, landscaping, extermination expenses, plumbing maintenance and electrical system maintenance and aims to preserve a safe, functional, and comfortable environment always.

Client Travel - Cost associated with transporting participants to and from program activities. This will include fuel, vehicle maintenance, and lease/rental payments; however, drivers will be included in the personnel line if on staff and in the Professional Services/Contract Labor if the driver is a contracted worker (1099 employee). All drivers are required to have a valid driver's license, meet the minimum requirements for operating the vehicle, and have had a motor vehicle report conducted on their motor vehicle records history. Fuel reimbursement requires an ECT provider mileage log to me maintained and submitted with the reimbursement request. All receipts for fuel must show the date of purchase and the number of gallons purchased. All fuel and rental of vehicles for field trips will be included in the field trip line item. Ride Share tips are capped at 15%.

Contract Labor-Cost of fees and charges of contracted staff members. These are members of your staff that receive 1099s for their services. Reimbursement of these services requires an invoice to be submitted by the contractor to the provider for the services rendered. ECT has a standard contractor agreement that must be on file for each contracted staff member and an invoice template for use. These contracted workers will not need to complete a Personnel Activity Report (PAR) and will not be reimbursed for without a contract and invoice.

Direct Client Assistance (DCA)-Must be reasonable, necessary, and directly related to achieving the goals and outcomes of the funded program. DCA is intended to provide short-term, tangible support that directly benefits eligible program participants, reduces barriers to participation, or stabilizes family situations that would otherwise hinder a child's development, safety, or well-being. DCA must clearly connect to the program's service plan and be documented in the client's record. DCA can only be awarded once per quarter per participant and/or family. DCA must be awarded in an equitable and consistent manner and supported by written criteria. Basic needs, transportation, clothing, program participation fees, educational/developmental materials, child safety items, and health related supports can all be eligible expenses. DCA must be detailed in the budget narrative, and a detailed explanation of how Direct Client Assistance will be used and tracked must be provided to ECT before contract signature. For reimbursement each DCA claim must include itemized expenditures and supporting documentation, including but not limited to participant name, date, amount provided, supporting invoice/receipt, signed acknowledgment of receipt by participant, and efforts made to secure funding elsewhere. Using the ECT receipt attachment form is required.

Equipment Purchases-Equipment with a purchase price that exceeds $4,999 each and purchased as a necessary item for the operation of the program. Equipment purchased with ECT funds becomes the property of ECT if the program terminates or funding is discontinued by ECT within three years of the equipment purchase.

Field Trips – Costs associated with providing participants with experiences outside of their normal daily environment. Costs can include lodging, transportation, fuel, food, and entrance fees. Lists of those who attended the field trip are required for expenses to be reimbursed. Ride Share tips are capped at 15%.

Fingerprinting and Background Checks – The cost of complying with Level 2 or equivalent background checks, annual local background checks, and Motor Vehicle Report conducted on all drivers annually. Local background checks must be done with the Escambia County Sheriff's office and the local law enforcement agency with jurisdiction over the individual's primary place of residence or employment.

Food and Snacks- This item represents the reasonable and necessary costs of nutritional food for a documented activity the participants are involved in and is a necessary part of the program. Delivery Tips: Delivery and carryout tips may not exceed 10% of the bill before sales tax. Reimbursable tips for table service should not exceed 20% of the bill before sales tax. For larger annual events or ceremonies, contact the ECT fiscal staff. Sales tax is allowable on purchases when traveling out of state. An attendance list of participants receiving the food/snacks is required and the food purchased should be in line with the number of participants and staff in attendance Food for staff meetings and staff trainings is not an allowable expense.

Freight and Postage-Postage, postage meter, parcel post, commercial trucking, and other delivery service costs.

