



# Senior Corps Budget Development



# Budget Development

What are the most pressing issues and concerns you have related to Senior Corps budget preparation?



# Budget Function

- Contractual obligation
- Financial blueprint
- Promotes compliance
- Measures match
- Monitors budget to actuals



# Content is based on...

- Federal laws and rules
- CNCS regulations
- CNCS grant terms and conditions





Budgeted costs must be **allowable**, **allocable**, and **reasonable**. They must directly support your project's operation.

**Allowable**: A cost that meets the criteria for authorized expenditures specified in the cost principle. For example, gambling debts are not an allowable expense, neither are paying parking tickets for volunteer drivers.

**Allocable**: A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.

**Reasonable**: A cost is considered reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person. A cost can be allowable (long distance travel), appropriate (travel to this conference) but not reasonable. If you rent a limo and have someone drive you to this conference, you have failed the reasonable test. The principal CNCS uses to test reasonableness is the "Prudent Person" standard. Would this activity be something a prudent person would do?



# Budgets

- Realistic
- Consistent
- Flexible

## F. Contractual and Consultant Services

Purpose -Calculation	CNCS Share	Grantee Share	Total Amount
Subgrantee Evaluation: Costs to cover evaluation/feasibility studies for subgrantees, as well as costs to continue evaluations started in years one and two.:	2,000,000	2,000,000	4,000,000
<b>CATEGORY Totals</b>	2,000,000	2,000,000	4,000,000

## H. Other Costs

Subgrants:  
Criminal History Check  
Sub-

## A. Project Personnel Expenses

Position/Title -Qty -Annual Salary -% Time	CNCS Share	Grantee Share	Total Amount
Program Manager: - 1 person(s) at 91800 each x 10 % usage	0	9,180	9,180
Field Director: - 1 person(s) at 53460 each x 100 % usage	53,460	0	53,460
<b>CATEGORY Totals</b>	53,460	9,180	62,640

## B. Personnel Fringe Benefits

Item -Description	CNCS Share	Grantee Share	Total Amount	Excess Amount
FICA: 6.20% of total personnel expenses amount.	3,315	589	3,884	0
Health Insurance:	0	0	0	0
Retirement: 3.90% of total personnel expenses amount.	2,065	0	2,065	0
Life Insurance:	0	358	358	0
Fringe: 12.53% of total personnel expenses amount. Includes insurance contributions.	6,699	0	6,699	0
Payroll Tax: 1.45% of total personnel expenses amount.	1,150	0	1,150	0
<b>CATEGORY Totals</b>	11,229	947	12,176	0

## I. Other Program Operating Costs

Purpose -Calculation	CNCS Share
Background checks for all staff and members: 64 members/staff x \$25/check = \$1,600	
<b>CATEGORY Totals</b>	
<b>SECTION Totals</b>	
<b>PERCENTAGE</b>	

## Section II. Member Costs

### A. Living Allowance

Item -# Mbrs w/ Allow -Allowance Rate -# Mbrs w/o Allow  
Member(s) at a rate of 12530 each

### C. Project Staff Travel

Local Travel

# Budget & Narrative Preparation

- Review your program/projects goals and objectives
- Estimate the resources needed to achieve program/project goal, for example:
  - ❖ Staff positions
  - ❖ Space, utilities, supplies, telephone
  - ❖ Participants – members or volunteers
  - ❖ Uniforms, training, Transportation
- Follow instructions in NOFO/NOFA or other guidance received from CNCS
- Organize narrative to fit budget categories on budget form or proposal
- Provide adequate descriptions and calculations to support amounts
- Allocate costs based on a consistent and documented cost allocation plan.

