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2019 AmeriCorps State & National Grant Competition
Best Practices in Budget Development Webinar

SUMIKA: Sorry about that. Some technical difficulties.

For the third time, third time is a charm, welcome to the second installment of the 2019 AmeriCorps State & National Grant Competition webinar series. Today's session is titled "Best Practices in Budget Development". CNCS is recording this webinar and will post the session recording and slide deck on the FY19 NOFO page on nationalservice.gov in approximately ten business days.

Although there is no dial-in number for this webinar, we encourage your engagement. You may use the chat box to ask questions at any time, although we may not respond immediately. Please be patient if we don't answer your question right away. If you have any technical difficulties during this session, please let us know through the chat box as well. If you do that, our webinar facilitator, Emily, will be able to assist you via private chat. Now, I'd like to turn the webinar over to today's presenter, Tracey Seabolt, from CNCS's office of Grants Management.

[audio cuts out]

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TRACEY: Alright, I heard that audio was out. Is it back? Terrific. IT seems like we we're having a series of unfortunate events here with audio this afternoon but we're hopeful that that's the end of it and we can get going through this content. For those of you that missed what I was saying, my first note was just to recommend that you shut down any other windows that you have open on your computer to help speed up the bandwidth and to enhance your audio experience and maximize the learning.

I have also noted that we will use the chat pod as stated, and ask you to use that for questions and comments throughout. And it looks like you all are doing a great job of giving us some comments now. Having said all of that and knowing that the chat pod is working, the one other thing I want to do before we get started is point out at the bottom of the screen there are some web links, and files pods at the bottom of that screen.

That's where we have a number of different resources for you and we'll post those also on the state and

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national grants FY19 funding page along with the recording of the presentation. Before I get started, I want to thank you all for responding to the poll questions that we had on the lobby screen. Knowing who's here in the room really helps me focus on the points that are more relevant to you. Speaking of those poll questions, I notice that we have a couple of folks who are fixed award applicants joining us today and I welcome you.

You should also know the majority of this discussion is going to focus on budgets that are submitted as part of a cost-reimbursement application. And although fixed award recipients aren't subject to the same budget and cost principle requirements as cost-reimbursement award recipients, this conversation will help all applicants, both cost-reimbursement and fixed award applicants to improve their fiscal management responsibility.

So even if you're planning to submit a fixed award application, you may find the information helpful and are welcome to remain connected to the session. My

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goal for today's session is to help you, the AmeriCorps grant applicant acquire the knowledge and skills needed to understand the function of, and to develop, an effective AmeriCorps budget and budget narrative. Your submission of a complete and high-quality budget will help demonstrate that you have the fiscal capacity to manage an AmeriCorps program.

During this session, we will holistically review the components of an AmeriCorps budget, which includes both CNCS resources and the applicants' matching resources. At the end of the webinar, you should understand how to determine if costs are allowable, reasonable, necessary and allocable as determined by 2CFR200 the Office of Management and Budget's uniform administrative requirements, cost principles, and audit requirements for federal awards, frequently referred to as "the uniform guidance".

Using this information, and the tips and best practices shared here, you should be prepared to submit a compliant and competitive budget. Because the budget and the budget narrative become a part of

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the grant recipient's contract with CNCS, we want and we expect you to present a strong and accurate document. The approved budget will not only serve as a financial guide for grant-supported activities, but it helps to ensure the terms and conditions of your award.

In addition to helping CNCS monitor grant and financial compliance, it can serve as a tool for both CNCS and award recipients to measure progress toward the match requirements and monitor budgeted expenses to actual expenses as part of the budget management process. Before we dive into the details of budget development, I want to point out that budget development is just one component of an effective budget management process.

Let's take a quick look at the full process. If you started to work on your AmeriCorps application, you may have asked yourself, "How do I design a strong budget?" Okay, quick check: did you actually ask that question? There's no right or wrong answer, but if you actually said to yourself, to a colleague, to

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your dog, "How do you design a strong budget?", just put "me" in the chat pod. Yay. We got a "me" out there. Great. Great to know that I'm not the only one asking, "How do I design a strong budget?"

