

Fiscal Year 26 Office of Community Schools (OCS) Fiscal and Operations Manual

for Contracts managed in PASSPort



Table of Contents

Content
Introduction
Organizational Support (Non School-Facing) & Operations & Support Budget Thresholds
Summary of Required Documentation
Advance Payments and Loans
FY26 Calendar
Program & Operations Contact Information by School
Collaborative Planning
Budget/Expense Report Details - Personnel Services
Budget/Expense Report Details - Operations and Support
Budget/Expense Report Details - Contracted Services
Subcontractor Guidelines
Budget Modifications
Internal Controls & General Accounting Procedures
PASSPort Resources
PASSPort Process Flow - Invoices
Email Communication Templates

Introduction

Welcome to the Fiscal Manual for the Office of Community Schools (OCS). This manual aims to enhance transparency and clarity in our budget and fiscal processes. It provides guidelines for collaborative planning and decision-making among schools, lead Community-Based Organization (CBO) partners, and other key stakeholders, ensuring improved student outcomes. By fostering shared leadership and collaborative efforts, NYC Community Schools cultivate a culture of professional learning, collective trust, and shared responsibility. Join us in driving positive change for our students and community through effective collaboration and fiscal practices. This manual is for **city tax levy funded contracts only**.

Highlighted Changes & Reminders

- The [FY26 Budget Detail](#) submission deadline in PASSPort is **September 30th 2025**.
- Finalized CEPs are submitted via iPlan by Friday, October 24th.
- Please refer first to this fiscal manual for spending guidance.
 - **For programmatic and budget questions**, email your Program Manager and cc your Operations Lead.
 - **For operations-related inquiries**, use the [email communication template](#)
- Expenses outside of the approved budget are subject to disqualification for reimbursement.
- OCS staff have the right to request backup documentation for any expenses. Please note that all expenditures are subject to audit.

Advance Payments & Loans

Advance Payments

- An advance equivalent to 40% of the CBO's approved base budget is issued by OCS upon budget approval, contract registration and availability of funds.
 - 20% immediately upon launch of budget in PASSPort and availability of funds
 - 20% upon submission of the final FY25 invoice and an approved FY26 budget (*please ensure the FY25 invoice # in the comments section of PASSPort when submitting the FY26 budget*)
 - The OCS Operations Team will complete the advance process, no action is required by CBOs

Loans

- Loan requests to the MOCS Returnable Grant Fund for CBOs will be assessed on a case by case basis. Details about the Returnable Grant Fund, including the loan application, can be found on the [MOCS RGF webpage](#). Loan applications can be submitted to CSbridgeload@schools.nyc.gov.

Recoupment of Advances and Loans

- OCS will immediately recoup advances and loans in full upon receipt of the first invoice(s).

Organizational Support (Non School-Facing) & Operations & Support Budget Thresholds

Organizational Support (Non School-Facing)

Line Item	Threshold
Salaried Employees (Admin)	
Fringe	
OTPS:	
-Office Supplies	
-Liability, Property, and Other Insurance	
-Postage	
-Bank Charges	
-Printing	
-Other Expenses	
-Facilities Repairs & Maintenance	
-Safety and Health	
-Waste & Recycling	20% maximum of the total allocation

Operations & Support

Line Item	Threshold
	5% maximum of total allocation
Staff Transportation	Miles .27 cent, Cab Services must not exceed \$1,000. Consultants are not allowed to use staff transportation funds
Staff Training	5% maximum of total allocation
Recruitment & Advertising	3% maximum of total allocation
Client Transportation	5% maximum of total allocation
Client Supplies & Activities	10% maximum of total allocation
Client Stipends	5% maximum of total allocation
Incentive Payments/Bonus	2% maximum of total allocation
	5% maximum of total allocation
Prepared Meals & Raw Food	For events in New York, the GSA rate per person is Breakfast \$23, Lunch \$26 and Dinner \$38. For other state/cities see, WWW.GSA.gov
Equipment	2% maximum of total allocation
Indirect	10% maximum of total allocation
Mental Health	Must expend entire mental health allocation
Contracted Services – Subcontractor	50% maximum of the total allocation
Vehicle Insurance	Not allowable
Vehicle Operations and Maintenance	Not allowable
Real Estate Tax	Not allowable

Reporting Requirements – Must Report All Costs

Please note: COLA and other City Initiative budget allocations, where applicable, are exempt from the financial threshold calculations outlined above

Summary of Required Documentation

Budget Submission Deadline - September 30, 2025

- **Original Budget Submission**
 - [FY26 Budget Detail](#)
 - FY26 Budget Summary Tab with Principal Signature
 - Collaborative Planning Meeting Notes with the signed Collaborative Planning Agreement
 - [Signed Subcontract Agreement](#)(s) must be submitted with your budget (*if the subcontractor is known and scope of work is finalized*)
 - [OCS Mental Health Plan](#) must be submitted with your budget
 - Include FY25 Final Invoice # in comments section of PASSPort
 - **Best Practice:** *Share the completed [Community School Master Planning Spreadsheet](#) with your Program Manager to help articulate the planning aligned to the Community School strategy and budget. This detailed planning document provides greater programming details.*
- **Invoices**
 - [FY26 General Ledger](#). Please refer to the invoice checklist and the [Finance & Operations page on the OCS website](#) for further guidance.
 - When invoicing for services, bill for the date that services were delivered not when the service was paid out.
 - Upload a copy of the [Signed Subcontract Agreement](#)(s) when billing for subcontractor services
 - **Best Practice:** *Each invoice is a transaction. Consider consolidating multiple invoices (e.g. quarterly vs. monthly) to reduce volume and expedite review and processing for payment.*
 - **Best Practice:** *When submitting your general ledger, group expenses and add subtotals to categories (i.e. client supplies and activities, staff training,) for quicker review in PASSPort.*
- **Budget Modification**
 - [FY26 Budget Modification Detail](#)
 - FY26 Modification Summary Tab with Principal Signature
 - Collaborative Planning Meeting Notes with the signed Collaborative Planning Agreement
 - [Signed Subcontract Agreement](#)(s) must be submitted with your budget (*if the subcontractor is known and scope of work is finalized*)
 - [OCS Mental Health Plan](#)

- **Subcontractors**

- New subcontract agreements are required for all subcontractors regardless of the amount including subcontractors used in the prior fiscal year.
- Subcontract agreements should be signed by the Principal/Principal designee and uploaded in PASSPort.
- **Prior to the submission of a [Signed Subcontract Agreement](#), the subcontractor must create a PASSport account** and submit all necessary documents within the account. The subcontractor will be notified by the Mayor’s Office of Contracts (MOCS) when they are approved. Subcontract agreements can be submitted to OCS following this approval.
- **Subcontractors can create an account and submit the required documents here:** <https://www.nyc.gov/site/mocs/opportunities/getting-started.page>
- The deadline for new subcontractor agreements is **February 6, 2026**. The agreements submitted after **February 6, 2026** will be assessed by the Program Manager. The Operations team will verify if the subcontractor is active in PASSPort. When submitting invoices with subcontractor services for payment, you must include the subcontract agreement with the invoice.

