Best Practices in Budget Development for Fiscal Year 2022 AmeriCorps State and National applicants
Budget Function

An approved AmeriCorps budget is part of the grantee’s contractual obligation and:

• A financial blueprint
• Helpful to ensure compliance
• A tool for measuring progress and monitoring
Budget Management Process

1. Determine needs
2. State goals and objectives
3. Decide a strategy
4. Translate strategy to dollars
5. Prepare budget
6. Set budget control process
7. Compare budget to actual expenses
8. Modify budget
Budget Basics

- Realistic
- Consistent
- Flexible

- Realistic scope
- Appropriate detail
- Competitive proposal
- Compliance
- Effective delivery
Budget Narrative

• Follow the Notice of Funding Opportunity (NOFO)
• Include allowable, reasonable, necessary, and allocable costs, as defined by 2 CFR 200
  www.ecfr.gov
• Estimate resources needed to achieve program goals
• Organize narrative to fit budget categories
• Provide adequate descriptions
• Check your math
Unallowable Costs - Examples

- Lobbying
- Entertainment and alcohol
- Fundraising
- Expenses not tied to program objectives
- Costs that constitute waste, fraud, and abuse
- Unreasonable from "prudent person" perspective
- Costs with no logical basis
### Match Requirements

Minimum grantee share increases gradually. By year 10, grantee matches one grantee dollar for every AmeriCorps dollar.

<table>
<thead>
<tr>
<th>Overall Minimum Share</th>
<th>Yr 1</th>
<th>Yr 2</th>
<th>Yr 3</th>
<th>Yr 4</th>
<th>Yr 5</th>
<th>Yr 6</th>
<th>Yr 7</th>
<th>Yr 8</th>
<th>Yr 9</th>
<th>Yr 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>30%</td>
<td>34%</td>
<td>38%</td>
<td>42%</td>
<td>46%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

There are no specific match requirements for fixed-amount grants. Grantees secure additional resources required to operate the program.
Match Requirements

- Necessary
- Reasonable
- Allowable

- Allocable
- Compliant
- Documented
## Budget Narrative Structure

Separated by major categories and divided into AmeriCorps* and Grantee shares

<table>
<thead>
<tr>
<th>Direct Costs</th>
<th>Indirect or Administrative Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attributable to Program Goals</td>
<td>For Common Organizational Goals</td>
</tr>
</tbody>
</table>

**Examples:**
- Program staff salaries and fringe benefits
- Member and staff travel
- Member gear
- NSCHC
- Member living allowances
- Management staff salaries and fringe
- Accounting and legal services
- Office equipment
- Rent and leases
- General liability insurance

*Note that eGrants identifies the AmeriCorps share as “CNCS Share”.*
Section I.

A. Personnel Expenses
B. Personnel Fringe Benefits
C. Travel
   1. Staff Travel
   2. Member Travel
D. Equipment
E. Supplies
F. Contractual and Consultant Services
G. Training
   1. Staff Training
   2. Member Training
H. Evaluation
I. Other Program Operating Costs
## 1. Staff Travel

