Budget Guidelines and Composition

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Session Overview

• Objectives:
  – To define the characteristics of a sound budget and outline the budget process.
  – To review the guidelines and process for developing a budget for the proposed AmeriCorps project.

• Topics:
  – The Budget: Why is it Important?
  – The Budget Process
  – Budget Narrative Guidelines
  – Budget Sections and Categories
  – Budget Checklist and Tips
The Budget: Why is it Important?

- The budget serves as the blueprint for activities supported under the grant.
- A sound budget should help the organization…
  - Determine cash requirements for operating costs;
  - Outline costs associated with program goals and objectives;
  - Comply with federal, state, and local requirements;
  - Establish fundraising goals in support of program activities;
  - Establish budget controls to monitor and control [scarce] resources (budget vs. actual); and
  - Meet its financial reporting obligations to funders.

The proposed budget should be sufficient to allow you to perform the activities described in the application narrative.
The Budget Process

Key factors in developing and administering the grant budget.

1) Determine the Theory of Change.
2) Translate strategy to dollars.
3) Prepare the budget.
4) Establish budget controls.
5) Compare budget to actual.
6) Modify budget, as applicable.
1. **Determine the Theory of Change.**
   - What is the problem/need the organization will address?
   - What are the [clear] goals and objectives the organization will establish to address the community problem/need?
     - Short-Term Goals: Goals to be accomplished in the coming year; used as the basis for a one-year budget.
     - Long-Term Goals: Goals to be accomplished two or more years down the line to further develop the program strategy.
   - What strategy will the organization implement to accomplish the goals and objectives *(i.e. grant/service activities, interventions)*?
   - How will the organization measure progress towards goals and objectives *(i.e. data collection, performance measurement, evaluation)*?
2. Translate the strategy into dollars.

- What is the organization’s current capacity to undertake the program grant activities?
- What are the ongoing specific, shared, and/or start-up costs?
- Who will perform activities related to implementing the program strategy (program and fiscal staff)?
  - Percentage of Time: The organization was estimate the percentage of time program and fiscal staff will dedicate to grant activities.
- How many AmeriCorps Members can the organization support to perform service activities?
- What additional funds must be leveraged to support program grant activities (i.e. sources of match, fundraising)?
3. **Prepare the budget.**

- What are the direct costs associated with the program and its delivery of services?
  
  - Personnel Salaries and Member Living Allowance
  - Travel & Training Expenses (specific to the program)
  - Supplies (including Member Gear)
  - Criminal History Checks

- What are the indirect/administrative costs incurred for common or joint objectives that cannot be readily identifiable with a particular program activity or cost?
  
  - Accounting and Legal Services
  - General Liability Insurance
  - General Office Space
3. **Prepare the budget (cont…).**

- What are the **matching requirements**?
- What sources of match will be leveraged in support of the project?
  - Cash or In-kind Contributions
  - Other Federal Funds: *The organization must obtain written authorization from the federal granting agency to use federal funds as match. The organization may not use another AmeriCorps grant as match.*
- Are budgeted costs allowable, allocable, and reasonable?
  - Allocation: Allocate costs based on percentage of time/effort or percentage of benefit *(i.e. personnel salaries and benefits, rent calculations).*
- Are costs correctly classified by budget category?
**Realistic:** The budget reflects expected program revenues and expenses.

**Flexible:** The budget can accommodate changes to financial and/or operational circumstances.

**Consistent:** The budget is aligned to program goals and objectives.
4. Establish budget controls.

- How will the organization ensure compliance with all laws, regulations, terms and conditions governing AmeriCorps grants (federal, state, and local)?
- How will the organization monitor budget figures to prevent overspending?
- How will the organization avoid disallowed costs?
- How will the organization ensure timely and accurate financial reporting?
5. Compare budget to actual
   - *Note that the budget is a planning tool. Once grant activities begin, actual costs can vary.*
   - How and when (how frequently) will the organization evaluate variance between budget and actual costs and revenues?

6. Modify the budget, as applicable.
   - *Note: Budget modifications require prior approval from MCSC and must adhere to applicable guidelines.*
Budget Narrative Guidelines

• **Note:** The Budget Narrative **is not** the same as the Cost Effectiveness narrative.

• **Follow the instructions!!**
  – Instructions are outlined in the Missouri Notice of Funding Opportunity, the Application Instructions (CNCS), and the budget template provided by MCSC (all available at [https://movolunteers.org/grants.htm](https://movolunteers.org/grants.htm)).