FY26 Fiscal Calendar

[FY26 Calendar](#)

OCS Program and Operations Team Contact Information by School

The OCS team contact information - by school - can be found on the [Schools & Partners page on the OCS website](#).

Collaborative Planning

Shared leadership and collaboration among school members, students, families, and other community stakeholders is key to the Community School Strategy, highlighted in the January 2020 Rand Corporation evaluation report. Stakeholders continue to align their vision to provide rigorous and responsive anti-racist programs and services to support students and families. When schools and Community Based Organizations (CBOs) strategically align resources, reflect community voice, and share leadership, supportive services are integrated into the fabric of the schools. These resources – both financial and human capital - should be aligned so that robust programming, classes, activities, and support are strategically delivered to increase opportunities for students so that all students achieve and thrive. Community Schools are able to better serve the needs of students and their families by lowering barriers and creating a welcoming, safe, and engaging environment for learning.

To empower and prepare students, families and communities to thrive, Community Schools are anchored in a set of foundational values:

- **Strong instruction** designed to provide personalized learning opportunities to increase all students' academic achievement.
- **Robust engagement**, anchored in positive youth development, ensures that schools foster a positive school climate that is welcoming and empowering to students, families and community members.
- **Continuous improvement** using qualitative and quantitative data to tailor programming and instruction focused on results.

In order to deliver on the promises of our partnerships, school leaders, CBOs, students, families and community stakeholders engage in collaborative planning - a formal decision making structure.

Collaborative planning is aligned to the [Essentials for Community School Transformation Framework](#) of Collaborative Leadership, Shared Power and Voice. The National Center for Community Schools - a practice-based organization supporting Community School initiatives nationally and internationally since 1994 - has developed helpful guidance outlining [Principles of Effective School CBO/Partnerships](#), to aid your team as you engage in the collaborative planning process. These Principles of Effective Partnerships and OCS's Guide to Collaborative Planning, are applicable to **all** School/CBO Partnerships.

OCS co-invests resources in schools and CBOs to improve equitable outcomes for students and families, thus it is important for all parties to be at the table, working together to allocate resources and make decisions on programming and services. Budgets and resource allocations should align with Comprehensive Education Plans (CEPs) developed with school leadership teams and reflect parent, teacher, and student voice. Community School Comprehensive Education Plans (CEPs) should align goals to results from the OCS Assets and Needs Assessment Tool and Community School Mid-Year/End-of-Year Report.

Collaborative Planning Meetings

Schools and lead CBOs are required to hold **three** formal **Collaborative Planning Meetings** per school year. Collaborative Planning Meetings enable diverse stakeholders to plan and implement a vision that best supports the school community. The purpose of these meetings is to set, monitor, and review the community school's annual CEP goals, Assets and Needs Assessment Tool, and Community School Mid-Year/End-of-Year Report to ensure that Community School programming and funding are used to make progress toward these goals. Together, CBO and school leaders will make data-driven decisions to ensure equitable allocation of resources to anti-racist programs and services that meet students' needs. The Guide to Collaborative Planning is a resource for community school teams to engage in highly productive, efficient, and inclusive meetings including best practices, strategies, and tools.

These meetings are facilitated by the **Community School Director (CSD)** or other CBO staff determined by the CBO supervisor. Attendees include School Staff (Principal, Teachers, Administrative Staff), CBO Staff (CSD, Supervisor, CBO Fiscal Point), student representatives (for middle and high schools), family members, other CBO partners (such as DYCD COMPASS/SONYC/BEACON CBO), OCS Program Manager, Director of School Support, Superintendents, their staff, and/or Central Office staff may also opt to participate in these meetings.

Results for Collaborative Planning Meetings:

1. Review annual goals in the CEP including the Community Schools section.
2. Monitor and determine the progress and impact of interventions on CEP goals using data and modify intervention as appropriate.
3. Review CBO and school budgets (including DYCD-funded programs, 21st CCLC, and Galaxy funding—such as Title I) to understand the scope of funding available for programmatic support.
4. Assess how current spending is meeting the school's programmatic needs, assess for impact, modify interventions, and generate budget modifications as needed.

During each meeting, CSDs and/or designated CBO Staff are expected to revisit CEP goals, Assets and Needs Assessment, OCS Mid-Year/End-of-Year Report data, discuss the impact of programming, and review present year-to-date spending against the approved Community School budget. Principals are also encouraged to bring an outline of their school funding to this discussion as a way to align all of the resources coming into the school. CBOs can view school Galaxy budgets on the [publicly-accessible website](#). Having a complete picture of all available funds will allow the community school teams to make better informed decisions regarding programs and services to maximize the progress toward CEP goals. For the portion of each meeting in which the team reviews the impact of interventions on CEP goals the team should review available quantitative and qualitative data, including any relevant pre-COVID-19 data.

All schools will complete a [Mental Health Work Plan](#) to capture all services and funding dedicated to mental health services. All schools should submit their Mental Health Work Plan with their budget submission in PASSPort.

Within one week of the meeting:

- The CSD emails the meeting agenda, notes, and action commitments to all participants and their OCS Program Manager.
- The CBO Fiscal Point uploads to PASSPort:

- [FY26 Budget Detail](#)
- FY26 Budget Summary Tab with Principal Signature
- The [Collaborative Planning Meeting Notes](#) with signed Collaborative Partnership Agreement
- [Signed Subcontract Agreement](#)(s) must be submitted with your budget (*if the subcontractor is known and scope of work is finalized*)
- [OCS Mental Health Plan](#) must be submitted with your budget
- For any meetings that result in a budget modification, the CBO Fiscal Point should upload in PASSPort:
 - [FY26 Budget Modification Detail](#)
 - FY26 Budget Modification Summary Tab with Principal Signature
 - Collaborative Planning Meeting Notes with the signed Collaborative Planning Agreement
 - [Signed Subcontract Agreement](#)(s) must be submitted with your budget (*if the subcontractor is known and scope of work is finalized*)
 - [OCS Mental Health Plan](#)

Collaborative Planning Meeting Calendar

Below are meeting dates by which you should hold each of the three Collaborative Planning Meetings for the FY26 cycle. The agenda template for these meetings can be found [here](#).