# Budget Structure

The CNCS Senior Corps budget is comprised of two sections:

- **Section I – Volunteer Support Expenses.** This section of the budget contains the administrative cost to operate the program.
- **Section II – Volunteer Expenses.** This section of the budget contain costs that are a direct benefit to the volunteer (paid to or on behalf of the volunteer)





Budget has 5 columns:

Narrative, CNCS Share, Grantee Share, Total Amount, Excess Amount

<b>Item/Purpose - Description</b>	<b>CNCS Share</b>	<b>Grantee Share</b>	<b>Total Amount</b>	<b>Excess Amount</b>
CATEGORY Totals	0	0	0	0





# Costs Categories

Direct	Indirect or Administrative
Grant Operating Costs and Volunteer Costs directly attributable to meeting the goals and objectives of the program	General or centralized administrative expenses of organization receiving CNCS financial assistance
<p>Examples:</p> <ul style="list-style-type: none"><li>• Allowable, direct Senior Corps volunteer charges</li><li>• Costs related to staff who train, recruit or supervise Senior Corps volunteers</li><li>• Uniforms; special equipment</li><li>• Independent program evaluations</li><li>• Senior Corps volunteer and staff travel</li></ul>	<p>Examples:</p> <ul style="list-style-type: none"><li>• Accounting, auditing, general legal services</li><li>• Internal evaluation</li><li>• General liability insurance</li><li>• Salaries and benefits related to general organizational management and support</li></ul>



## Section I. Volunteer Support Expenses (Program Administrative Costs)

- A. Project Personnel Expenses
- B. Personnel Fringe Benefits
- C. Project Staff Travel
  - Local Travel
  - Long Distance Travel
- D. Equipment
- E. Supplies
- F. Contractual and Consultant Services
- I. Other Volunteer Support Costs
- J. Indirect Costs



## A. Project Personnel Expenses

Position/Title – Qty – Annual Salary - % Time	CNCS Share	Grantee Share	Total Amount	Excess Amount
Project Director – 1 person at 35000 each x 100% usage	30,000	5,000	35,000	
Volunteer Coordinator – 1 person at 22000 each x 90%	22,000	0	22,000	
Administrative Assistant – 1 person at 20000 each x 50%	10,000	0	10,000	
<b>Category Totals</b>	<b>72,000</b>	<b>5,000</b>	<b>77,000</b>	





**B. Personnel Fringe Benefits**

Item - Description	CNCS Share	Grantee Share	Total Amount	Excess
<b>FICA: 7.65% for all Personnel - \$77,000 x 7.65% = \$5891</b>	5,508	383	5,891	0
<b>Health Insurance: 15.28% of salary for Project Director and Volunteer Coordinator OR Pro Dir &amp; Vol Coord - \$363 per month x 12 months x 2 staff = \$8,701</b>	6,201	2,500	8,701	0
<b>Retirement: 12.28% for all Personnel – \$77,000 x 12.28% = \$9,456</b>	3,640	5,816	9,456	0
<b>Life Insurance: .0015 for all Personnel - \$77,000 x .0015 = \$116 OR \$3 per month x 12 months x 3 staff = \$116</b>	116	0	116	0
<b>Unemployment: Project Dir &amp; Vol Coord – 77,000 x .0124 = \$955</b>	850	105	955	0
<b>Workers Comp: .006 for all sPersonnel = \$77,000 x .006 = \$462</b>	400	62	462	0
<b>LTD: ??? Always spell out. Do not use acronyms</b>	211	43	354	0
<b>Category Totals</b>	16,926	8,909	25,835	0







### C. Project Staff Travel

#### Local Travel

Purpose-Calculation	CNCS Share	Grantee Share	Total Amount	Excess
Local Travel: $\$2400/12$ months = \$200 monthly @ 48.5 per mile for 412 miles per month	2,400	0	2,400	0
CATEGORY Totals	2,400	0	2,400	0





### Long Distance Travel

<b>Purpose-Destination-Other Travel – Trans. Amount – Meals/Lodging</b>	<b>CNCS Share</b>	<b>Grantee Share</b>	<b>Total Amount</b>	<b>Excess</b>
<b>Long Distance Travel: Project Director to National Conference – St. Louis, MO. -Meals/Lodging 500 Trans 350 Other 150</b>	1,000	0	1,000	0
<b>CATEGORY Totals</b>	1,000	0	1,000	0





### D. Equipment

The definition of what is equipment in eGrants is those items costing \$5,000 or more.

Two things to remember, First, items cannot go above the government definition of equipment, \$5,000 (they can go lower, just not higher). Secondly, if your sponsoring agency does not have a definition of what is equipment versus supply, you must use the government one.

