

May 20, 2021

MEMORANDUM

TO: Early Learning Coalition Executive Directors and Finance Directors

FROM: Shan Goff, Executive Director, and Office of Early Learning 

SUBJECT: Deobligation and Reallocation of Funds, Suspension of SR Expenditure Caps and Allowable Use of Funds in Accordance with 2021-EO-02 – 2021-011

On April 9, 2021, DOE Executive Order 2021-E0-02 went into effect. One of the many provisions under this order suspends the requirements of s. 1002.89(6), F.S. that requires “School Readiness Programs use no more than 5 percent for administrative costs and a total of 22 percent for a combination of administrative, quality and non-direct services,” as long as the “funds are used for the purposes of emergency recovery and direct support to providers through June 30, 2021.” However, direct services remains the number one priority. OEL school readiness expenditure forecasts through the end of the fiscal year indicate that all coalitions have sufficient remaining funding to enroll and serve all children on the current waitlist. Coalitions should make every effort to clear waitlists prior to making other expenditures.

In the event that funds used for the purposes of emergency recovery and direct support to providers causes a coalition to exceed its 22 percent administrative, quality and non-direct services expenditure cap, it is understood that the coalition will also not meet the 78 percent minimum for direct service expenditures. Coalitions must maintain adequate documentation that reflect any expenditures in excess of the 5 percent for administrative costs and a total of 22 percent for a combination of administrative, quality and non-direct services are directly due to providing emergency recovery and direct supports to providers. Coalitions will need to be prepared to provide this documentation to OEL upon request for monitoring and auditing purposes.

Funds used for emergency recovery and direct supports to providers must be in accordance with approved coalition plans and/or OEL guidance. OEL recommends coalitions review the quality activities included in their approved coalition plans, as well as items covered in [Program Guidance 240.20](#), Tracking Costs for Disasters, including the guidance attachments related to mini grants. Program Guidance 240.20 has been updated to allow mini grants to be awarded once per fiscal year for disaster/emergency events lasting longer than 12 months, including the COVID-19 pandemic. The guidance and appendices also include the appropriate OCA to code mini grants for invoicing.

This suspension applies to the School Readiness Program ONLY and other programs, such as VPK, CARES, CRRSA, PDG, etc. are not affected. CARES and CRRSA funds awarded can only be utilized for the specific purpose designated on coalitions’ Notices of Award for these programs.

In the event of a projected surplus or deficit, coalitions are reminded to follow [OEL Program Guidance 240.04](#).

SHAN GOFF

EXECUTIVE DIRECTOR, OFFICE OF EARLY LEARNING

250 MARRIOTT DRIVE • TALLAHASSEE, FL 32399 • 850-717-8550 • Toll Free 866-357-3239 • www.FloridaEarlyLearning.com

“A coalition may request an increase in its allocation of SR funds (i.e., reobligate) if the coalition forecasts a deficit for the fiscal year or projects additional eligible children on the waiting list can be served. To receive consideration for an increase in its allocation, the coalition must submit an electronic request to the coalition’s assigned grant manager. The reobligation request must be submitted between the last Friday in March and the first Friday in June of a grant award or contract period and include, at a minimum:

- *The amount of increase requested, not to exceed the amount of the forecasted deficit, if applicable;*
- *Details for the requested increase at the county level if a coalition is a multi-county service provider;*
- *A justification for the requested increase including, but not limited to, the methodology used to determine the amount of the forecasted deficit or the number of additional children to be served, as appropriate;*
- *Details of actions taken or planned to resolve the projected deficit without additional funding or with limited additional funding, if appropriate; and*
- *A description of all actions taken subsequent to the identification to eliminate the projected deficit, including actual dates of the actions taken, if appropriate.*

A coalition may request a decrease in its allocation of SR funds (i.e., deobligate) if the coalition forecasts a surplus for the fiscal year. For a decrease in its allocation, the coalition must submit a written request electronically to the coalition’s assigned grant manager. The deobligation request must be submitted between the last Friday in March and the first Friday in June of a grant award or contract period and include, at a minimum:

- *The amount of decrease requested; and*
- *A description of all actions taken subsequent to the identification of the surplus of funds to eliminate the projected surplus, including actual dates of the actions taken, if appropriate.*

The requests for reobligation or deobligation of funds must be supported by the ELC’s Projection Model that is submitted as part of the monthly invoice process. An earlier or later submission timeframe for submission of deobligation and reobligation requests may be requested and approved, if appropriate, by the OEL grant manager on a case-by-case basis. “

Contingent upon OEL’s determination of reallocation of funds, a revised notice of award (NOA), reflecting a total funding increase (reobligation) or decrease (deobligation), will be issued. Upon issuance of any NOA revisions, coalitions will need to realign its Budget by OCA in the EL Invoice Workbook.

If you have any questions, please contact your grant manager or **OEL.Questions@OEL.MyFlorida.com**.