Indirect Costs- Effective for all new contracts, renewals, and budget amendments executed after April 14, 2026, ECT will no longer permit a separate indirect or administrative line item in program budgets. All costs – including those traditionally categorized as indirect or administrative- must be incorporated within the appropriate direct budget line items and clearly allocated to the funded program. While required to be separately identified as direct budget line items, the total of expenses traditionally considered indirect or administrative in nature shall not exceed fifteen percent (15%) of the total approved direct program budget. Items that would normally fall into this category require the same supporting documentation as all other direct expenses. An allocation plan showing how these expenses are determined and what portion is charged to ECT for each line item will be required and must show that expenses are prorated using a reasonable and consistently applied allocation methodology that is based on actual usage or benefit received and is documented in writing. and may include:

- Finance and Accounting services including Audit and payroll processing
- Office Management and Administrative support
- Human Resources
- Executive leadership
- General liability insurance
- Information Technology support
- Data systems, licensing fees, and organization management software
- Office rent and utilities
- Legal Services
- Professional Development

Information Technology (IT Services) – Cost of IT Services for the agency. If other programs besides the ECT funded program use the service this must be prorated.

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. Each insurance type has their own line item to use. ECT will only reimburse for the portion of the insurance policy that aligns with the contract period. If other programs are offered this must be prorated. Declarations page and certificate of Insurance showing ECT as additional insured/certificate holder are required to be submitted.

Internet – Cost of internet services for the agency. If other programs besides the ECT funded program use the internet this must be prorated.

Lease/Space Rental- Includes rent (building and land) for the programs place of business. Contracted janitorial and maintenance services, exterminating expenses, and landscaping would be placed under Building Maintenance.

Legal Services – Costs of legal services on a contracted or per service basis. If other programs receive the services, then this must be prorated.

Office Supplies-Cost of all supplies and materials used by the program staff, this may include office and housekeeping supplies. Equipment items costing less than $5,000 each, such as computers, tablets, laptops, etc... will be included here, these equipment items purchased with ECT funds become the property of ECT if the program terminates or funding is discontinued by ECT within three years of the items purchase date. The operating system is required to be left intact on returned electronic equipment.

Participant Incentives – Incentives are allowable only when they are reasonable, necessary, and directly related to achieving approved program outcomes. An incentive is any item, or service of value given to a participant to encourage engagement, retention, or attainment of specific program outcomes. **An Incentive must be a modest non-cash item related to the program's purpose.**

Incentives are allowed only when:

1. There is an approved incentive plan included in the approved program budget; and
2. Directly tied to program outcomes and participation milestones; and

3. Reasonable in amount, equitable in distribution, and fully documented.

Reimbursement requests for participant incentives must include:

1. Participant sign-in sheets, logs, or acknowledgement forms; and
2. Receipts/invoices attached to the ECT receipt attachment form; and
3. Distribution records matching budget; and
4. Narrative describing how incentives supported participant engagement or achievement.

Prohibited Incentives:

1. Incentives not listed in the approved budget
2. Incentives that duplicate employee pay, create conflicts of interest, or appear as compensation for service provision
3. Cash or gift cards of any kind
4. Incentives disbursed prior to contract effective date

Professional Services -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 consultants that present to participants, consultants who run a class, etc. Invoices provide the documentation that is required for reimbursement. These services are not documented as a subgrant. Accounting, IT, and Legal each have their own Professional Services line item.

Program Supplies- Cost of materials used in the program as a tool for the participants (e.g., books, paper, reading materials, games, puzzles, videos, etc.).

Printing & Binding-Includes cost of brochures and other informational materials for the program.

Personnel (Salary and Wages)-All program salaries including full-time, part-time, and temporary staff that will receive a W-2 from the agency. The gross amount paid to an employee(s) working directly in the program, based on the prorata time the employee spent in the ECT program is eligible for reimbursement. Personnel Activity Reports must be signed and submitted with any request for reimbursement along with a payroll distribution report from payroll software used.

Professional Development - In-state and out-of-state conference expenses must be related to the current budget period and must be directly tied to the job function of the position(s) ECT funds. Costs include conference and seminar registrations, classes or courses taken to improve professional knowledge, CPR courses and first aid classes are included.