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>ED and PD travel to CNCS-Sponsored Grantee Training (Washington DC)</td>
<td>2 staff</td>
<td>$2,930</td>
<td>$2,930</td>
<td>$0</td>
</tr>
<tr>
<td>Program site monitoring and oversight</td>
<td>40 trips, average 29.7 miles round trip @ $0.60/mile</td>
<td>$713</td>
<td>$0</td>
<td>$713</td>
</tr>
<tr>
<td>Regional training conference (PD and PC)</td>
<td>$1,017 per person (airfare - $450; lodging - $152/night, 2 nights; per diem - $71/day, 3 days; ground transportation - $50) x 2 staff</td>
<td>$1,954</td>
<td>$977</td>
<td>$977</td>
</tr>
<tr>
<td>Member Travel as part of workday (between worksites)</td>
<td>Avg 20 mi/week, 50 weeks, 38 members, $0.60/mile (mileage rate determined by organizational policy)</td>
<td>$22,800</td>
<td>$11,400</td>
<td>$11,400</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>$28,397</strong></td>
<td><strong>$15,307</strong></td>
<td><strong>$13,090</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>ED and PD travel to CNCS-Sponsored Grantee Training (Washington DC)</td>
<td>$1465 per person (airfare - $600; lodging - $177/night, 3 nights; per diem - $71/day, 4 days; ground transportation - $50) x 2 staff</td>
<td>$2,930</td>
<td>$2,930</td>
<td>$0</td>
</tr>
<tr>
<td>Program site monitoring and oversight</td>
<td>40 trips, average 29.7 miles round trip @ $0.60/mile</td>
<td>$713</td>
<td>$0</td>
<td>$713</td>
</tr>
<tr>
<td>Regional training conference (PD and PC)</td>
<td>$977 per person (airfare - $450; lodging - $132/night, 2 nights; per diem - $71/day, 3 days; ground transportation - $50) x 2 staff</td>
<td>$1,954</td>
<td>$977</td>
<td>$977</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>$5,597</strong></td>
<td><strong>$3,907</strong></td>
<td><strong>$1,690</strong></td>
</tr>
</tbody>
</table>
## Budget Narrative Section I - Sample

### E. Supplies

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Supplies</td>
<td>Avg $40/month</td>
<td>$400</td>
<td>$0</td>
<td>$400</td>
</tr>
<tr>
<td>Computers for new staff</td>
<td></td>
<td>$2,200</td>
<td>$1,100</td>
<td>$1,100</td>
</tr>
<tr>
<td>Member Supplies</td>
<td>$185/member, 38 members</td>
<td>$7,000</td>
<td>$2,800</td>
<td>$4,200</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>$9,600</strong></td>
<td><strong>$3,900</strong></td>
<td><strong>$5,700</strong></td>
</tr>
<tr>
<td>AmeriCorps member service gear (includes the AmeriCorps Logo)</td>
<td>38 members, 3 shirts @ $26/shirt</td>
<td>$2,964</td>
<td>$2,964</td>
<td>$0</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>Avg $40/month</td>
<td>$480</td>
<td>$0</td>
<td>$480</td>
</tr>
<tr>
<td>Computers for new staff (laptop, external monitor, external keyboard, and mouse)</td>
<td>2 @ $1,100/each</td>
<td>$2,200</td>
<td>$1,100</td>
<td>$1,100</td>
</tr>
<tr>
<td>Member Supplies</td>
<td>Avg $185/member</td>
<td>$7,000</td>
<td>$2,800</td>
<td>$4,200</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>$12,674</strong></td>
<td><strong>$7,399</strong></td>
<td><strong>$5,275</strong></td>
</tr>
</tbody>
</table>
Member Costs

Section II.

A. Living Allowance

B. Member Support Costs

- FICA
- Health Care
- Worker’s Compensation
- Unemployment Insurance
- Other Member Support Costs
## B. Member Support Costs

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FICA for Members: total member living allowances of $986,100</td>
<td>$986,100 @ 5%</td>
<td>$49,305</td>
<td>$25,308</td>
<td>$23,997</td>
</tr>
<tr>
<td>Health Care (provided by Indian Health Services)</td>
<td>$458/month for 38 members</td>
<td>$208,848</td>
<td>$0</td>
<td>$208,848</td>
</tr>
</tbody>
</table>

Subtotal $258,153 $25,308 $232,845

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FICA for Members: total member living allowances of $986,100</td>
<td>7.65% of total member living allowances</td>
<td>$75,437</td>
<td>$51,440</td>
<td>$23,997</td>
</tr>
<tr>
<td>Health Care provided by Indian Health Services, estimated 35 of 38 members will accept (based on history)</td>
<td>covered off budget</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Worker’s Compensation</td>
<td>2% of total member living allowances</td>
<td>$19,722</td>
<td>$11,463</td>
<td>$8,259</td>
</tr>
</tbody>
</table>