• **General instructions include (but are not limited to):**
  – Submit the budget **without** mathematical errors.
  – Provide adequate descriptions of itemized budget costs.
  – Provide adequate information to assess how each line item is calculated.
  – Organize the costs into the proper budget categories.
  – Do not use fractional amounts (cents). Round to the nearest dollar.
### Corps Size Requirements

<table>
<thead>
<tr>
<th>Applicant Type</th>
<th>Minimum # of MSY</th>
<th>Maximum # of MSY</th>
</tr>
</thead>
<tbody>
<tr>
<td>New</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Continuation / Re-compete</td>
<td>5.00</td>
<td>n/a</td>
</tr>
</tbody>
</table>

### Grant Request Limitations & Restrictions

<table>
<thead>
<tr>
<th>Grant Type</th>
<th>Maximum Cost per MSY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Reimbursement</td>
<td>$13,730</td>
</tr>
<tr>
<td>Professional Corps</td>
<td>$1,000</td>
</tr>
<tr>
<td>Fixed Amount</td>
<td>$13,430</td>
</tr>
<tr>
<td>Education Award Program</td>
<td>$800</td>
</tr>
</tbody>
</table>

First-time applicants may request no more than $137,300 with a request of the maximum 10.00 MSY. All other applicants may request no more than $300,000.
### Grantee Share (Match) Requirement:
- Increases in the minimum required match should be reflected in the proposed budget *(for re-compete applicants).*
- Applicants are required to identify the Sources of Match that will cover the grantee share of project costs.

<table>
<thead>
<tr>
<th>Min. Req. Match</th>
<th>Years 1-3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
<th>Year 10+</th>
</tr>
</thead>
<tbody>
<tr>
<td></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>
</tr>
</tbody>
</table>

**Total Budgeted Match:** Budgeted match is the overall grantee share beyond the minimum requirement noted above. Applicants should not “over-promise” match. MCSC will hold funded projects accountable for budgeted match.
Budget Sections & Categories

• The budget is comprised of three (3) main sections:
  – Section I: Program Operating Costs
  – Section II: Member Costs
  – Section III: Administrative/Indirect Costs

• Note: Budgeted costs are divided into CNCS share and Grantee share.
  – Grantee share may be either Grantee Cash or Grantee In-Kind.
## Section I: Program Operating Costs

<table>
<thead>
<tr>
<th>SECTION I: PROGRAM OPERATING COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
</tr>
<tr>
<td>B.</td>
</tr>
<tr>
<td>C.1.</td>
</tr>
<tr>
<td>C.2.</td>
</tr>
<tr>
<td>D.</td>
</tr>
<tr>
<td>E.</td>
</tr>
<tr>
<td>F.</td>
</tr>
<tr>
<td>G.1.</td>
</tr>
<tr>
<td>G.2.</td>
</tr>
<tr>
<td>H.</td>
</tr>
<tr>
<td>I.</td>
</tr>
</tbody>
</table>
A. Personnel Expenses

- **INSTRUCTIONS:**
  
  Under “Position/Title Description,” list each staff position separately and provide salary and estimated percentage of time/effort devoted to the project.
  
  - Each staff person’s role should be listed and described in the Application Narrative.
  
  - DO NOT include the value of direct community service performed by volunteers.
  
  - However, you may include the value of [in-kind] services contributed for organizational functions if determined to be a direct cost. *(e.g. accounting, audit work, training of staff/Members).*
### Example:

**A. Personnel Expenses**

<table>
<thead>
<tr>
<th>Position Title/Description</th>
<th>Qty</th>
<th>Annual Salary</th>
<th>% Time</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Director</td>
<td>1</td>
<td>$40,000</td>
<td>50%</td>
<td>$20,000</td>
<td>$0</td>
<td>$20,000</td>
</tr>
<tr>
<td>Staff Accountant</td>
<td>1</td>
<td>$35,000</td>
<td>15%</td>
<td>$5,250</td>
<td>$0</td>
<td>$5,250</td>
</tr>
</tbody>
</table>

**Totals:**

- **$25,250**
- **$0**
- **$25,250**

---

**MO-Specific Note:**

*It is strongly recommended that the Program Director dedicates a minimum of 50% of time in direct support of the project.*
B. Personnel Fringe Benefits

• **INSTRUCTIONS:**
  Under “Purpose/Description,” identify the types of fringe benefits to be covered and the costs of benefit(s) for each staff position.
  
  – **Allowable Fringe Benefits:** FICA, Worker’s Compensation, Retirement, SUTA, Health & Life Insurance, IRA, and 401K.
  