Item/Purpose – Qty – Unit Cost	CNCS Share	Grantee Share	Total Amount	Excess Amount
<b>CATEGORY Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





**E. Supplies**

<b>Item/Purpose - Calculation</b>	<b>CNCS Share</b>	<b>Grantee Share</b>	<b>Total Amount</b>	<b>Excess</b>
<b>Office Supplies: paper, pens, printer cartridges. Estimate cost \$50 per month x 12 = \$600</b>	<b>120</b>	<b>480</b>	<b>600</b>	<b>0</b>
<b>Laptop – one laptop for project director</b>	<b>500</b>	<b>500</b>	<b>1,000</b>	<b>0</b>
<b>CATEGORY Totals</b>	<b>620</b>	<b>980</b>	<b>1,600</b>	<b>0</b>



## F. Contractual and Consultant Services

Purpose - Calculation	CNCS Share	Grantee Share	Total Amount	Excess
Payroll and Stipend processing (FGP share of Sponsor's payroll contractor) $\$250 \times 12 \text{ months} = \$3,000$	1,000	2,000	3,000	0
Audit: A-133 audit – FGP share ( $\$20,000 \times 5\% = \$1000$ )	500	500	1,000	0
<b>CATEGORY Totals</b>	<b>1,500</b>	<b>2,500</b>	<b>4,000</b>	<b>0</b>







**I. Other Volunteer Support Costs**

Item	CNCS Share	Grantee Share	Total Amount	Excess
Criminal Background Check: 40 @ \$45 each = \$1800	1,800	0	1,800	0
Professional Dues: National Volunteer Assoc - \$50; Nat'l Assoc of FGP Directors - \$55	0	105	105	0
Postage stamps – 8 rolls x \$49.00 = \$392	392	0	392	0
Printing: Volunteer forms, brochures, stationary, invitations, mail outs = \$30 x 12 months = \$360	360	0	360	0
Space: 213 sq. ft. x \$10 = \$2,130	0	2,130	2,130	0
In-service supplies – 10 in-service @ \$50	0	500	500	0
Volunteer training – \$25 x 4 trainings per year = \$200	50	50	200	0
<b>CATEGORY Totals</b>	<b>2,602</b>	<b>2,785</b>	<b>5,387</b>	<b>0</b>



## J. Indirect Costs

Two methods to recover administrative costs:

### 1. Federally Approved Indirect Cost Rate Method

- Requires approved rate from Federal government
- Approved rate constitutes documentation of costs, including any amount payable by CNCS

### 2. De Minimis Rate

- Amount equal to ten percent of modified total direct costs (MTDC). Only available if you never received a negotiated rate.

## J. Indirect Costs

Calculation – Rate Type – Rate – Rate Claimed – Cost Basis	CNCS Share	Grantee Share	Total Amount	Excess Amount
Final: Total Direct Cost: \$56,025 with a rate of 14% claimed at 14%	0	7,844	7,844	0
CATEGORY Totals	0	7,844	7,844	0



## Section II. Volunteer Expenses

Section II of the budget contains costs that are a direct benefit to the volunteer (paid to or on behalf of the volunteer).

- A. **Stipends** – Payment provided to FGP & SCP volunteers for each hour of service
  
- B. **Other Volunteer Costs** – Meals, Uniforms, Insurance, Recognition, Volunteer Travel, Physical Exams

# Volunteer Service Year

## *Volunteer Service Year (VSY):*

- is a budget term which equals 1044 hours
- is calculated by multiplying a standardized number of hours served by the current stipend cost per hour (1044 x \$2.65 per hour = \$2767)
- Multiple volunteers may contribute hours to equal 1 VSY



# Total VSY Calculation

How to calculate total stipend costs:

1. Determine a number of VSYs
2. Use the formula hard wired in eGrants

- **Example 1**

- For 26 VSYs
- $26 \text{ VSY} \times 1,044 \text{ hours} \times \$2.65/\text{hour} = \$71,932$