Regardless of whether or not you started a process with that question, as part of the pre-award project development process, it's likely that your team already determined the needs you wanted to address with AmeriCorps resources, set up program or project goals and objectives, decided on a strategy to accomplish those goals. And then to develop the budget, applicants must translate that strategy into dollars to prepare a budget that's aligned with state program goals and objectives.

Post-award grantees will continue to manage the budgets effectively by establishing a budget control process, monitoring expenses, which includes regularly comparing your budgeted to actual expenses to check for over- and under-spending and modifying the budget as necessary with the program from CNCS when required. Today's conversation will focus on

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that budget preparation process. Let's talk about an improved budget. It should be realistic, that is, it should reflect expected program revenues and expenses and its capacity to carryout program activities.

It should be consistent and aligned with the programs goals and objectives and it should be flexible. A project's financial and operating circumstances often change and the budget must adapt to those changing circumstances. For now, we will focus on the realistic and consistent features as they relate to budget design. A few minutes ago, you probably heard me outlining the steps that your team may have taken as part of the budget development process.

CNCS encourages applicants to approach budget design as a team activity engaging various departments based on their individual expertise. So who did or who could, if you haven't, you include in your budget design team? Use the chat pod again to suggest the departments or individuals that could support this endeavor. And as you enter that information, note the

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specific expertise that they could bring to your process. I see some folks are typing.

While you're doing that, I'll just toss out one: that perhaps you go to the accounting department and get the historical spending rates for specific costs if you're budgeting for your rent, for your insurance, for your phone costs, you might want to go to the accounting office and get that information. Alice is saying grants compliance and donor reporting department, understanding the regulations or requirements. Yeah.

You want someone in the grants office to look at your budget, be able to review it for compliance, make sure that you're not putting anything in that's unallowable, that everything is tip-top shape. Marcy is saying financial director and CEO, both are familiar with expenditures that apply to general operations, so what I was just talking about. Yes. Partnership with non-profit executive, and I'm guessing that might be for some of that same information, those over-arching costs.

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You might want to go to your HR department for salary fringe, criminal history check costs, they'll have that information. Your program office is going to know some of the other costs: how much does it cost to train your members? What does it cost to deliver services to your community? And there's certainly other staff that might have additional expertise. And I know that if you are part of a small organization, you probably don't have all of these departments and all of these resources available, but even so, you don't want to undertake budget development in a vacuum without input from others.

You have commissioners, you have board members, you have other colleagues that can support you so don't be afraid to involve as many others as is required to present the most realistic data in your budget and make sure that that document aligns with your programmatic goals and objectives. As I said before, you would go to your accounting department to get some historical information. We recommend that you

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use that historical information, making adjustments as needed so that your data is timely.

And then you would include that as part of your budget narrative description: we came up with this calculation based on this historical information. Your strong budget provides a framework for effective budget management and it ensure a realistic scope, appropriate detail, a competitive proposal, compliance and effective deliver, that is, it serves as a guide for program implementation. In order to create a budget that is strong, accurate and requires minimal clarification, I encourage you to take your time and engage others in data collection and quality review.

As I previously stated, one of the objectives for this session is to provide you with tips and tools for creating a competitive budget narrative. The first tip is to read and follow the instructions in the NOFO and the application instructions, which include your minimum and maximum cost levels and required line items, both of which we'll discuss

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later in this presentation. The strongest and most compliant budget narratives adhere to these guidelines and it saves all of us time and effort later.

I also encourage you to become familiar with the uniform guidance and only include those costs that are allowable, reasonable, necessary and allocable. And you can find this guidance online at ecfr.gov and it's under Title II Grants and Agreements. After you and your team estimate the financial resources you need to achieve the state program goals, you will then organize them into the narratives budget categories again, following the guidance in the NOFO and the application instructions.

As you develop the narrative, remember to provide adequate descriptions and clear calculations. Your budget narrative should be able to serve as a standalone document without a need to reference the application narrative for explanation. And this is where that suggestion to have somebody outside of your budget development team review the document to

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check for holes and inaccuracies really comes in handy.

You don't need somebody who's familiar with your program to go through and check each calculation. Anyone can do that, just to make sure fresh eyes look at it and they see something that you might not see after the twentieth review. The uniform guidance, as well as the NOFO and application instructions, specify costs that are considered unallowable such as lobbying, entertainment, alcoholic beverages and fundraising.