Software – Costs for software normally used in the functioning of business operations. This software is billed on an annual basis and not through a monthly subscription. IXL is provided by ECT, so individual agencies' expenses for this software will not be covered by ECT.

Subgrants to Partner Organizations - Costs of other providers delivering services to your program participants. An MOU, reciprocal agreement, or contractual agreement must be in place, and invoices must be submitted for reimbursement.

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. Subscriptions to software such as Constant Contact, Adobe, ETC that are billed on a monthly subscription basis should be included here.

Staff Travel -Mileage costs associated with the daily operation of the program. The mileage rate allowed is the current rate as approved by the Florida legislature (as of 8/3/26 is $.445 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 ECT 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 or rented vehicles that are used for the ECT funded program. For business vehicles for which fuel is purchased, fuel receipt forms must be provided for *each* purchase <u>and</u> a monthly vehicle mileage log to show vehicle usage must be submitted for each vehicle for which fuel is purchased. Prepaid fuel receipts **will not be accepted** for reimbursement. Receipts must clearly show where the fuel was purchased, the date of purchase, the gallons purchased, and the total purchase price.

Premium grade fuel will only be reimbursed when required by the vehicle manufacturer or if there is another approved reason.

Expenses for staff to travel to conferences and training are allowable including per diem (at the State of Florida approved rate established in Section 112.061), airfare, local transportation, and lodging.

Telephone-Expenses for all telephone services and communication lines.

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

Vehicle purchase/lease - Costs associated with the acquisition of a vehicle to be used in agency operations. Costs can include the vehicle, taxes, warranty, and vehicle wrap that includes acknowledgement of vehicle purchase with ECT funds. Any vehicle purchased with ECT funds is subject to reversionary interest if the vehicle is no longer used for the benefit of children or if the awarding contract is terminated within 5 years of purchase. **ECT shall be listed as a lien holder on the vehicle's title and proof is required to be submitted before reimbursement is made. For a vehicle lease to be eligible ECT must receive a copy of the lease.**

Volunteer training – Costs associated with the training of volunteers serving in the funded program. Costs can include CPR, First Aid, or other necessary classes to ensure a quality program is delivered. Attendance sheet for the training is required if a group training is given.

III. REIMBURSEMENT SUPPORT DOCUMENTATION

<u>Required Documentation</u>

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

- ⋆ A fully executed contract inclusive of an approved line-item budget.
- ⋆ A Certificate of Insurance with ECT listed as an additional insured as documentation of the coverage required by contract.
- ⋆ A current independent audit or financial report as required by ECT policy and contract.
- ⋆ A list of current board members
- ⋆ Allocation plan (if applicable)

Complete documentation is required to be available for onsite inspection at any time. 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.

Support documentation must include detailed receipts/invoices to be eligible for reimbursement. Support can include but may not be limited to the following:

- ⋆ Copies of cleared/cancelled checks, bank statement or bank transaction detail will be randomly requested by ECT to prove payment.
- ⋆ Copies of Payroll Checks, Payroll reports, Deposit reports, Payroll Tax Deposit (FICA)
- ⋆ Personnel Activity Reports
- ⋆ Worker's Compensation Policy (to show rate charged)
- ⋆ Fringe benefit invoices (for payments on health insurance, retirement)
- ⋆ Receipts, invoices, bills, credit card statements etc.
- ⋆ Travel Vouchers/Expense Reports-including mileage and rate.
- ⋆ Vehicle mileage logs
- ▪ Worksheet or Memo Detailing the Cost Allocation Method Applied to expenses shared by an ECT funded program and other programs or operations outside Escambia 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 amendments during the fiscal year to reallocate funds between line items due to changes in needs (see Budget Amendments below). Note that the total program budget must remain the same pursuant to the agreed upon contract. All purchases will be evaluated for the necessity of the purchase to meet the stated goals/outcomes of the program. Purchases that are not necessary will be disallowed.