  – **Note:** Holidays, leave, and other vacation benefits should not be included in the fringe benefit rate, as they are absorbed in personnel expenses (salary).
Example:

**B. Personnel Fringe Benefits**

<table>
<thead>
<tr>
<th>Purpose/Description</th>
<th>Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Director</td>
<td>$40,000 x 50% of time x 24% benefit rate</td>
<td>$4,800</td>
<td>$0</td>
<td>$4,800</td>
</tr>
<tr>
<td>Staff Accountant</td>
<td>$35,000 x 15% of time x 24% benefit rate</td>
<td>$1,260</td>
<td>$0</td>
<td>$1,260</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$6,060</strong></td>
<td><strong>$0</strong></td>
<td><strong>$6,060</strong></td>
</tr>
</tbody>
</table>

1.) You may provide a calculation for total benefits as a percentage of salaries to which they apply or list each benefit as a separate line item.

2) If a fringe benefit is over 30%, the covered items must be listed separately with justification of the high cost.
C.1. Staff Travel

**INSTRUCTIONS:**

Describe the purpose for which program staff will travel.

- The calculation should include *itemized costs* for airfare, transportation, lodging, per diem, and other travel-related expenses multiplied by the number of trips or staff.

- Identify the current standard reimbursement rate(s) of the organization for mileage, daily per diem, lodging, and similar supporting information.

- Only *domestic travel* is allowable.
• **LIMITATIONS (MCSC POLICIES):**

**Mileage:**
- **CNCS Share:** Budgeted mileage may not exceed $0.37 / mile
- **Grantee Share:** Budgeted mileage may not exceed $0.575 / mile

**Lodging:**
- **CNCS Share:** Note that reimbursement will be restricted based on Continental United States (CONUS) rates.

**Meals Per Diem:**
- **CNCS Share:** Note that reimbursement will be restricted based on State of Missouri Department of Economic Development allowable rates.
Example:

C.1. Staff Travel  
(Note: The program has opted for a mileage rate below the federal maximum.)

<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>National Conference on Volunteering &amp; Service</td>
<td>2 staff x $1,500 ($300 registration, $550 airfare, $100 ground transport, $400 lodging, $150 for 3-day per diem)</td>
<td>$3,000</td>
<td>$0</td>
<td>$3,000</td>
</tr>
<tr>
<td>Program Director Training</td>
<td>2 staff x 2 meetings x $147 (260 mi roundtrip at .565/mi)</td>
<td>$588</td>
<td>$0</td>
<td>$588</td>
</tr>
</tbody>
</table>

Totals: $3,588       $0         $3,588

MO-Specific Notes:
- **Statewide Meetings/Trainings:** All project budgets should include funds necessary for travel to 2 statewide events/meetings.
- **National Conference on Volunteering & Service:** Project budgets should include a minimum of $1,500 per staff person to attend the NCVS at least one year of a 3-year grant cycle.
C.2. Member Travel

• INSTRUCTIONS:
Describe the purpose for which Members will travel.

– The calculation should include itemized costs for airfare, transportation, lodging, per diem, and other travel-related expenses for Members to travel outside their service location or between sites.

– Costs associated with local travel (e.g. bus passes to local sites, mileage reimbursement for use of car, etc.) should be in this category.

– Identify the current standard reimbursement rate(s) of the organization for mileage, daily per diem, lodging, and similar supporting information.
• **LIMITATIONS (MCSC POLICIES):**

**Mileage:**
- **CNCS Share:** Budgeted mileage **may not** exceed $0.37 / mile
- **Grantee Share:** Budgeted mileage **may not** exceed $0.575 / mile

**Lodging:**
- **CNCS Share:** *Note that reimbursement will be restricted based on Continental United States (CONUS) rates.*

**Meals Per Diem:**
- **CNCS Share:** *Note that reimbursement will be restricted based on State of Missouri Department of Economic Development allowable rates.*
Example:

### C.2. Member 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>AmeriCorps State Events</td>
<td>3 vehicles x 2 events x $147 (260 mi roundtrip at 0.565/mi)</td>
<td>$882</td>
<td>$0</td>
<td>$882</td>
</tr>
<tr>
<td>Mileage Reimbursement for Local Travel</td>
<td>10 Members x 500 local mi x 0.37/mi</td>
<td>$1,850</td>
<td>$1,850</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$2,732</strong></td>
<td><strong>$1,850</strong></td>
<td><strong>$882</strong></td>
</tr>
</tbody>
</table>

**MO-Specific Note:**

- **Statewide Meetings/Trainings:** All project budgets should include funds necessary for travel to 2 statewide events/meetings.
D. Equipment

• **Equipment is defined as:**
  – Tangible, non-expendable personal property;
  – Having a useful life of more than one year; **AND**
  – An acquisition cost of **$5,000 or more per unit.**

*Any items that do not meet this definition should be included in the “Supplies” budget category.*
• **MCSC POLICY (EQUIPMENT):**
  
  - It is the policy of the MCSC that funded programs **should not** purchase office equipment such as: computers, printers, copiers and other office equipment with federal funds.
  