- **Example 2**

- For 30 VSYs
- $30 \text{ VSY} \times 1,044 \text{ hours} \times \$2.65/\text{hour} = \$82,998$

## A. Stipends

Item - # - Annual Stipend	CNCS Share	Grantee Share	Total Amount	Excess Amount
Corporation Funded: - 26 x 2767	71,942	0	71,942	0
Non-Corporation Funded: - x 2767	0	0	0	0
<b>CATEGORY Totals</b>	<b>71,942</b>	<b>0</b>	<b>71,942</b>	<b>0</b>



# Volunteer Expenses

## B. Other Volunteer Costs

- Meals
- Uniforms
- Insurance
- Recognition
- Volunteer Travel
- Physical Examinations



## B. Other Volunteer Costs

Item - Description	CNCS Share	Grantee Share	Total Amount	Excess
Meals: 33 FGPs x 6 meals per pay period x 20 pay period x \$3 per meal	0	11,880	11,880	0
Uniforms: 25 Smocks x \$15 = \$375; 25 name badges x \$3 = \$75 Total = \$450	450	0	450	0
Insurance: CIMA: Accident 45 vols x \$1.47 = \$66.15; Liability 45 vols x \$1.09 = \$49.05; Excess Auto Liability 26 vols x \$5.31 = \$138.06 Total - \$253.26	253	0	253	0
Recognition: 50 volunteers x \$25 each = \$1,250 for two recognitions = \$2,500; In-kind for stations staff = \$200	1,250	1,250	2,700	200
Volunteer Travel: 40 vols - 3000 miles per month x \$.35 per mile = \$1,050 x 12 months = \$12,600; Bus Pass 15 vol x \$25 month = \$375 x 12 months = \$4,500; 8 vols x 4 round trips/week via WHEELS at \$3.20/trip x 45 weeks = \$4,608	11,000	10,708	21,708	0
Physical Examinations: Provided by local health departments, physicians or hospitals. 50 volunteers @ \$75 each = \$3,750	0	3,750	400	0
<b>CATEGORY Totals</b>	<b>12,953</b>	<b>23,838</b>	<b>36,791</b>	<b>0</b>



# Budget Narrative, Source of Funds

## Source of Funds

Section	Description
Section I. Volunteer Support Expenses	Contractual Support: \$400 (In-kind) Space Provided: \$4,429 (In-kind) Difference in charged Indirect (18.5% of Wages & Salary, O&E) \$15,566 and actual contract rate of 44% TDC \$129,215 = \$113,649 waived Indirect, In-kind, sponsor support, local grantee support
Section II. Volunteer Expenses	Community support from stations: \$39,500 Meals provided to volunteers (In-kind) Community support: \$ 3,200 Recognition (In-kind) Total \$42,700



# FGP & SCP Grant Requirements

- Direct Benefit Ratio – the total of volunteer expenses (Section II expenses) must be equal to at least 80% of the CNCS Share of the grant award. CNCS and Grantee Share resources together make up this sum.
- 10% Match

# Direct Benefit Ratio

## Section II. Volunteer Expenses

	Total Amt	CNCS Share	Grantee Share	Excess Amount
<b>A. Stipends</b>				
Corporation Funded	135,583	135,583	0	0
Non-Corporation Funded	0	0	0	0
Non-Stipended	0	0	0	0
<b>Total</b>	<b>\$135,583</b>	<b>\$135,583</b>	<b>\$0</b>	<b>\$0</b>
<b>B. Other Volunteer Costs</b>				
Meals	26,000	0	26,000	0
Uniforms	787	787	0	0
Insurance	240	240	0	0
Recognition	2,700	2,500	200	0
Volunteer Travel	16,947	13,947	3,000	0
Physical Examinations	6,070	770	5,300	0
<b>Total</b>	<b>\$53,844</b>	<b>\$18,444</b>	<b>\$35,400</b>	<b>\$0</b>
<b>Section II. Subtotal</b>	<b>\$189,427 <b>A</b></b>	<b>\$154,027</b>	<b>\$35,400</b>	<b>\$0</b>
<b>Budget Totals</b>	<b>\$252,425</b>	<b>\$214,821 <b>B</b></b>	<b>\$37,604</b>	<b>\$0</b>
<b>Funding Percentages</b>		<b>85.1%</b>	<b>14.9%</b>	