First Meeting – July-September 2025

- Community School Teams including lead CBO, school staff, families, students and OCS Program Manager will reflect on the impact of programs and services, and discuss and agree on the FY26 budget that are aligned to the school's CEP SMART Goals.

Second Meeting – December 2025- January 2026

- Key stakeholders (including lead CBO, additional CBO partners, school staff, families, students and OCS Program Manager) assess goals, review impact data, present year to date expenses and discuss projections for unspent funding. Collaborate with the team to discuss any potential necessary modifications needed during the **first modification window (January 26 - February 6, 2026)**

Third Meeting – April 2026 - May 2026

- Assess goals, review impact data, present year to date expenses and discuss projections for unspent funding. Prepare for the close out of the CBO budget and the **last modification window (May 18 - May 29, 2026)**.

Sharing Information between CBOs and Subcontractors

In addition to facilitating the three Collaborative Planning Meetings with their school partners, Lead CBOs are expected to facilitate monthly Community School Team (CST) meetings for all subcontractors

and separately funded partners (including 21st Century and DYCD) to coordinate services across multiple providers and to optimize potential impact of services rendered on students' outcomes.

Planning Punch List for Principals and Community School Directors

Please utilize the [2025-2026 Planning Punch List](#) as a resource to guide the collaborative planning process at your Community School. The Punch List includes key action items and the corresponding time frame for when these planning activities should take place.

Budget/Expense Report Details

Once collaborative planning meetings are conducted, please upload in PASSPort the [FY26 Budget Detail](#), FY26 Budget Summary Tab with Principal Signature, the [Collaborative Planning Meeting Notes](#) with signed Collaborative Partnership, [OCS Mental Health Plan](#) and Subcontracts agreements (when applicable) . Program Managers will review and approve submitted documents and budgets followed by another review and approval by OCS Fiscal and Operations Team.

Budget Summary

- FY Base Budgeted Amount - Enter your FY26 Community School base budget amount.
- Enter amounts in **GREEN** cells only.

Indirect Rate

The Indirect Rate Category is used to capture overhead costs incurred by a CBO that operates several programs and has administrative costs that cannot be identified as direct costs to a specific program. **Direct costs** are those for activities or services that benefit specific programs, e.g., salaries for program staff and materials required for a particular program. Because these activities are easily traced to the program, their costs are usually charged to them directly on an item-by-item basis. **Indirect costs** are for activities or services that benefit more than one program. Their precise benefits to a specific program are often difficult to determine precisely how the activities of the director of an institute benefit a specific program, even though everyone agrees that a benefit does accrue. CBOs with multiple programs where some administrative costs are shared may incur indirect costs. The maximum Indirect Cost rate allowable by DOE is 10% of the total direct cost of the budget amount. Any of the generally accepted methods of calculating and allocating indirect cost may be used. It is the CBO's responsibility to maintain documentation to justify the percentage and allocation plan used to arrive at the indirect rate. This documentation must be made available upon request.

While organizations with Indirect Cost Rate (ICR)'s higher than 10% accepted by MOCs are not entitled to additional funding, they can fund their Accepted ICR within their base contract so long as there is not an impact on direct service provision. If an organization has an ICR above 10% that has been approved by the Mayor's Office of Contract Services, please attach documentation when submitting your budget in PASSPort.

PERSONNEL SERVICES

- PERSONNEL SERVICES (PS) refers to programmatic expenses for Salaries and Fringe Benefits.

- See the [Staffing Titles and Hiring Requirements](#) section of the manual for qualification requirements for OCS school-based staff.

Salary Employees

Administration Requirements:

- An employee paid with DOE funds must perform work related to the DOE contract, directly or indirectly.
- For DOE contracts, a full-time employee is defined as one who works 35 hours or more per week, is paid on a salary or hourly basis and retains a full-time position with the organization.
- Bonus compensation means a non-recurring and non-accumulating (i.e., not included in base salary of subsequent years) lump sum payment(s) in excess of regularly scheduled salary which is not directly related to hours worked. **Bonus compensation is not allowable.**
- The New York City Fiscal Year runs from July 1 through June 30.
- **CSD Salary:** CSD salaries should range from \$70,000 to \$85,000. If the CSD salary is below \$70,000 or above \$85,000, the CBO must provide a justification in the [Budget Detail](#) document and receive prior approval from the Program Manager.

Organizational Support (Non School-Facing) - (Salary and Fringe)

Description and Allowable Expenses: These are costs associated with the organizational support of the Community School, which includes OTPS (*see [Operations & Support](#) section below*), Salaries and Fringe of personnel *not working in or directly supporting* the school. Examples of personnel included under this criteria are Executive Leadership positions, Finance, HR and Procurement staff.

Expense Threshold: The maximum allowable cost is 20% of the total allocation, which includes OTPS, Salaries and Fringe costs

Reporting Requirements: On the Budget Detail, the lump sum for salary and fringe will be noted for this section. CBO will keep all line item costs on file, as it's necessary to have details for future funding adjustments and audits.

Salaried Employees

- CBO will be required to enter salaried employees into the fifth tab of the [Budget Detail](#).
- After initial budgets have been submitted, salary increases over 5% of original salary must be approved by OCS.

Hourly Employees

- Provide justification and a cost breakdown on the Budget Detail document, which can be found on the [Office of Community Schools Website](#).
- The cost of hourly and seasonal employees should not exceed 50% of the allocated yearly budget. In addition, CBOs must provide the hourly rate, projected number of hours per week, and number of weeks worked for each hourly employee.

Seasonal Employees

- Seasonal employees are employees hired for a specific period of time, i.e. summer programming.
- Provide justification and a cost breakdown on the Budget Detail document.

Fringe Benefits

- The maximum rate allowed for fringe benefits is 30%.
- The rate includes all benefits under the Fringe Benefits category. Fringe Benefits may include:
 - FICA
 - Unemployment Insurance
 - Workers Compensation
 - Disability
 - Life Insurance
 - Pension
 - Health Insurance
 - Long Term Disability
 - Short Term Disability
 - Welfare Fund
 - MTA – NYC Commuter Tax
 - Retirement
 - Employee Assistance Program
 - FSA
- A minimum Fringe Benefit rate of 7.65% for FICA is required for all contracts.
- The minimum rate for CBOs under the Fiscal Agent is 12.65%. This represents 7.65% (FICA) plus a 5% estimated Unemployment Insurance rate.

