ADMINISTRATION FOR CHILDREN & FAMILIES
Office of Child Care and Office of Head Start

A Fiscal Management Checklist for Partnerships

The checklist identifies key issues to be addressed regarding the fiscal aspects of projects in early care and education that involve multiple partners and funding sources. The checklist contains four sections:

I. Funding Sources
   a. Child Care Subsidies
   b. Parent Fees
   c. Head Start
II. Multiple Funding Sources
III. Fiscal Agreements
IV. Fiscal Reporting

Questions in each of the sections are often interrelated; therefore, partners may want to address each section of the checklist together. Some partners may use the checklist when the partnership is forming; others might find it helpful in refining the fiscal aspects of their partnership. Partners should consider including many of the areas addressed in this checklist in their written agreement.

Please note that not every question applies to every partnership; however, each question should stimulate awareness and discussion between partners, helping to build a solid understanding and ultimate agreement on the fiscal aspects of the partnership. The ultimate goal of the checklist is to help partners effectively manage limited early education financial resources and to advance quality and services for children and their families through well-designed partnership endeavors.

		Not Yet Addressed	Under Discussion	Finalized	Action Steps
I. Funding Sources					
1.	What specific fiscal resources does each partner bring to the partnership?				
2.	How will partners familiarize themselves with the policies or rules of each of their funders that are pertinent to the partnership?				
3.	How will partners maximize all available funding (e.g., child care subsidies, special grants, foundations) to support the partnership?				
4.	What, if any, are the match/in-kind requirements for each funding source, and how will each partner meet these requirements?				
5.	What is the state or tribal child care funding system, and what impact do its regulations and policies have on the partnership?				
6.	Which partner will manage the Child and Adult Care Food Program?				
7.	Are multiple signatures needed on grant submissions? If so, whose?				
8.	What plans does the partnership have to access additional funding (e.g., foundations, businesses, and which partner will take the lead?				
9.	How will partners share information about additional funding opportunities?				

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	A. Child Care Subsidies				
1.	Which partner will access and manage the state or tribal child care funding (e.g., contract, grant, or subsidy and parent fees)?				
2.	How will the partnership forecast child care funding revenue, including subsidy and parent fees, for families served in the partnership?				
3.	What fiscal provision has the partnership made to ensure continuity of care if a child's subsidy is terminated?				
4.	Will provisions be made for families not eligible for subsidies? If yes, what are they?				
	B. Parent Fees (applicable for children who are receiving assistance to pay for child care)				
1.	What are the fee collection schedules and policies of each partner, if any?				
2.	How will Head Start inform its parents of fee collection policies?				
3.	What provisions are in place for collecting fees (including late fees) and which partner will collect them?				
4.	How will collected fees be used?				
5.	In what special circumstances can either partner waive parent fees?				
6.	Are any additional fees charged to parents (e.g., special activities, transportation, field trips)?				

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C. Head Start					
1.	How will the partnership consider the Head Start program's cost per child in fiscal negotiations?				
2.	How and when will Head Start discuss the fiscal aspects of the partnership with its federal program specialist and the agency's independent auditor?				
3.	How will Head Start reflect the partnership in its federal grant application budgets?				
4.	How will partners assist the Head Start program in securing its non-federal share requirements?				
5.	How will Head Start involve the Policy Council in the partnership's fiscal decisions?				
II. Multiple Funding Sources					
1.	How will the partnership blend multiple funding sources?				
2.	How will the partnership agreement reflect the partnership's multiple funding approaches?				
3.	How will multiple funding sources enable partners to address issues of quality, including state or local Quality Rating and Improvement Systems (QRIS)?				
4.	How will partners determine whether they need a cost allocation plan? If needed, how will this plan be developed, what will it include, and who will approve it?				

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III. Fiscal Agreements					
1.	Who should be involved in the development and approval of the fiscal agreement (e.g., independent auditors, financial officers, governing bodies)?				
2.	Which partner will have fiscal responsibility over which funding source?				
3.	How the partnership's fiscal agreement address service needs as will identified through assessments and reviews and/or raised by partners during partnership negotiations?				
4.	How will details of the fiscal agreement be included in the partnership agreement/contract?				
5.	How will the fiscal agreement address partners' overlapping program and fiscal years?				
6.	How does the fiscal agreement address the process and timeframe for payments to partners, and how are such payments authorized?				
7.	What conditions (e.g., enrollment, length of agreement, improvements, termination of agreement), if any, are attached to payments?				
8.	How does the partnership's fiscal agreement support the partnership's goals?				
9.	How does the fiscal agreement address personnel costs—including salaries, fringe benefits, and substitutes				
10.	How does the fiscal agreement address facilities—including occupancy costs, utilities, telephone, license fees, taxes, maintenance, and renovations				

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11.	How does the fiscal agreement address insurance—such as indemnification, vehicle, staff, child, and facility				
12.	How does the fiscal agreement address equipment—as defined by the funding sources (e.g., any item costing more than $5,000)				
13.	How does the fiscal agreement address supplies—both consumable and non-consumable (including diapering needs and formula)				
14.	How does the fiscal agreement address transportation—including fuel, maintenance, insurance, and registration/licensure fees?				
15.	How does the fiscal agreement address staff development—including required training and obtaining qualifications				
16.	How does the fiscal agreement address contracts—such as contracts for additional services (e.g., mental health, nutrition, etc.)				
17.	How does the fiscal agreement address continuous program improvement—including meeting higher standards				
18.	How does the fiscal agreement address non-federal share (cash and in-kind services)—space, services, transportation, supplies, etc.				
19.	Will partners share any of the above expenses, and, if so, how?				
20.	Do some partnership expenditures require special authorization?				
21.	What happens to jointly purchased items if the partnership ends?				

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22.	How does the fiscal agreement address allowable and non-allowable partnership expenses				
23.	What is the process for reviewing and revising the fiscal agreement?				
IV.	**Fiscal Reporting**				
1.	What, if any, are the requirements for tracking and reporting partnership expenditures, revenues, and match requirements for each entity?				
2.	Will the partnership generate any fiscal reports? Who will receive, approve, analyze, and act on fiscal reports?				
3.	Are there any funding source reporting requirements that have implications for the partnership? If so, how will partners ensure that the required documentation is maintained?				
4.	What are the auditing requirements of the partnership agencies? Will audit reports be shared?				

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