Reimbursable receipt requirements

- **Original and non-altered receipts only. Altered receipts will be declined.**
- **Receipts must be detailed and legible. They must show the vendor's name and time and date of purchase and all details of the purchase.**
- **Receipts must be submitted as a pdf file and not as a picture or JPEG**
- **All receipts must be submitted through SAMIS as an attachment to the line item it applies to.**
- **Purchases over $2,500 must be verified by ECT staff and require dual review before reimbursement.**
- **Electronic tools may be used by ECT staff to scan for manipulated receipts.**
- **Detected fraud or manipulation of a receipt is grounds for immediate removal from ECT funding.**
- **Receipts should be submitted in a size that is easily readable by ECT Staff.**

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 that provides an audit trail from the check to the amount expended. When the amount of the payment is different from the expense requested, supporting schedules or notes are the responsibility of the agency to show a clear audit trail. For example, when an agency staff person's salary is reimbursed at less than 100% of the staff person's pay.
- Only the share of costs that apply to the program funded by ECT should be submitted for reimbursement. Charges should be a prorated share of the program to the total operation.
- ECT expects its funding to be used to help keep the program operational for the full contract period. Funding within Salaries and FICA line items should be used at a rate in proportion to the number of months of operation and the frequency for which expenses are paid.
- Expenses incurred on behalf of employees are restricted to those positions funded by ECT. For example, fringe benefit expenses and travel expenses can be reimbursed only for those employees funded by ECT. Additionally, such expenses can only be reimbursed at the percentage of the position for which ECT funds. For example, if ECT funds 50% of a position, only 50% of a related expense can be submitted for reimbursement. Mark supporting documentation to show the percentage allocated to ECT.

- ⋆ Receipts/Invoices are required for all expenses submitted to ECT and should clearly indicate vendor name and the date of purchase. Copies of cancelled checks to prove payment will be randomly requested by ECT.
- ⋆ Receipts/invoices should only include items being requested 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!
- ⋆ For subscriptions/insurance etc. items that are paid in advance, only the portion that is covered by the ECT funding period will be reimbursed.
- ⋆ 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.
- ⋆ Redact all Social Security numbers from documents sent to ECT.
- ⋆ 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, and interest fees are not eligible for reimbursement.
- ⋆ All participant and attendance data must be in SAMIS before reimbursements will be made.

Late submissions

Reimbursement Requests are due to ECT by the 20th of the month following the related expenses, unless otherwise stated in the contract. Reimbursement requests submitted after the 20th will be subject to a $500 late fee which will be deducted from the next reimbursement requested. A final Request for Reimbursement for September expenses is due by October 31st. If the 20th falls on a holiday or a weekend, the due date then moves to the next business day.

Independent Financial Audits are due within six (6) calendar months of the close of the PROVIDER’S fiscal year. Reimbursement requests will not be processed until audit requirements in the contract are met.

Quarterly Program Reports are due according to the schedule set in a provider’s contract. 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 due date will result in reimbursement requests not being processed until quarterly reports are submitted.

Submission Address

The required reimbursement documentation is to be submitted electronically via SAMIS.

Common Errors to Avoid

1. Over Expending Line Items
   a. Submit a budget amendment request before the area is over expended.
2. Mathematical Errors
   a. Ensure all columns and rows are added correctly.
   b. Do not round up numbers.
3. Improperly Categorized Expenses
   a. 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.
4. Incomplete Forms
   a. Ensure that all required forms are submitted as outlined above under "Required Documentation."
5. Duplicate Invoices
   a. 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.
6. Untimely Requests for Reimbursements
   a. Reimbursement Requests should only include expenditures for the month for which the request is made. Items paid in prior months should not be included in the Reimbursement Request.
7. Illegible Documentation
   a. 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.
8. Salary Detail without Employee Names

   a. The reimbursement request must accurately show both job titles and employee names to enable the ECT fiscal staff to trace the expense to salary documentation.