****Note: Administrative Practices Related to Personnel Services**

- **Required Documentation:**
 - OCS reserves the right to request names, titles, and additional justification for salaries, and, if appropriate, to recommend adjustments to compensation.
 - The allocation methodology for staff working in multiple programs must be uniform and properly documented. The NYC DOE retains the right to request and receive documentation including, but not limited to, a W-2 or 1099 to confirm total compensation for any employee/consultant charged to OCS.
- **Non-Allowable Personnel Services:**
 - All personnel expenses are not allowable. This includes, but is not limited to, personal travel expenses, beverage charges, gift certificates to staff and vendors, flowers, and parties, including holiday parties.
 - Compensation that duplicates worker's compensation awards, jury fees, or disability claims is not allowable.
 - Compensation to Board members or trustees is not allowable.
- **Consultants:**
 - The cost of a consultant hired to deliver professional development services, curriculum development, and ELT activities is allowable. These costs should appear in the consultant section of the budget.
 - Teachers working in Community Schools may be eligible to be hired as consultants or hourly employees. Teachers should connect with the [NYC Public Schools Ethics Officer](#).

OPERATIONS AND SUPPORT

Operations and Support refers to funding for expenses other than salaries, such as supplies, equipment, and contractual services. All expenditures must be related to supporting students and/or their families. CBOs must keep all supporting documentation - receipts, shipping slips, agendas, and sign in sheets.

Organizational Support (Non School-Facing) - (OTPS)

Description and Allowable Expenses: These are costs associated with organizational support of the Community School, which includes OTPS, Salaries and Fringe of personnel not working in or directly supporting the school. Noted below are the nine (9) categories of OTPS expenses eligible to be charged under this area and must be summarized on the Budget Detail.

Expense Threshold: The maximum allowable cost is 20% of the total allocation, which includes OTPS, Salaries and Fringe costs.

Reporting Requirements: CBO will keep all line item costs on file, as it's necessary to have details for future funding adjustments and audits.

(1) Office Supplies

- **Description and Allowable Expenses:** Purchase and expense of consumable supplies and materials, such as printing supplies, instructional supplies, cleaning supplies, and general office supplies therefore, only applies to CBO staff based at the school.

(2) Liability, Property, and Other Insurance

- **Description and Allowable Expenses:** Liability, property, and other insurance associated with Community Schools.

(3) Postage

- **Description and Allowable Expenses:** Postage costs associated with Community Schools.

(4) Bank Charges

- **Description and Allowable Expenses:** Bank charges only associated with Community Schools are allowable.

(5) Printing

- **Description and Allowable Expenses:** Printing charges only associated with Community Schools are allowable.

(6) Other Expenses

- **Description and Allowable Expenses:** Other operating cost expenses that do not fall into any of the categories described above may be listed under this line item.
 - Administrative costs, such as payroll fees and recurring computer maintenance costs, should not be listed under this line item. Payroll fees shall be listed under "Indirect Costs" and computer maintenance costs shall be listed under "Facilities and Maintenance". Ordinary living expenses, such as the cost of clothing, shoes, school and athletic uniforms, are normally assumed by parents of students. These types of expenses will be assessed by the OCS budget team on a case by case basis, and require PM approval with justification aligned to the CEP goals.

- *Audit fees should be included in the vendor section.*
- *Cell phone costs for staff may be included here.*
- *Any other costs, including startup costs, require prior approval from the Program Manager with justification aligned to the CEP goals.*

(7) Facilities Repairs & Maintenance

- **Description and Allowable Expenses:** Repairs and maintenance on school equipment, such as copy machines.

(8) Safety and Health

- **Description and Allowable Expenses:** Fingerprinting costs should be listed under this line item.
- **Reporting Requirements:**
 - As a reminder, in accordance with New York State law, contract and related [Chancellor Regulations](#), **all individuals** working in New York City Department of Education (DOE) schools who have direct contact with students and/or student data must undergo a fingerprint-supported background investigation. The eligibility status resulting from the investigation for CBO/vendor employees is tracked through The Personnel Eligibility Tracking System (PETS).
 - All individuals working with DOE schools who have direct contact with students and/or student data must be accounted for in PETS and must currently be listed as “eligible” to have contact with students, regardless of any other fingerprinting/security clearance requirements (such as SACC and DOHMH). This includes individuals that have contact with students during remote and virtual learning/enrichment.
 - If you have a staff member who is either not in PETS or is in PETS but listed as ineligible, they are not allowed to work remotely with students and cannot have access to any student data. Newly hired staff who are not already in PETS will not be able to be fingerprinted and processed for clearance until the Office of Personnel Investigations reopens.
 - If you have questions or concerns, please contact your Program Manager.

(9) Waste & Recycling Removal

- **Description and Allowable Expenses:** Waste and recycling removal costs.

Staff Transportation

- **Description and Allowable Expenses:** Staff transportation refers to school-based staff (teachers, school administrators, and on-site Lead CBO personnel) local travel, as well as transportation to professional development events. Note that taxis and alternative forms of taxis are not allowable for students.
 - **Example of Allowable Expense:** Transportation to/from Community Schools conferences/events
 - **Example of Non-Allowable Expense:** Commuting from school/site to home during peak business hours (6am - 8pm)

- Local travel to conduct official business related to the OCS contract. Travel may be by public transportation, personal automobiles used for school business only, and cab services. OCS recommends using public transportation when possible.
- Staff travel for professional development is allowable. Please see requirements for approved professional development training in the “Staff Training” section.
- Consultants are not allowed to use staff transportation funds.
- **Expense Threshold:**
 - The maximum allowable cost is 5% of the total allocation.
 - The maximum budget allowable for taxis or alternative forms of taxis for staff is \$1,000 yearly.
 - Costs for the use of a personal automobile will be reimbursed at a maximum rate of 27 cents per mile plus tolls. All travel must start and end at a business location in order to be reimbursed.
- **Reporting Requirements:**
 - A mileage log must be maintained for all business related travel tied to the funded program.
 - Taxi, Uber, Lyft costs may not exceed more than \$1,000 per year for all staff for each CBO at each school. All costs must include justification. This includes, but is not limited to, travel late at night or the need to carry heavy items from one location to another.
 - Staff transportation for professional development must be pre-approved by the OCS Program Manager and documented in the Budget Detail document along with justification and a cost breakdown.