CNCS strongly encourages applicants to review that uniform guidance to avoid including unallowable costs in your proposed budget. Other unallowable costs include those that are not necessary to meet your program objectives. For example, budgeting new laptop computers for your staff members is fine, budgeting new laptop computers for 20 staff members, when you only have two staff included on the AmeriCorps budget is not allowable, and that could be considered waste, fraud or abuse.

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Another example is budgeting six thousand dollars for a top of the line desktop computer with all kinds of fancy peripherals for an employee who's just gonna use it for word processing to develop correspondence and member agreements. These are costs that would be considered unreasonable from a prudent person perspective or have no logical basis for inclusion in the budget. It's important to remember that if a cost is unallowable as part of the CNCS share, it is also unallowable as part of the grantee share or you're required match.

As shown on the visual, the grantee share total costs increases over time reaching 50% for a minimum dollar-for-dollar match by year ten. Cash and in-line contributions are acceptable match when they are verifiable from the organization's records, necessary and reasonable for proper and efficient accomplishment of project or program objectives allowable under the applicable cost principles, not paid for by the federal government under any other award except one authorized by federal statute,

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included in the approved budget and allowable under program guidelines, and compliant with the terms and conditions of the award and the uniform guidance.

The matching resources must be treated the same as the CNCS share and consistent treatment includes complete and accurate documentation. A frequently heard phrase around the grants management field is, "If it's isn't documented, it didn't happen." Please make sure to document all of your expenses. Because applicants must demonstrate and adequate plan for non-CNCS support, they're required to include the source of match in the budget narrative entering a description of the source along with the amount, a cash or in-line classification, the type of match whether it's state or local government, federal funds, private donations, and confirmation whether the sources of match are secured or proposed.

You don't need to secure 100% of your match prior to submitting that application, but your anticipated match must be included in the total in the section and it must equal the amount of match shown in your

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budget. Please note that eGrants rounds up to the near percentage so if you have a budget with 49.7% match, that's gonna actually show as 50% match even though it's not quite a dollar-for-dollar match. I recommend that you go ahead and you calculate that percentage of match outside of eGrants just to make sure you really are meeting or exceeding the required percentage.

I am going to pause now and see if there are any questions related to what we've said so far. If you have any questions, just remember to put those in the chat pod. Before I move on, I do want to note that while there are no match requirements for fixed amount grants, applicants are required to enter that source of matching funds sections. If you're one of the folks on this call and you are applying for a fixed amount award, please make sure you complete this section to show how you're covering the program cost beyond those provided with CNCS resources.

As you enter data in your budget, you will notice that it includes both the CNCS and grantee share

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project costs. Additionally, the budget identifies costs as direct and indirect or administrative costs. Those direct costs include program operating costs and member costs, which then are broken into major categories that might include the specific line items shown on this slide. These costs are allocable to the grant, that is, they are associated with specific grant-related activities.

General or centralized organizational expenses that are spread across the entire organization are indirect or administrative costs. As you, the AmeriCorps applicant develop your budget management systems, and specifically the budget control process, you'll want to establish clear policies and procedures for tracking and documenting these expenses. Let's now review the specific budget categories and the related guidance in the AmeriCorps application sections, beginning with Section 1: the program operating costs.

We'll start with the personnel expenses in Section 1.A. and in here you'll individually list each staff

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position supported by the grant providing the annual salary and the level of effort as a percentage of the full-time employee devoted to this award. When doing so, please remember to only include those positions that are supported in your application narrative, and make sure not to include the value of direct community service that's performed by volunteers unless it's for organization functions such as accounting, auditing or training.

In addition, if you have multiple CNCS grants, it's a good idea to confirm that you're not overbudgeting or including more than 100% of staff time on all of your budgets. You can do this by including the statement on each line or at the end of the section that says something along the lines of the percentage of time allocated to budget and staff does not exceed 100% across all CNCS grants. In the fringe section, applicants will identify the type of fringe benefit, so it might be your FICA, or your workers' comp or your health insurance and your cost for each staff member's benefit.

