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MEMORANDUM

TO: District Charter School Contacts
Charter Schools Program (CSP) Grant Sub-recipients

FROM: Adam Emerson, Charter Schools Director

DATE: October 23, 2015

SUBJECT: **Additional Guidance to CSP Budget Amendments/Expenditures**

The Charter Schools Office (CSO) understands that grant budgets are often built upon projected needs and costs that may change over time. As such, we try to provide as much flexibility as possible within the applicable regulations while maintaining fiscal accountability. Under Florida law, the school district is the fiscal agent (sub-grantee) for the Charter School Program (CSP) grant, and is ultimately responsible for ensuring appropriate use of and accounting for CSP funds by the school (sub-recipient).

The Department of Education's Project Application and Amendment Procedures for Federal and State Programs ([Green Book](#)) governs the amendment process for both program and budget amendments.

The following guidelines reflect the requirements of the CSO as it relates to budget revisions and amendments. However, your district may have additional requirements, and you should always check with your district about any proposed changes to your CSP grant budget prior to making purchases.

Significant changes: As provided for in Section B of the Green Book:

In cases in which proposed expenditures significantly exceed the amount in the approved line item budget, the program office should be contacted to determine whether such expenditures change the scope of the project. If yes, then an amendment is required. Generally, amendments to projects need to be submitted no later than 30 calendar days before the end of the project period; however, exceptions can be made under extraordinary conditions.

The Green Book does not define the term "significantly," therefore the school should contact the district, in writing, to determine whether a proposed expenditure would significantly increase the amount in the approved line item budget. If the district determines that the proposed expenditure will significantly exceed the amount in the approved line item budget, the school should submit a written request to the CSO to determine whether the proposed expenditure changes the scope of the project. If the CSO determines that the proposed expenditure does change the scope, a budget amendment is required

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(submission of DOE150 and DOE151 required). Purchases made prior to the approved budget amendment will not be eligible for reimbursement.

Although the Green Book provision cited above speaks to situations where a proposed expenditure may significantly exceed the amount in the approved line item budget, sub-recipients should be equally thoughtful about situations where proposed changes would significantly reduce the amount of an item in the approved budget. Reductions can also impact the scope of the project.

Additional Items: The sub-recipient may not purchase capital items in excess of the quantity included on the approved budget. For example, if the approved budget included 50 laptops, the sub-recipient may not purchase 55 laptops without an approved budget amendment. This ensures an accurate accounting of all capital assets purchased with public funds.

New Items: The sub-recipient may not purchase items that are not included in the approved budget. For example, if the approved budget includes the purchase of 50 tablets, the sub-recipient may not purchase 50 laptops without a budget amendment. However, if the approved budget includes 50 Ipad tablets, the sub-recipient may purchase 50 Surface tablets without a budget amendment, so long as the expenditure amount does not require a budget amendment. Please note that changes to the function/object codes of an expenditure that do not change the nature or purpose of the expenditure itself do not require submission of a budget amendment request for prior approval. Changes to coding are generally a matter to be addressed between the charter school and the fiscal agent.

As stated previously, the guidelines reflect the procedures of the CSO. Your fiscal agent (district) may have more stringent requirements related to budget revisions. Please work closely with your district to ensure you comply with their requirements and procedures.

If you have questions, please contact Yolanda Miranda-Hill, CSP Grant Director at 850-245-9077 or yolanda.miranda-hill@fldoe.org.

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