Staff Training

- **Description and Allowable Expenses:** Staff training refers to teacher, school staff and lead CBO training.
 - Costs related to this line item include conference admission costs and professional development consultants conducting training for staff.
 - All conferences and retreats must be approved by OCS Program Managers. Costs incurred by CBOs from a training that were not pre-approved will not be reimbursed.
 - All conferences and retreats must be directly related to professional development that will support the core elements of Community Schools.
- **Allowable Expenses:** The maximum budget allowed for staff training is 5% of the total allocation.
- **Reporting Requirements:**
 - CBOs are required to provide an agenda, background information, justification, cost breakdown, and number of staff to attend a conference or retreat. Provide this information on the Budget Detail document and to your Program Manager for approval.
 - All expenditures must be listed on your general ledger when submitting your invoices.

Recruitment and Advertising

- **Description and Allowable Expense:** Recruitment and advertising for potential students and parents. This includes posters, flyers, and all school/CBO branded items/apparel.
- **Expense Threshold:** The maximum allowable cost is 3% of the total allocation.
- **Reporting Requirements:** CBO to keep on file line item costs.

Client Transportation

- **Description and Allowable Expenses:** All transportation expenses must be mental health, academic, cultural, and education based.
 - Transportation for “Client Supplies & Activities” should be listed under this line item.
 - All student related travel expenses, e.g., bus trips and local travel, are to be budgeted under this category. Bus companies must be insured. Travel expenses must be pre-approved by the Program Manager.
 - Parent transportation should be included under this section.
 - The cost of transportation from school to an approved field trip location is allowable and must be approved by the Program Manager.
 - For example, college visits, historical sites, museums, and developmentally and culturally appropriate Broadway shows are allowable.
- **Expense Threshold:** The maximum allowable cost is 5% of the total allocation.
- **Reporting Requirements:**
 - On the Budget Detail document you must provide the date, location, actual number of students, justification and cost breakdown for each trip.
 - All costs must be reported on the [Budget Detail](#) document. All expenditures must be listed on your general ledger when submitting your invoices.

Client Supplies & Activities

- **Description and Allowable Expenses:** Client activities and supplies must be academic and education based.
 - Do not include transportation on this line.
 - Supplies must be used to support student enrichment activities, building positive school culture and climate, and/or increasing opportunities for students and/or families aligned to CEP goals.
 - Trips to amusement parks and establishments such as Dave and Busters, senior dues, prom, senior trips, and photographers are not allowable unless it is educational and your Program Manager has approved in alignment to your CEP goals. Note that exceptions will rarely be granted.
 - The [educational field trip guidance](#) can be used to support your planning! Submit [the pre-approval request form](#) to your program manager in advance.
 - T-shirts for safety don’t count towards the threshold therefore, CBO/school branded apparel used only for safety purposes (i.e. field trips) can be billed on this line.
 - **Expense Threshold:** The maximum allowable cost is 10% of the total allocation.
- **Gift cards for food:**
 - In accordance with the DOE’s Standard Operating Procedures, gift cards are not allowable for food unless for use as an attendance incentive. Gift cards cannot be issued as cash-assistance for families. All gift cards for incentives should be billed on the incentive line.
- **Admission Fees:**
 - The [educational field trip guidance](#) can be used to support your planning! Submit [the pre-approval request form](#) to your program manager in advance. Field trips taken without Program Manager approval are subject to disqualification for reimbursement.

- Admission fees for students that are associated with each approved instructional field trip are allowable only up to \$50.00 for each student and each staff member or adult required to accompany the students.
- No one student can receive above \$100 in admission fees per year.
- Trip expenditures must be incurred during the operating period in which goods and services are received or delivered.
- **Reporting Requirements:**
 - Prior to Trip - All instructional field trip costs must be accompanied by a lesson plan and pre-approved by your Program Manager. Costs incurred by CBOs from field trips that were not pre-approved will not be reimbursed. Provide justification, cost breakdown, and the number of students and staff to attend the trip. Provide the requested information on the [FY26 Budget Detail](#).
 - Post Trip - Logs must be created and maintained for each pre-approved instructional field trip indicating dates of travel, destination, purpose of the trip, and any related costs, such as admission fees, transportation, and tolls. The log must also identify the students, staff, and parents that attended. CBO to keep this on file.
 - All costs must be reported on the Budget Detail. All expenditures must be listed on your general ledger when submitting your invoices.

Client Stipends

- **Description and Allowable Expenses:** Internships are an allowable expense under this line item.
- **Expense Threshold:** The maximum allowable cost is 5% of the total allocation.
- **Reporting Requirements:**
 - Students receiving a stipend should sign a timesheet that is retained by the CBO. A journal of dispersed payments should also be kept on file. In addition, provide the number of students receiving the stipends and the cost of each stipend. For example, if you are providing stipends for internships, you will need to provide the hourly rate, the number of hours worked in a week, and the number of weeks the students will work. Also, provide the requested information on the Budget Detail document.
 - In very rare instances we have allowed for parent stipends. This has been on a case by case basis with Program Manager pre-approval and aligned to the schools CEP goals. In addition, CBOs must ensure proper backup documentation is kept on file and all parents are fingerprinted.
 - All costs must be reported on the Budget Detail document. All expenditures must be listed on your general ledger when submitting your invoices.

Incentive Payments/Bonus/Raffle

- **Description and Allowable Expenses:** The incentive budget line will be used to support student academic and attendance goals, as well as family involvement goals. In accordance with the DOE's Standard Operating Procedures, parent gift cards are not allowable.
 - All incentives must be justified through academic, attendance, or parent engagement goals. For example, \$15 PBIS credit for perfect attendance for 15 students.
 - Incentives that are not allowable: video games, build a bear, carnival associated costs, and cotton candy or popcorn machine rentals.
 - Incentives used for attendance: For students and trips, please label in the General Ledger and give specific detailed examples.