Subtotal $95,159 $62,903 $32,256
Administrative and Indirect Costs

Section III. (Choose 1 of these 3 methods)

A. Corporation Fixed Percentage
   - 5% of the total AmeriCorps funds expended*
   - No documentation required

B. Federally Approved Indirect Cost Rate
   - Requires approved rate from Federal government
   - Approved rate constitutes documentation

C. 10% De Minimis Rate

* Regardless of method used, CNCS share is limited to 5% of total CNCS funds expended.
## Budget Narrative Section III – Sample Entries

### A. Corporation Fixed Percentage

<table>
<thead>
<tr>
<th>Item</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporation Fixed Amount</td>
<td>Grantee: total program costs x 10% (claiming 6%); CNCS: total CNCS costs x 4.21%</td>
<td>$108,446</td>
<td>$29,980</td>
<td>$78,466</td>
</tr>
<tr>
<td>Commission Fixed Amount</td>
<td>CNCS: total CNCS costs x 1.05%</td>
<td>$7,477</td>
<td>$7,477</td>
<td>$0</td>
</tr>
</tbody>
</table>

**Subtotal** | $115,923 | $37,457 | $78,466 |

### B. Federally Approved Indirect Cost Rate

<table>
<thead>
<tr>
<th>Cost Type</th>
<th>Cost Basis</th>
<th>Calculation</th>
<th>Rate</th>
<th>Rate Claimed</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisional</td>
<td>Total salaries and fringe</td>
<td>$139,427 x 485 = $67,622 (claiming 45%) CNCS share = total CNCS costs x 5.26%</td>
<td>48.5%</td>
<td>45%</td>
<td>$62,742</td>
<td>$37,457</td>
<td>$25,285</td>
</tr>
</tbody>
</table>

**Subtotal** | $62,742 | $37,457 | $25,285 |
Source of Funds

Enter Source of matching funds

- DC Public Schools: $25,160.00

For each source of matching funds, please enter the information below.

- Match Description (max 250 chars):
- Amount: $0.00
- Match Classification: Cash
- Match Source: Federal
### Source of Matching Funds

<table>
<thead>
<tr>
<th>Match Description</th>
<th>Amount</th>
<th>Match Classification</th>
<th>Match Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization’s General Funds (secured)</td>
<td>$188,628</td>
<td>Cash</td>
<td>Other</td>
</tr>
<tr>
<td>State DOE (secured)</td>
<td>$271,616</td>
<td>Cash</td>
<td>State/Local</td>
</tr>
<tr>
<td>Professional services donation (secured)</td>
<td>$13,875</td>
<td>In Kind</td>
<td>Other</td>
</tr>
<tr>
<td>OJJDP (proposed)</td>
<td>$200,000</td>
<td>Cash</td>
<td>Federal</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$674,119</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Budgeting Tips

• Meet CNCS cost guidelines
  • Maximum and minimum living allowances
  • $\leq$ Maximum Cost per MSY
  • Required match and match sources
• Include
  • Required expenses
  • Adequate/accurate calculations and explanations
  • Allowable costs only
• Align with stated program goals
Have you...

• Established or renewed your SAM (System for Award Management) registration?

• Emailed your Operational and Financial Management Survey?

• Submitted your single audit and 990?

• Entered your Negotiated Indirect Cost Rate Agreement details in eGrants?
eGrants Messages

• Warning: Can submit but budget may not be compliant
• Error: Cannot proceed until data is edited

eGrants technical assistance
AmeriCorps Hotline: 800-942-2677
Quality Assurance Check

• Follow the Notice of Funding Opportunity
• Include allowable, reasonable, necessary, and allocable costs, as defined by 2 CFR 200
• Estimate resources needed to achieve program goals
• Organize narrative to fit budget categories
• Provide adequate descriptions
• Check your math
Questions

Join OGA for a live Question & Answer call
December 9, 2021, 2:30 pm Eastern Time

Register at:
https://americorps.zoomgov.com/webinar/register/WN_g0UzPumdRUWrxWMjPDjuVg