



Other Cost Accumulators (OCA) Working Definitions

OF INTEREST TO

The Office of Early Learning (OEL, the Office), Early Learning Coalitions (ELCs, coalitions) and other direct subrecipients of OEL implementing federal and state early learning programs, such as the School Readiness (SR) Program, the Voluntary Prekindergarten Education (VPK) Program and Outreach, Awareness and Monitoring Initiative (OAMI) Services.

PURPOSE

To provide the working definitions of Other Cost Accumulators (OCA) used to track how funding is utilized in the execution of the SR and VPK Programs.

SUMMARY

This program guidance provides information to ELCs, and SR and VPK subcontractors about the definitions for Other Cost Accumulators (OCA) used to track expenditures from state and federal funds. The attachments include working definitions and funding detail.

BACKGROUND

Florida law states OEL is “responsible for the prudent use of all public and private funds” for the SR Program throughout the state [[Section 1002.82\(2\)\(c\), Florida Statutes \(F.S.\)](#)]. OEL also has the responsibility to safeguard “the effective use of federal, state, and local resources to achieve the highest practicable level of school readiness for the children...” [Section 1002.82(2)(c), F.S.]. Each OCA is a code used to track expenditures and monitor awards of early education grant program funds, ensuring OEL credits all expenditures of federal and state funds to the appropriate funding sources and benefitting programs.

PROGRAM GUIDANCE

In order to properly classify expenditures for federal reporting purposes under 45 CFR § 98.70 and for day-to-day operations of a coalition and subcontractors, it is necessary to utilize a cost accounting system to maintain the collection of costs in an organized and systematic manner. To ensure consistency for federal reporting, ELCs and others must use the OCA definitions in Attachment 1 along with information provided in Attachment 2 (if applicable).

This requirement also applies to subcontractors (i.e., material service organizations, subrecipients or other entities the ELCs use as subcontractors to administer or manage the grant programs as part of an ELC’s service delivery system). OEL is committed to ensuring current instructions are made available to ELCs and other subcontractors on a timely basis.

All ELCs and their related subcontractors are required to keep cost reporting by OCA current with the most recent release of OEL’s single statewide information system for tracking expenditures to the correct funding source.

ADMINISTRATIVE AND PROGRAM SUPPORT SERVICE OCA GUIDANCE

The child care provisions of the Code of Federal Regulations, 45 CFR § 98.54(b), provide and state that the following services (see table below) should not be considered administrative costs. Please note the appropriate program support services (non-direct) OCA has been identified for each of these non-administrative services. For each OCA listed below, Attachment 1 provides expanded definitions with detailed examples of allowable expenditures in these categories.

Types of Services (not administrative costs)	Appropriate OCA Code
Eligibility determination and redetermination	97BDE
Preparation and participation in judicial hearings	97BBD
Child Care Placement	97BBD
Recruitment, licensing, inspection, reviews, and supervision of child care placements	97BBD
Rate setting	97BBD
Resource and referral services	97QI4
Training of child care staff	97QTA or 97QPD
Establishment and maintenance of computerized child care information systems	97SYS or VPSYS/VPSYI

The appropriate OCA assignment for quality services expenditures will be determined by the nature of the service. For example, the definitions for 97QTA (targeted technical assistance for providers) and 97QPD (professional development) will distinguish these objectives and their related expenditures.

Also note that expenditures related to general business operations (occupancy - rent, utilities, property insurance, and other business related expenses such as land-line phones, office supplies) in support of quality activities are to be charged to the following OCAs: 97QI4 for CCR&R activities, 97QIN for inclusion activities, 97INT for infant and toddler activities, and 97QOO for all other allowable quality activities according to the documented benefit of these activities. General business operations costs may not be allocated to the remaining quality OCAs.

Cost Allocation Considerations

Cost allocation considerations have been added to several expanded OCA definitions. This guidance is provided below and is applicable to all SR and VPK OCAs and related expenditures.

Salaries and benefits shall be allocated in accordance with their Personnel Activity Reports (PARs) allocation based on direct staff hours (direct charge when possible; allocate shared activities based on the percentages of direct staff hours per PAR for each program).

Other costs should be direct charged or allocated in accordance with an approved cost allocation plan, if the allocated cost is appropriate to the OCA to which the cost is being charged. See Florida Office of Early Learning Cost Allocation Plan Guidance for further instructions.

A cost is allocable to a particular OCA if the costs of goods or services involved are chargeable or assignable to such OCA in accordance with relative benefits received. For example, a telephone may be used by a staff member to provide both administrative and eligibility services for the coalition. The employee's time working in these areas of responsibility (administration and eligibility services) will determine the allocation of the cost of this equipment.

ELCs will be expected to adhere to cost allocation instructions related to the expanded definitions. The instructions will be aligned with the new cost allocation guidance.

Cost Item	OCAs Allowed for Allocation	Comments
Executive Level Staff	Administrative and Program Support (non-direct) OCAs with the exception of 97BDE, and 97PPD	Should retain source documentation to support a direct and tangible benefit to the activities allowed by the applicable OCA definition
General Business Operations (includes occupancy)	Administrative, Program Support (non-direct) and Quality: 97Q00, 97QI4, 97QIN and 97INT	Should retain source documentation to support a direct and tangible benefit to the activities allowed by the applicable OCA definition
Salary and benefits for Direct Charge FTEs	Administrative OCAs, Non-Direct and Quality	Should retain source documentation to support a direct and tangible benefit to the activities allowed by the applicable OCA definition

Reminders

Effective October 1, 2012, each coalition and its subcontractor(s) should review the illustrative examples provided here and charge expenses according to OCA definitions. Please remember –

- Enhanced OCA definitions are provided to clarify restrictions on types of costs allowed based on input/instructions provided to the Office by federal/state funding agencies and oversight bodies.
- All entities that participate in the early education program service delivery system and that are subject to federal/state cost allocation requirements must follow this guidance. All cost reporting/allocation calculations will comply with updated OCA working definitions as provided by the Office.
- In no circumstances will cost allocation plan disclosures override the Office’s OCA working definitions.

- Do not charge costs (whether directly or indirectly in a cost pool) to an OCA unless the ELC's cost item/category is shown here as allowable for that specific OCA. If a cost pool approach is used to allocate expense, each expense charged to the OCA in the cost pool must be allowable as shown in Attachment 1.

ATTACHMENTS

Attachment 1 (OCA Working Definitions)

Attachment 2 (OCA Short and Long Titles)

AUTHORITY

Sections 1001.213, 1002.71(5)(b), and 1002.89 (1)(2)(3), F.S.

EFFECTIVE DATE

Issuance of this guidance represents approval by OEL management of the indicated procedures and related administrative forms.

HISTORY

This guidance replaces the prior version identified as OEL-AG-0001-09 (July 11, 2011), OEL-FG-0001-13 (February 1, 2013) and OEL-FG-0007 (May 5, 2014). Reissued November 26, 2014. Revised and Reissued June 2016; effective July 1, 2016. Revised and reissued October 2017. Revised and reissued effective July 1, 2018.

If you have questions or concerns regarding this guidance, please contact the OEL Financial Administration and Budget Services Office at (850) 717-8683