- Example of an attendance incentive is a trip funded for students who met an attendance criteria in order to qualify for the trip. Please note: all field trips must be educational and must be pre-approved by the OCS Program Manager.
- Food incentives can either be placed in the food or incentives line.
- Employee bonuses are not an allowable expense. Bonus compensation means a non-recurring and non-accumulating (i.e., not included in base salary of subsequent years) lump sum payment(s) in excess of regularly scheduled salary which is not directly related to hours worked. Bonus compensation is not allowable unless otherwise approved by NYC DOE.
- Gift cards may only be used as incentives. They cannot be provided to parents or used as cash assistance. Gift cards may only be purchased if both of the following conditions are met:
 - The gift cards are purchased using tax levy funding only (Note: if you are uncertain of the funding source of one or more of your Community Schools contracts, please reach out to your Program Manager or Director of School Support) AND
 - The gift cards are used as an incentive/award on a very limited basis. (i.e. gift card to Starbucks tied to an attendance incentive initiative).
- **Expense Threshold:** The maximum budget allowed is 2% of the total allocation. Any one incentive cannot exceed \$50.00 and no individual student shall receive incentives above \$100 per year. All incentives must be used in the same fiscal year that the incentives were purchased.
- **Reporting Requirements:**
 - CBOs must provide justification for the incentives, the number of students who will receive the incentives, and the cost per incentive. Please be very detailed and specific and provide the requested information on the Budget Detail document. Upon distributing the incentives, CBOs must keep on file an Incentive Received Log in addition to the invoice. OCS reserves the right to request access to the Incentive Received Log.
 - All costs must be reported on the Budget Detail document. All expenditures must be listed on your general ledger when submitting your invoices.

Prepared Meals & Raw Food

- **Description and Allowable Expenses:** Only food provided to staff, students and parents is allowable.
- **OCS is limiting all staff and family appreciation costs to \$5,000 in total.**
- Food used as an incentive can be charged to either prepared meals or incentives.
 - The allowable per person meal rate can be found on the **General Services Administration website** WWW.GSA.gov.
- **Expense Threshold:** The maximum allowable cost is 5% of the total allocation. Note that the cap is 5% for prepared meals AND raw food COMBINED. It is not 5% for prepared meals and 5% for raw food.
- **Reporting Requirements:**
 - Provide background information, justification, cost breakdown, and number of staff to attend conferences or retreat. Provide this information on the Budget Detail document.
 - All costs must be reported on the Budget Detail document.

Equipment

- **Description and Allowable Expenses:** Equipment purchases are supplies that are durable or permanent in nature, such as furniture, printers, fax machines, televisions, cameras, and computers, etc.
- Follow all applicable procedures outlined in the [NYC DOE's Standard Operating Procedures Inventory Manual](#)
 - All equipment and/or furniture purchased with DOE funds is the property of the New York City Department of Education, and must be tagged "Property of DOE." At the end of the contract, all non-depreciated equipment that still has a useful life and was purchased with DOE funds must be returned if requested by DOE. Upon termination or nonrenewal of a contract, DOE will consider requests for continued use or other recommended disposition of such equipment. Equipment or furniture leased with an option to buy may also become the property of DOE at the end of the contract.
 - Costs associated with equipment include rental, lease, licensing fee and computer software of office/programmatic equipment used in the performance of the CBO's operation are allowable.
 - Large equipment purchases such as washer and dryers, refrigerators, and air conditioners will be assessed on a case-by-case basis, and require PM approval with justification aligned with CEP goals.
 - The purchasing of equipment for an individual student is not allowable.
 - Equipment must be for direct use of the program/school and not for the CBO offices.
- **Expense Threshold:** The maximum allowable cost is 2% of the total allocation.
- **Reporting Requirements:** All costs must be reported on budget detail. All expenditures must be listed on your general ledger when submitting your invoices.

Procurement

- Any procurement of goods and/or services is to be conducted in the CBO's name. The organization is responsible for ordering, receiving, inspecting and accepting merchandise. The name of the Department of Education, its officials, employees, or the City of New York should not be used under any circumstances for the purpose of ordering and/or securing goods and services from a vendor. Invoices, bills, receipts, etc., must be issued in the name and address of the organization or its immediate affiliate. All expenditures must comply with applicable laws and contract regulations, and are subject to audit.
- All furniture and equipment purchased with DOE funds remain the property of the City of New York and must be returned at the end of the contract.

CONTRACTED SERVICES

Subcontractor

- Subcontractors are independent, non-profit or for-profit entities retained to perform specific programmatic services.
- **For Approval and Agreement:**
 - In FY26, CBOs must submit subcontracting agreements for all subcontractors regardless of the amount. For new and previously used subcontractors, a signed subcontract agreement will be necessary. [FY26 Subcontract Agreement Template](#)

- All subcontractors must be approved by OCS **and** be approved in PASSport prior to subcontractors performing any work. Any work completed prior to approval will not be reimbursed by OCS.
- CBOs are responsible and liable for subcontractors. OCS Contracts are held with CBOs and not subcontractors. CBOs should make it clear that subcontractors are not to contact OCS nor DCP. All correspondence should be between the CBO and the subcontractors.
- Upload all signed subcontracting agreements in PASSPort.
- For Subcontract Guidelines please refer to the [subcontractor guidelines](#) section of the manual.
- OCS will not reimburse for subcontractors who have not been approved in the PASSPort System.
- **Hiring a For-Profit Company as a Subcontractor:**
 - Hiring a for-profit company as a subcontractor is allowable. CBOs must process For-Profit Subcontractors through the same channels as a non-profit organization.

Consultants

- Consultants are individuals, with specific skills, retained to perform limited program tasks or complete projects within the contract that cannot be accomplished by regular staff. The services provided by the Consultant must be related to the program work scope described in the contract.
- Consultants cannot be a salaried employee of the CBO. Consultants usually consider themselves self-employed, maintain their own service and financial records, and have a place of business separate from the CBO.
- Consultants retained by a CBO must enter into a written agreement, detailing the specific tasks to be performed. Consultants will be allowed by OCS only for those services that cannot be performed by the CBO's staff. If a consultant's services are required for an extended period, such an individual must be hired as an employee. Consultant Agreements must be maintained by the CBO for six (6) years beyond the end of the contract.
- The cost of a consultant hired to deliver professional development services is allowable. Records identifying the date of the meeting or services, venue, and attendees, as well as documentation supporting selection and cost of the consultant must be maintained. These costs should appear in the consultant section of the budget.
- Teachers working in Community Schools may be eligible to be hired as consultants or hourly employees. This work may include ELT and curriculum development. Teachers should connect with the [NYC Public Schools Ethics Officer](#).
 - **Consultants and Subcontractors:**
 - A consultant is an individual while a subcontractor is an organization or company.
 - Subcontracts who retain subcontractors for under \$5,000 should be placed in the subcontractor section, not the consultant section. All subcontractors hired will require a subcontracting agreement.

Vendors

- Vendors within the OCS contract are defined as businesses retained to provide non-programmatic services, such as cleaning supplies, software, security, accounting, etc.