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Those fringe benefit costs should align with the salary lines, that is, it should only include those staff that are in the personnel expenses section. And if the budgeted amount is more than 30% of the salary cost, you must list covered benefits separately to justify the cost. So for instance, you might put something like health insurance at 24%, retirement at 15%, FICA at 7.65% and so on. In the travel section, you'll include the purpose of the cost and the type of travel cost such as air, ground, transportation, lodging and per diem.

You will include the number of trips and the number of staff or members traveling. You want to make sure that this calculation is clear and simple to follow. Again, this is where it's helpful to have someone else review your work so they can make sure that it is clear. Note that CNCS-sponsored technical assistance is an expectation of all applicants and that travel funds should be budgeted for new state commission and national direct staff to attend the AmeriCorps Symposium pre-conference events.

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And please take care to separate your staff and member travel costs. They're in two separate sections there. And ensure that there aren't any training costs included in this section and similarly that there aren't travel costs included in the training section. Oftentimes, applicants will mix these together. CNCS defines equipment as materials that have an acquisition cost of \$5,000 or more per unit; if it's less, then that goes in the supply section.

And equipment is limited to 10% of the total CNCS funds requested. You need show the unit costs and the number of units with the purpose of the equipment in your justification. The supply section will have your consumable supplies and materials including your member service gear so AmeriCorps identity items, preferably clothing with a logo, is a required budget expense and it may be charged to the CNCS share only if it includes the AmeriCorps logo so I encourage you to make a note in the budget narrative for any items that actually include the logo.

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You may charge safety gear to the CNCS share whether or not it has a logo. And all other member service gear will be purchased with non-CNCS funds. And again just make sure it's stated in the application instructions, that you're individually listing any items costing \$1000 or more. The contractual and consultant services section includes all contractual and consultant services except training and evaluation consultants. And while CNCS does not impose a maximum daily rate, we ask that you include the rate on which you determine that expends.

Again a reminder, don't include the value of your direct community service performed by volunteer unless, again, it is an accounting, auditing, training or similar organizational function. The training sections include both staff and member trainings. Staff training will enhance the staff skills for effective project management and member training supports those members as they're carrying out their service activities.

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It may include your Life After AmeriCorps trainings. Again, if you're using a daily rate for the consultants, include that, and if not, enter some type of detail to justify your cost. Similarly, in the evaluation section, you'll do the same kind of thing if you're using consultants in there, use some kind of justification for the cost of any consultants. Your project evaluation costs may also include additional staff, evaluation, instruments or other things that will help you assess the impact of your project or evaluation the impact of your project on the community and assess your overall program design and systems.

This is not for assessing your progress toward performance measures. Then we come down to other program operating costs; this is kind of a catch-all category for those projected expenses that don't nearly fit in other categories. In here, you must include the national service criminal history checks for members, employees and others who receive a salary, educational award, living allowance or stipend. The NOFO and application instructions state

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that applicants should budget \$54 plus the cost of state checks for each covered individual on the budget.

Other program operating costs may include office space, utilities, phone and internet for project staff providing that those expenses aren't part of an organizations approved indirect costs rate and that they're pro-rated and appropriately allocated to the project. Member recognition costs are allowable if they're appropriately justified and if they exclude gifts and food provided in an entertainment setting. I see a couple of question coming through in the chat pod. I'm going to pause now to see what some of those questions are and to see if anybody has any other questions.

SUMIKA: Thank you, Tracey. We have been answering the questions that were most repeats of some of the information that you were stating and we repeated that information, but I believe KERRY [phonetic] has some extra questions that came in as well.

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KERRY: So Tracey, food is really important to some of us and so I want to know [inaudible] allowable as far as food as a budget expense. Can you tell me about that?

TRACEY: Yes. Food is allowable if it's provided during the dissemination of information. So if you're having a training event and you were having a working lunch, absolutely, we would absolutely approve food in that context, again, providing that the costs of it is reasonable and necessary. Also, sometimes even the training event, maybe there's a pause in there for a lunch break, but the location of it is so far away for folks to go out and get something that it's just prohibitive to send people offsite so in that case it might make more sense to bring food in and cover it with your program costs. And that's something that if it's appropriately justified, that can be allowable.