**A (Section II Subtotal) Divided by B (CNCS Share) = must be at least 80%**





# FGP & SCP Match Requirement

Cash and in-kind: 10% of total budget:

- Match = [CNCS award amount divided by (1 minus Match percent expressed as a decimal)] minus CNCS award amount

**Example:**

*For a 10% Match of a \$100 award:*

$$\begin{aligned}\text{Match} &= [\$100 \text{ divided by } (1-.1)] - \$100 \\ &= (\$100 / .9) - \$100 \\ &= \$111.11 - \$100 \\ &= \$11.11 - (\$11.00 \text{ rounded})\end{aligned}$$



# Match Calculation

To calculate the minimum match requirement (Grantee Share) based on CNCS award of \$156,000

$$\$156,000 \times .1111 = \$17,332 \text{ (Grantee Share)}$$

## Match Status (check your math)

Grantee Share divided by CNCS + Grantee Share

$$\$17,332 / (\$156,000 + \$17,332)$$

$$\$17,332 / \$173,332 = .099993 \text{ (round up to .1)}$$

# Match Calculation

To Calculate the minimum match requirement (Grantee Share) based on CNCS award of \$186,000

$$\$186,000 \times .1111 = \$20,665$$

## Check your math

Grantee Share / (CNCS Award + Grantee Share)

$$\$20,665 / (\$186,000 + \$20,665) = .099992$$

$$\$20,665 / \$206,665 = .099992$$



# Budget Final Review Checklist

- ✓ Is the budget presented in the format required by CNCS?
- ✓ Is the budget consistent with CNCS's guidelines?
- ✓ Are all cost calculations clearly described and correct if duplicated?
- ✓ Does the budget cover all the project costs, CNCS funds, and match?
- ✓ Does the budget cover required costs?



# Budget: Final Review Checklist

- ✓ Is there adequate explanation for budget items?
- ✓ Are all projected costs in the budget allowable?
- ✓ Have the appropriate fringe and indirect cost rates been used? Do you have an updated indirect cost rate agreement to send with your application?
- ✓ Is the budget realistic, reasonable, flexible, and aligned with program goals?
- ✓ Is your A-133 up to date in the Federal Audit Clearinghouse or 990 in GuideStar?
- ✓ Is your organization's information up to date with the System for Award Management ([www.SAM.gov](http://www.SAM.gov))? This is a free service.



# Examples of Unallowable Costs

- Lobbying
- Fines and penalties
- Expenses not necessary to meet program objectives
- Entertainment, alcohol
- Costs that would constitute waste, fraud and abuse
- Unreasonable costs from a “prudent person” perspective
- Costs with no logical basis for allocating to your program



# Unallowable Costs



Senior Corps





# eGrants

- eGrants flags incorrect entries with “warnings” and “error” messages...
  - Budget Rules: Warnings and error messages are established for each Corporation program and can vary based on the needs and controls over that program
  - Warning Messages: You can proceed with the information entered but the message is a warning that you may not be compliant with the application or budget guidelines
  - Error Messages: You cannot proceed with the information until the information entered is edited
- **Contact the National Service Hotline for eGrants technical assistance: 1-800-942-2677**



# Helpful Links



Description	Website Address
Financial Management- Online Courses	<a href="http://www.nationalservice.gov/resources/online-courses">http://www.nationalservice.gov/resources/online-courses</a>
System For Award Management	<a href="http://www.sam.gov">www.sam.gov</a> (must be updated yearly)
GuideStar	<a href="http://www.guidestar.org">www.guidestar.org</a>
Uniform Guidance Resources	<a href="http://www.nationalservice.gov/resources/uniform-guidance">http://www.nationalservice.gov/resources/uniform-guidance</a>
Step by Step Guidance for Entering eGrant Application Including Budget	<a href="http://www.nationalservice.gov/documents/senior-corps/2015/egrants-visual-instructions">http://www.nationalservice.gov/documents/senior-corps/2015/egrants-visual-instructions</a>





# Questions