- **Audit fees should be included in this section.** The amount requested for audit fees cannot exceed 1% of total yearly allocation. Audit fees are to be budgeted and expensed in the contract year in which the audit is performed. For example, an audit for calendar year 2022 must be budgeted for in contract year 2023.
- Data Services
 - DOE approved data services are allowable. All other data services will be assessed by the OCS budget team on a case-by-case basis, and require OCS Program Manager approval with justification aligned to the CEP goals. These expenses should be listed under the “Vendor” section.

Subcontractor Guidelines

Many Community Schools will utilize subcontractors to deliver direct and support services that are necessary and integral to meeting outcomes. Subcontract Agreements will be governed by the terms of the DOE Community Schools contract and approval of subcontractors is required.

Subcontractors must have an approved account in the City’s PASSPort system, prior to submitting any subcontract agreements. The subcontract must first create an account and submit all required disclosures within the account. The disclosure documents are typically reviewed within 3-4 weeks and the subcontractor is notified upon approval of an account.

[Create PASSPort Account Here](#)

- o **Required documents**
 - [Subcontractor Agreement](#) which includes:
 - a. Work scope
 - b. Total Budget
 - c. Salaries and Wages Support Sheet
- o **Budget amount of subcontract must match budget amount on subcontractor line in PASSPort**
Total subcontractors must be less than 50% of total budget
 The aggregate subcontracted services (both mental health and non-mental health subcontractors combined) must be less than 50% of the total budget.
- o **Mental health subcontractors**
 Submit a subcontractor agreement just as you would any other subcontractor.
- o **File formatting**
 Submit required documents, including the [FY26 Subcontractor Agreement](#), as one PDF with the DBN first and then the name of the subcontractor e.g., *14X145_BestSchoolSubcontractor*.
- o **All subcontract agreements must be signed by the Principal and/or Principal Designee and uploaded to PASSPort**

Budget Modifications

Changes to the approved budget may be submitted only as they relate directly to the accomplishment of services required in the contract. CBOs must submit all modifications in the PASSPort. Upon submitting a modification, the assigned Operations point will review the modification. If the Operations point

approves the modification, it will be forwarded to the OCS Program Manager for final approval. If any concerns arise, the CBO will be notified to make revisions. **Please note that while modifications are pending, PASSPort will not allow invoices to be submitted.**

FY26 Modification Windows

- January 4 - February 6, 2026
- May 18 - 29, 2026

Underspending

- CBOs should be mindful of indicators of potential underspending:
 - Late program start
 - Staff vacancies
 - Unused OTPS funds
- As soon as underspending is identified, CBOs should develop a plan to modify spending to maximize the benefit to the program.
- Budget expenditures will be reviewed during Collaborative Partnership Meetings for underspending.

Two modifications per year:

- **All modifications must include a justification for changes.** Both the decrease in funding and the increase in funding must be justified. For example, if the funding is decreasing from Personnel Services due to the hiring of personnel later in the year than expected, that must be explained in the Modification Template. If the funding is moving to OTPS, CBOs need to justify and provide a cost breakdown for the increase. **Omitting a justification and cost breakdown will cause the modification to be rejected and significantly delay approval.**
- Two modifications are allowable in the fiscal year. These modifications will occur in January and in May. Proceeding the submission of modification there will be a window of time for Program Managers to approve those modifications. **Please note during modification submission and review, invoices will not be accepted.**
- CBOs must submit a completed Budget Modification Detail, FY26 Modification Summary Tab with Principal Signature, and Collaborative Planning meeting notes with signed Collaborative Partnership Agreement. These documents can be found on the [Office of Community Schools Website](#).

Internal Controls & General Accounting Procedures

Executive and management staff at CBOs are responsible for establishing and maintaining an internal control structure appropriate to the particular CBO. Internal controls will vary from one organization to the next, depending on such factors as their size, nature of operations and objectives. However, the need for internal controls remains the same; an organization should find the most efficient and effective way of implementing its needed internal control procedures.

Where the Fiscal Manual is silent as to the treatment of a particular cost, it should not be assumed that the cost is allowable. Rather, the CBO should consult the OCS budget team. If the expense is allowable, the CBO must obtain that agreement in an email. In any case where the expense is incurred outside

these guidelines, and approval cannot be produced, the expense may be subject to disallowance. CBOs must also maintain adequate documentation supporting transactions. Please note that all expenditures are subject to audit.

RETENTION OF ACCOUNTING RECORDS

- In accordance with City contract requirements, CBOs must retain all contract related financial records, including auditors' reports, for six (6) years after the final invoice of the contract is paid.

BOOKKEEPING PRACTICES AND PROCEDURES

- Organizations must maintain separate accounting records for funds received through each contract with DOE. Accounting records must be established and maintained in accordance with Generally Accepted Accounting Principles. It is essential that the organization maintain accurate, complete and permanent books and records, available for inspection by a DOE staff member or its designee.

TIMESHEETS

- Timesheets must be completed for all full, hourly, and seasonal employees. Each timesheet must be signed and dated by the employee and the employee's supervisor. The Executive Director's timesheet must be reviewed and approved by a member of the Board of Directors.
- Electronic timesheets may be maintained if they are certified as accurate by the signature of the Executive Director or a senior level management designee.

EMPLOYEE PERSONNEL FILES

- Employees' personnel files must consist of all pertinent documents used in the hiring process. The hiring documents should consist of, at the minimum, the following documents:
 - Employment Application
 - I-9 Employment Eligibility Verification
 - Authorized working papers for individual under 18
 - Job Description
 - W-4 form
 - Resume
 - Copy of Educational Degree, Diplomas or Certificate
 - Background Check

CASH FLOW

- The cash flow process is initiated following registration of the contract with the New York City Comptroller's Office. DOE is unable to release funds until the contract is registered. DOE is not permitted to reimburse an organization for any expenses incurred for the provision of services until the contract is registered.

UNSPENT FUNDS

- Unspent funds within a fiscal year will not roll over to the next year.

ALLOCATED FUNDS

- All funds are subject to NYC DOE Finance and Division of Contracts and Purchasing approval.

EQUIPMENT INVENTORY

- CBO partners must follow all applicable procedures outlined in the [NYC DOE's Standard Operating Procedures Inventory Manual](#) including maintaining an equipment inventory list ([a sample here](#)). This will capture all durable supplies purchased through a CBOs Community School budget for the school. This pertains largely to, although not exclusively, technology items (computers, copiers, etc...).