SUMIKA: If an applicant has 20 line items in their personal expenses system, do they need to have 20 different fringe benefit lines even if they calculate all staff fringe at the same rate?

TRACEY: They don't have to, no. And as someone who reviews those budgets, I prefer that they don't. If the fringe rate is exact same across the board,

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everybody's calculated at 40% and you can break it down, then it's 28% to health insurance and 14% to whatever it happens to be then you can say that it's this percentage of all personnel expenses. Similarly, perhaps that's not as clean in the applicant's organization, maybe it's that healthcare is 28% of these folks and 22% of these folks so you would have to break it into two separate lines, but you could still use fewer than the whole 20 lines if it makes sense and if things are calculated at the same rate.

SUMIKA: Thank you.

TRACEY: Any other questions before we move on? Let's review some budget narrative sample entries and talk through some common clarification issues that applicants can avoid. Here's a sample travel staff travel entry. It has a number of errors. Use the chat pod to note any errors that you see and hear. I'm gonna give just a couple of seconds here and then we'll get started reviewing it. I'm going to start with the first line, which has the required CNCS-sponsored training.

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Thank you, Paul, you just said it with me. There's no specificity in that calculation. There's no detail. There's two staff to DC, and that's probably fine, but do I know that \$2930 is reasonable. This applicant might be in Northern Virginia in which case I can't imagine that it's nearly \$3,000 to get from Northern VA to Washington, D.C. so giving some kind of detail in there would be very helpful. The second line, you'll notice in there, 56 cents a mile for the travel costs. That's allowable.

It's higher than the federal rate so in that case we would want to know that that follows your organization's policy so just a little bit of information in there that says this is aligned with state policy, this is aligned with our organization's policy. Something like that would tell us 56 cents a mile is allowable and if your policy doesn't give a detail that would allow for that, then you would need to stick with the federal rate at the time.

That third line, the regional training conference, absolutely allowable; problem here is this is one of

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those situations where they didn't double check for accuracy; the calculation is actually \$2,050 and they've budgeted \$1,954 and that usually happens when people are going back and tweaking their numbers a little bit and then they forget to tweak one portion of it. Again, that's why you can't double check your information enough.

And that last line is absolutely perfect. It's allowable cost, it's appropriately detailed, the only problem is it's member travel and this is the staff travel section so in that case we would ask someone to go back and change that and move that into the member travel. This entry at the bottom shows a correct and comprehensive entry. They've given the appropriate detail, number of people traveling, number of travel days, miles traveled; all of the calculations are correct, no erroneous information, far better entry.

Let's look at a supply section entry, see what errors you can find in here. Alice noticed the missing calculations for the computers. I Don't know if

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that's two computers, if that's three computers, is it more than computer, s it computer and printer. IF it is, then that needs to be broken into two lines because it's more than a \$1,000 cost. No unit costs. No number of units. The office supplies \$40 a month for a total of \$400.

I think there's 12 months in a year so that's probably wrong. And the member supply includes that cost per member and the number of members, but when you do the calculations, it's actually a little off by just a few dollars, and because CNCS budget reviews include an assessment of calculation accuracy, I always tell folks use the term "average", use "approximate" and then that gives a little bit of flexibility that we know that you didn't miscalculate, but you're just doing a little bit of rounding and maybe it's a not \$185/member, maybe it's \$185.49, which took you as you were rounding into another level.

So in this case, this second entry is much cleaner, has the correct justification and has the detail that

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we need. And look what's in that first line: member service gear. That is a required line item that was missing from the first entry so this one is definitely a far more compliant entry. Any other questions about Section I? I'm going to move us into Section II, which focuses on member costs, specifically member living allowances and member support costs.

The NOFO stipulates the minimum and maximum living allowance and the budget narrative must identify the number of members in each category and the living allowance that they will receive. Your member support costs must follow the laws of the state where members serve so FICA, unless you're exempt by the IRS, is calculated at 7.65% of total living allowance. You must offer health care to all full-time members; programs may not pay health care benefits to less-than-full-time members with grant funds unless those less-than-full-time members are serving in a full-time capacity.