9. No Client Lists/Log For: Restaurant Expense, Field Trips, Direct Client Assistance, Participant incentives, Hotels, Stipends. Make sure you submit participant names for any of these expenses.
10. Mystery Total
    a. Show calculations as to how total expense requested was derived.
11. Failing to Utilize Tax Exempt Status
    a. Require program staff to utilize tax exempt status whenever possible.
12. Not Taking Pro Rata Share – It is important to ensure that:
    a. Only the share of costs that apply to the program funded by ECT be submitted for reimbursement. Charges should be a prorated share of the ECT funded program to the total office operation. Please show calculations. Only the costs associated with the ECT program are reimbursable.

<u>Method of Payment</u>

After ECT Fiscal and Program reviews and approval, ECT will initiate payment by direct deposit. Payment will be initiated within 21 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 days of receiving the properly submitted request.

All reimbursements to programs will be paid by direct deposit.

IV. BUDGET AMENDMENTS

<u>Policy</u>

All budget amendment requests are reviewed by the ECT staff for alignment with contract terms, fiscal integrity, and program outcomes. After ECT staff conducts and is satisfied by its review, the budget amendment requests must be presented to the

Program Committee for approval and recommendation to the full Board. The Board of Directors will either approve the budget amendment or reject the request. If approved, then the provider will enter the amendment, as approved, in SAMIS.

Providers are permitted to submit one Budget Amendment at the time of contract renewal and then 2 additional amendments during the contract year. Total of the two additional amendments cannot exceed 10% of the contract total.

A written justification must be included with any request. This justification must include the reason for the adjustment, the programmatic impact and how it supports contract goals, that the adjustment does not change the scope, scale, or target population of the program, that the proposed use of funds remains allowable and allocable under ECT policy.

It is the responsibility of program/agency staff to monitor their budget and submit timely Budget Amendment Requests in advance. The program budget should be reviewed on an on-going basis and requests submitted early enough to allow sufficient time for review and approval.

ECT staff will confirm that the budget revision was approved or denied so that the provider can enter the amendment into SAMIS.

All budget amendment requests must be received in time to be approved before the contract end date and no requests will be approved after the contract end date.

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 ECT to the provider under the executed contract between ECT and the provider.
- ⋆ Assure that records pertaining to the contract between ECT 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 ECT staff or other personnel assigned by the ECT.

- ⋆ Maintain and file with ECT in a timely manner all fiscal reports related to services under the contract between ECT and the provider. See the "Monthly Reimbursement Request" section of this manual for Deadlines and Due Dates.
- ⋆ Maintain and file with ECT in a timely manner all program reports related to services under the contract between ECT and the provider. Program Quarterly Reports are due per the schedule in the provider's contract. Failure to submit these reports in a timely manner will result in reimbursement requests being held -see Section III for details.

Allocation Methods

Only the share of costs that apply to the program funded by ECT 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 ECT for expenses incurred, the cost allocation method must be documented and should be consistent from month to month. The cost allocation method should be supported with logical methodology and be documented.

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. Any issues with Monthly Reimbursement Requests can be discussed at this or any other time.

VI. OTHER CONTRACT COMPLIANCE ITEMS

Certificate of Liability Insurance

The Provider is responsible for maintaining general liability and any other necessary insurance during the existence of the contract between ECT and the Provider. The Provider is responsible for submitting the current Certificate of Insurance as often as is necessary to maintain the current certificate on file with ECT. ECT must be listed as an additional insured on the Certificate of Insurance. Refer to your contract for details on insurance requirements.

Keep ECT Informed

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

Significant changes that would require notification to ECT 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 arrest of a staff member.
- the number of staff assigned to a service delivery site.
- the acquisition of additional funding for the program funded by ECT (note that ECT funds will not be used for expenditures also funded by other sources)
- the loss of funding from sources other than ECT that could affect the operation of the program as originally presented to ECT.
- the delivery of the services as set forth in its proposal.

Diversification of Funding

ECT expects organizations receiving ECT funding to engage in fiscal capacity building by diversifying their sources of revenue, not to be solely reliant upon funding from ECT. There may be circumstances where community needs dictate that ECT is the sole funder of a program that addresses an identified need until other funding sources are secured.