



MEMORANDUM

To: SUNY Authorized Charter School Leaders, Board Chairs and Fiscal Contacts

From: Barbara Acenowr, Managing Director for Finance and Operations

Subject: Guidance: Budgeting for 2020-21 during COVID-19

Date: April 10, 2020

Please review the budgeting webinar content presented on April 9, 2020 which outlined strategies for immediate financial health and budget development. See the Institute's Resource Center for this and other governance, fiscal, and COVID-19 information.

<http://www.newyorkcharters.org/ResourceCenter>

During this unprecedented time of uncertainty, the Institute advises all charter schools to incorporate conservative budgeting measures to ensure stable operations for the 2020-21 fiscal year. The Institute would like to take this opportunity to remind charter school education corporations about submission dates for the following reports. Please note that all information due to the Institute needs to be submitted via the [Epicenter portal](https://my.epicenternow.org/Login) (<https://my.epicenternow.org/Login>) in order to be recorded as received and processed.

Documents sent to any email address may not be redirected and/or processed.

Please be sure your education corporation submits the information correctly and timely.

Annual Budget/Quarterly Reporting for 2020-21:

- Annual budgets and related narrative assumptions for all schools that are continuing operations or starting operations are due to the Institute no later than Tuesday June 30, 2020. The budgets are to be reviewed and approved by the charter board prior to submission to the Institute by the June 30th due date.
- **In addition to the budget template, for 2020-21 the Institute is requiring a budget narrative to coincide with COVID-19 contingency planning and conservative budget strategies which include flat per pupil aid, same rates as 2019-20 to be used for 2020-21. Budget charter enrollment or lower. Utilization of the new**

expense line item titled COVID-19 Contingency (budget line 154), it is recommended that 2%-5% be set aside in this expense category as a buffer.

- Schools are required to submit an updated template each quarter with actual enrollment, staffing and financial data. **If needed as the year progresses, the Institute is recommending that budget revisions be considered to project the remainder of the year as accurately as possible.**
- Schools receiving NYC DoE Rental Assistance should report the revenue on budget line 40.
- Schools with Deferred Rent liability should report it on budget line 155.
- Schools must submit a statement of income and expenses within 45 days of the end of Q1, Q2, and Q3. Grace periods are permitted for weekends and holidays (see below)
- The Q4 statement is due within 30 days after the end of the quarter so that schools can meet the fiscal requirements outlined in the Annual Report. No grace period is permitted in order to coincide with NYSED required reporting date.

The due dates are as follows:

Q1 - November 15 (Grace period until Monday, November 16)

Q2 - February 15

Q3 - May 15 (Grace period until Monday, May 17)

Q4 - August 1 (NO grace period allowed)

Audited Financial Reports and Related Year End Documents for the Fiscal Year 2019-20:

The Institute has posted an Audit Guide for SUNY authorized charter schools on the Institute website at www.newyorkcharters.org/fiscal/.

Due on November 1st of each year are the following audit-related items:

- **Institute's Audited Financial Report Template** (Excel) which can be found on the Institute's website at www.newyorkcharters.org/fiscal/.
- **Audited Financial Report** (PDF – all combined into one file if possible) from the independent auditors covering all the requirements. And, if existing, any of the following:
 - management letter;
 - management letter response;
 - advisory letter;
 - corrective action plan; and,
 - Federal Single Audit (2 CFR Part 200, Subpart F) if the education corporation received more than \$750,000 in federal funding or the Single Audit Exemption Form.

- **Form 990 (PDF)** or, if the education corporation has filed for an extension with the IRS, Form 8868 (PDF). If filing for an extension with the IRS, please be certain to state the reason on the transmittal sheet in the Institute's Audit Template (Excel) and indicate when the education corporation expects to complete the tax return. Once the tax return is completed and filed, please upload a copy via the Epicenter portal to ensure that the Institute has access to your education corporation's most recent filing. Lastly, please verify that the IRS filings can be found on GuideStar at www2.guidestar.org/.

The Institute recognizes that audit reports issued by independent auditors vary in layout and no one format meets every education corporation's needs. This variation between reports is one of the reasons why the Institute requires the use of the standardized Excel template (that includes four schedules and a transmittal form). It is recommended for schools wishing to simplify the template input process to request their auditor to provide at least the same level of detail required by the Institute's template.

Do not in any way attempt to alter the template as the cells are linked to other pages and calculations.

PLEASE NOTE: The Institute uses financial data entered on the audit templates as source documents for upload into the SUNY Fiscal Dashboard.