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In that case, you should note that in the budget narrative and include the number of members receiving the benefit and the per person cost in the cost calculation. Workers' comp costs, you may include those in the state where members are serving if that state requires it. If it's not required, programs must obtain occupational accidental death and dismemberment coverage for members. And then you're unemployment insurance other member support costs must include adequate calculation details.

And then I see in here Jennifer asked a question about housing and that would then go into the member support costs if as I'm glancing at it very quickly if that would be allowable. I'm gonna go back and read that more intently at the end of break. Before we go there, I just want to flip us forward into some member support costs entries, and again let you look at them and see what errors you can identify.

Jennifer, I would say housing you could put in there, it would seem to me housing expenses like your upkeep, that would go into indirect cost. It would be

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very hard to make the case of that as a direct cost. If you are able to allocate it, then that's something that can be considered as part of the budget review process. I'm seeing some answers come in so let's look at this: the applicant included the required FICA, but as some folks pointed out there's an incorrect base used.

Again, those application instructions, which you should be using to check every single line item, you must calculate the FICA at 7.65% of total living allowances unless you have an exemption from the IRS, and if you do, I would recommend in that calculation section you put some notation about that exemption. And in our health care section, there's two things, Sarah noted that minimum time cannot have health care.

They could if they're serving in a full-time capacity like a full-time summer program, but if it was submitted just like this that would definitely result in request for clarification that these members are serving in a full-time capacity. The other piece of this though is they've noted 25 of 28 full-time

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members. My guess is this could have been based on some historical information that estimated language provides some flexibility should more or less members accept the health care, but again, if you're using some kind of historical data it's best to include that language in the budget narrative.

It'll just cut down on back and forth after the fact. And if the program only lasted for nine months, then you would put in here in this example \$520/month X 9 months so that the reviewer understands these calculates seem a little off and then they'll go back and they'll look at that description and realize what's happened there. This second example cleans us up a little bit. It's got the right FICA calculation, it excludes those minimum-time members that in this case were not serving in a full-time capacity.

It's going to result in fewer clarification requests. Any other questions about this section? Let's move on to Section III which is our administrative and indirect costs. Those are general or centralized costs that support the project; they don't include

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the specific project costs. So they may be included in an organization's indirect cost-rate agreement if one exists. And there are three methods for calculating indirect costs in an AmeriCorps budget.

Regardless of the methods, the CNCS share is limited to 5% of total CNCS funds expended. Using the 5/10 percent fixed options, grantees can charge administrative costs without a federally approved indirect cost rate and without documentation to support the allocations. You should follow the guidance in the application instructions to calculate the maximum allowed, and if you're budgeting for less than the maximum allowed, please note the percentage you're claiming in the budget narrative that way we don't think you've miscalculated.

If you have a federally approved indirect cost rate, you must use this method and the approved rate agreement constitutes your documentation of the administrative costs. Again, the CNCS share is limited to 5% of the CNCS funds, and be sure to in the calculation specify the cost time whether it's

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provisional, pre-determined, final and supply the rate and the base on which it's calculated whether it's salaries, or all direct costs or some other method.

And again, the calculation instructions will give you the guidance for calculating the maximum allowed, and again, if you're choosing the budget less, make a notation of it please. Applicants must also enter the details of their approved indirect cost rate agreement into eGrants, and the guidance for doing so is in the application instructions. Organizations that never at any point had a federally negotiated indirect cost rate and who receive less than \$35 million in direct federal funding may indefinitely use a De Minimum rate of 10% modified total direct costs.

It's important to note that if this option is elected, the organization must use it consistently across all its federal awards. Again, guidance for calculating these costs using each of the methods is in the application instructions. You should detect a

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theme by now that I keep directing you back to those application instructions. And it also should addresses the situation of commissions, electing to retain a portion of the administrative costs of their subgrantees; so if you're a commission sub-applicant and your commission is retaining a percentage of the administrative costs, please carefully follow the guidance for calculating the CNCS share.

Let's look at a couple of indirect cost lines. This first example shows state sub-recipient's indirect cost calculation using the 5/10 percent fixed option. As demonstrated, the commission is retaining 1% of the CNCS share of costs and the recipient is electing to claim less than the full 5% of the CNCS share and 10% of a grantee share. It's allowable and when it's done, applicants should state that rate that they're claiming in the cost calculation as this applicant did with the 3.6% claimed.