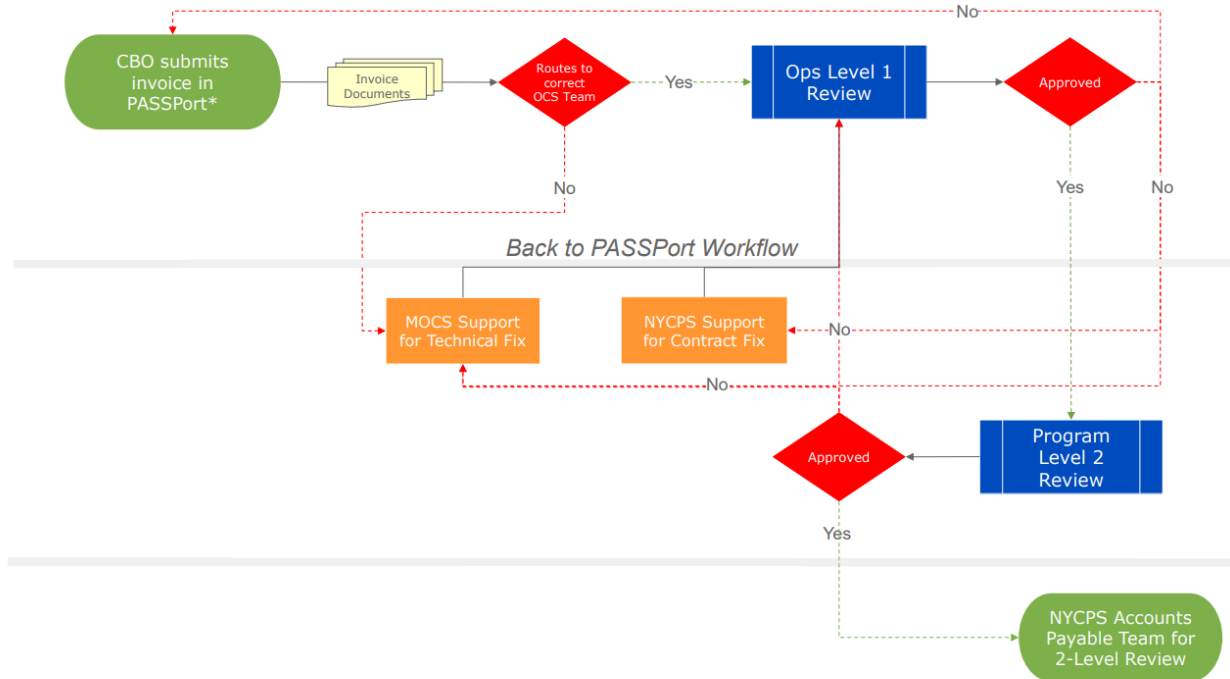
PASSPort Resources

The PASSPort Financials module allows CBOs to electronically submit budgets and invoices for review.

- [Create a Passport Account](#)
- **PASSPort Login:** [Provider NYC PASSPort Log In](#)
- **PASSPort Home Page:**
<https://www1.nyc.gov/account/login.htm?spName=a069-PASSPortaccvp.nyc.gov-PASSPortPortal&samlContext=d8c03f56-1950-42cb-8065-15f9ac220aa7>
- **PASSPort Trainings for Vendors:**
<https://www.nyc.gov/site/mocs/passport/getting-started-with-passport.page>
- **PASSPort FAQ link:** Additional assistance please contact MOCS Service and use the [Inquiry Submission Form](#).
- [Passport Acronyms & Definitions](#)
 - This includes overview of PASSPort materials, vendor account creation, contract development, budgeting, invoicing, etc.
- [MOCS HelpDesk](#)
- [Payee Information Portal \(PIP\)](#)
- [Create and Modify Budgets](#)

PASSPort Process Flow - Invoices

Workflow Diagram for CBO Invoices in PASSPort



Email Communication Templates

Vendor Email Template for PASSPort-Related Budgets and Invoices

When contacting OCS regarding PASSPort-related Budgets and Invoices, please follow the guidelines below to ensure timely and accurate processing -

Email Subject Line Format

[Vendor Name] [DBN] [FY] [CT# / PO# and/or INV#]

Who to Include on Emails

- **To: PM and Operation Leads**
- **Cc: DSS**

To find your PM/DSS/Ops Lead, refer to: <https://nyccommunityschools.org/schools>

Additional Information

In the body of your email, please include any relevant details or questions regarding your PASSPort inquiry. Be as specific as possible to help us respond efficiently (e.g., clarification on a returned invoice, document submission, payment status, etc.)

EXAMPLE - Vendor Email Template for PASSPort-Related Budgets and Invoices

From: ABC Kidz@hmail.com

To: OCS Program Manager(s); OCS Operations Leads

Cc: OCS Directors of School Support

Subject: **ABC Kidz _ 12X999 _ FY26 _ CT1-850-20268803092_PO602453 - INV365222**

INV365222 was submitted on 9/1/25. Please provide a status update.

Thanks in advance.

Vendor Email Template for Multiple PASSPort-Related Invoices

When contacting OCS regarding multiple PASSPort-related Invoices, please follow the guidelines/template below to ensure timely and accurate processing -

Email Subject Line Format

[Vendor Name] [Multiple Invoices]

Who to Include on Emails

- **To: PM and Operation Leads**
- **Cc: DSS**

To find your PM/DSS/Ops Lead, refer to: <https://nyccommunityschools.org/schools>

Additional Information

In the 'Notes' section, please include any relevant details or questions. Be as specific as possible to help us respond efficiently (e.g., date of submission, clarification on a returned invoice, document submission, payment status, etc.)

Template

<u>CT#</u>	<u>School DBN</u>	<u>PO#</u>	<u>Invoice#</u>	<u>Invoice Amount</u>	<u>Notes</u>

EXAMPLE - Vendor Email Template for Multiple PASSPort-Related Invoices

From: ABC Kidz@hmail.com

To: OCS Program Manager(s); OCS Operations Leads

Cc: OCS Directors of School Support

Subject: **ABC Kidz _ Multiple Invoices**

Please provide status updates for the below Invoices. Thanks in advance.

<u>CT#</u>	<u>School DBN</u>	<u>PO#</u>	<u>Invoice#</u>	<u>Invoice Amount</u>	<u>Notes</u>
CT1-850-20268 803092	12X999	PO602453	INV365222	\$52,986	Submitted 9/1/25
CT1-850-20268 803093	12X998	PO602454	INV365221	\$61,068	Resubmitted 9/2/25. Provided more justification to Meals