The second example shows an applicant with a federally approved indirect cost rate, and as requested in the application instructions, they

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provided the cost time, the basis, the approved rate, the rate claimed and they detailed the cost calculation. Again, in this situation, the commission is retaining 1% of the CNCS share, but because there's not a Section III.B line when applicants can enter that portion of the costs like they did in the previous example, this applicant entered it in section IIIa and that's allowable or they could have included the full \$18,300 in Section III.B using this same cost calculation language which represents the 1% set aside for the commission. Let's take another short pause, see if there's any questions related to indirect costs.

SUMIKA: Hi Tracey, this is Samika [phonetic]. Before we get to a question about indirect cost, I wanted to flag we had a follow-up question from Jennifer from a previous section and she commented, "Thanks for the costs. Fair market value of the housing provided for members: would that be listed as a member support cost?"

TRACEY: Yeah. This goes back to the housing and then I think it was the maintenance of the housing, yes. If

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there is justification for including that, yes, that could be considered member support cost.

SUMIKA: Excellent. And then we have a question about indirect cost from Tremaine. Is the criminal background check an indirect?

TRACEY: No. Criminal history checks are in Section I.I: Other Program Operating Costs. And then when you go back to the application instructions, you'll see that specifically noted as a required line item there with the guidance for the \$54 plus the cost of state checks.

SUMIKA: We have another question from Robert: Going back to the section, the acceptable version listed "Member Supplies for a certain amount for 38 members." There is no detail as to what item(s) are included. Are these details not required?

TRACEY: They would sure be appreciated and they will probably result in far fewer clarifications, so yes, please put those in there. Thanks for that catch.

SUMIKA: We're showing no further questions at this time.

TRACEY: Great. Let's move on. We're in the last section of the budget which is the source of funds

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section. And this is one where I frequently see a need for further clarification so I definitely want to make sure everyone has their attention to it, please. I think where people get hung up is they're trying to show us all of the sections where we see match or where they're putting match, and we can see that by looking at a budget, so we're not asking you to tell us the budget sections or the line items, but rather the source of those resources that are covering the specific line item expenses.

Under budget Section III tab, you'll find a link to enter the source of matching funds as shown in the slide. And once you click that, a new screen opens for you to enter the source and that's where you'll enter the amount of the match, whether the match is securely proposed, the classification whether it's cash or [inaudible] and then the type of source private, state or local funds, federal funds, and one thing that I definitely want to point out is: make sure you update this each time you go back and you make modifications to your budget, update this, update your indirect costs.

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I know people sometimes get so tied up in the budget part that they forget this and if it doesn't match what the budgeted match is exactly than we're going to come back and say, "Hey, it's wrong. Can you fix it, please?." So definitely go back and check and double check that. When it's complete, the source of funds section might include content similar to this. Note, again, this only includes the source of that match, not the specific sections, not the specific line items.

One other caution that I will give you: when you use those dropdown menus that we saw on the previous slide, be very, very careful. It's easy to change the type or the source and incorrectly entering that information might result in additional clarifications. I see a couple of comments about the source of funds not getting updated and I know and I feel your pain. I apologize for that. All I can say is save that elsewhere and once you're in the process of submitting and you're working through

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clarifications, if that or any other part of your budget drops off, you can always provide information.

We send out those clarifications via email to you; you can always respond back to us and say, "Hey, my source of funds data dropped off, here's what the updated version of the data looks like" or something similar. Don't be afraid to proactively communicate with us and that can help minimize the back and forth. Let's move on then. We're almost finished and I know that we are right at the top of the hour and we did get a little late start with our technical issues if you can hang in there with us, fantastic, I encourage you to do so.

If you need to drop off, know that the recording of this will be available and you can always go back in and fill in the blanks where you need to, but before we do close, I want to offer a few pointers beginning again with me repeating the guidance to check and double check your work, eliminating any calculation errors and erroneous information, and I will stress the benefits of involving your whole team and someone

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outside of your team in that budget development and review process.

And I strongly recommend using the tips on this visual and in the budget checklist that's found in attachment F of the application instructions to make certain that you submit an accurate budget narrative that meets all of the AmeriCorps requirements.

Highlights of the budget checklist include a check to make sure it meets all of the CNCS cost guidelines.

Is the full-time living allowance within the minimum and maximum levels?

Is the cost per MSY for cost reimbursement applications less than or equal to \$15,192, and while eGrants will calculate this for you, you can get a head start on determining that cost per MSY by dividing the total amount of CNCS funds requested by the total number of MSYs requested, and then you'll have that. That head start you won't have to wait for eGrants to calculate it as you're entering the information in the budget.

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If you are an existing grantee, CNCS expects that the cost per MSY will be lower than it was in the previous year so just keep that in mind. And then the other cost guideline is making sure that your budget includes the minimum required match and that your source of matching funds is detailed and aligned with the amount of budgeted match. You'll also want to check that the budget includes all of the required costs such as the member gear, the criminal history checks, member FICA, full-time member healthcare, attendance for new staff at the AmeriCorps Symposium pre-con events as well as those costs that CNCS strongly encourages applicants to include such as CNCS technical assistance events.

And as much as possible, due to eGrants character limits, the budget narrative should provide details including the purpose and accurate calculations in whole dollars to exclude unallowable cost. And I often recommend applicants use a 0-dollar line item if they need to enter additional text into their budget. You may have another strategy for giving us more information, but that's just one idea. And then

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finally and most importantly, you should ensure that you aligned your budget narrative to the program goals in your application narrative.

In addition, before submitting your application, please make sure that your organization has an active central contractor registration for the system for award management. If you're applying for the first time, I recommend that you apply early as it may take a while to activate this registration, and you should know that this is a free service. You should never ever pay for a CCR registration. And the website listed here, sam.gov has guidance on how to establish that registration.

You also want to make sure that you submitted your most recent single audit to the federal audit clearinghouse and form 990 to GuideStar if they're required and that you entered your current federally negotiated indirect cost-rate details if you have one into eGrants, and if you are new or re-competing applicant, you've submitted your financial management survey and all required attachments to CNCS. And

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details for all of those actions are in the NOFO and the application instructions.

Finally, CNCS is aware that on occasion, applicants experience challenges with the eGrants system. Some of these challenges prevent you from moving forward with your applications and you should be aware of the differences and related actions. For example, when you get a warning you can move forward with the application or budget may not be compliant with the guidelines; on the other hand an error message will to allow you to move forward until you correct that error.

If you experience a challenge of even a warning or an error message, you should contact the national service hotline right away, they're number is listed on this slide. And a link to the help request form is at the bottom of most eGrants pages. And it's always wise to forward a copy of the service ticket to AmeriCorpsgrants@cncs.gov so we have documentation of any problems you're encountering. That concludes the formal portion of the presentation.

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Are there any additional questions that came through while I was going over these final slides?

SUMIKA: We do not see any additional questions at this time. We've been answering a lot of the questions via the chat box.

SUMIKA: I do see a question from Cheryl about single audit and who that would be directed to.

TRACEY: Who was the question from? Sorry, I want to find it.

SUMIKA: Cheryl Chamberlain.

TRACEY: Single audit goes to the federal audit clearinghouse and the folks at your organization that are responsible for that should know how to upload that to the clearinghouse so if you're required to submit one, please make sure that that is submitted by the time you submit your application.

SUMIKA: Great. There was also a question on the national hotline and whether it would be available on Fridays. Tracey, I'm actually looking at our intranet right now and it says Monday - Friday, 9 a.m. - 7 p.m. Eastern.

TRACEY: That sounds right.

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SUMIKA: I know that they extend hours close to the actual deadline.

TRACEY: Right. I think though one thing to keep in mind related to that is don't wait until 4:50 to start entering the information in eGrants. Get it in earlier and hopefully if there are any problems, there is time to work through those glitches. As we stated at the beginning of the session, we recorded this webinar and it will be posted on the page linked here within 10 business days. And I also want to point out that the next session in our series, "Best Practices in Demonstrating Evidence" is scheduled for December 5th at 1 p.m.

This is a rescheduled date so just be aware of that new date. And I want to thank you all for joining today's presentation and I wish you great success during this grant competition and just remember the deadline is 5 p.m. on January 30th so good luck and thanks again.

END OF FILE