  - At no time should a funded program reallocate funds to purchase office equipment.
  
  - Programs must be aware that the use of all grant funds must be in compliance with CNCS statutes, terms and conditions as well as MCSC policies.
E. Supplies

INSTRUCTIONS:
Include the amount of funds to purchase consumable supplies and materials, including Member service gear and equipment that does not fit the previous criteria.

- Any single item costing $1,000 or more must be listed individually.
- Member Service Gear
  - Only Member service gear with the AmeriCorps logo may be purchased with CNCS funds.
- Safety Gear
  - All safety gear (e.g. safety goggles, work gloves) may be purchased with CNCS funds, regardless of whether or not it has the AmeriCorps logo – must be consistent with program goals / objectives.
### Example:

#### 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>Paper, pens, staplers, staples, paper clips – based on budgeted allocation</td>
<td>$1,000</td>
<td>$0</td>
<td>$1,000</td>
</tr>
<tr>
<td>Member Service Gear</td>
<td>10 Members x $30 per AmeriCorps Welcome Packet (Good Deed)</td>
<td>$300</td>
<td>$300</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$1,300</strong></td>
<td><strong>$300</strong></td>
<td><strong>$1,000</strong></td>
</tr>
</tbody>
</table>

**Note:**

- **Member Service Gear**: AmeriCorps Members are required to wear an AmeriCorps logo daily while in service. Grantees may add the AmeriCorps logo to their own local program uniform items.
F. Contractual & Consultant Services

• **INSTRUCTIONS:**

Include costs for consultants related to the project’s operations, except training or evaluation consultants who will be included in Section G. (Training) or Section H. (Evaluation).

- There is not a maximum daily rate.
- Consulting contracts and invoices to support work should be retained.
G.1. Staff Training

• INSTRUCTIONS:
Include the costs associated with training staff on project requirements and training to enhance the skills staff need for effective project implementation.

  – Examples include project or financial management, team building, etc.
  – If using a consultant(s) for training, indicate the estimated daily rate.
  – There is no maximum daily rate.
### G.1. Staff Training

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation/Daily Rate</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly Staff Professional Development</td>
<td>2 program staff x 4 PD sessions x $250/session</td>
<td>$2,000</td>
<td>$0</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$2,000</strong></td>
<td><strong>$0</strong></td>
<td><strong>$2,000</strong></td>
</tr>
</tbody>
</table>
G.2. Member Training

**INSTRUCTIONS:**

Include the costs associated with Member training to support them in carrying out their service activities.

- This section may be used to indicate costs for Life After AmeriCorps training.
- If using a consultant(s) for training, indicate the estimated daily rate.
- There is no maximum daily rate.
### Example:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation/Daily Rate</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly In-Service Training</td>
<td>10 in-service training sessions x $145/session (includes $75/session for room fee and $70/session meal per diem)</td>
<td>$1,450</td>
<td>$0</td>
<td>$1,450</td>
</tr>
<tr>
<td>Regional Show-Me Service Event &amp; Life After AmeriCorps Training</td>
<td>2 sessions x $100/session (includes $30/session for materials and $70/session meal per diem)</td>
<td>$200</td>
<td>$0</td>
<td>$200</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$1,650</strong></td>
<td><strong>$0</strong></td>
<td><strong>$1,650</strong></td>
</tr>
</tbody>
</table>
H. Evaluation

**INSTRUCTIONS:**
Include costs for project evaluation activities, including additional staff time or subcontracts, use of evaluation consultants, purchase of instrumentation, and other costs specifically for this activity not budgeted in Personnel Expenses.

- This cost **does not** include the daily/weekly gathering of data to assess progress toward meeting performance measures.
- This cost is for a **larger assessment of the impact the project is having on the community** as well as an assessment of the overall systems and project design.
- Indicate daily rates of consultants, where applicable.
H. Evaluation

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation/Daily Rate</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Evaluation (Organizational Processes &amp; Systems)</td>
<td>$200/month x 10 months of assessment and evaluation x 25% project allocation</td>
<td>$500</td>
<td>$0</td>
<td>$500</td>
</tr>
</tbody>
</table>

Totals: $500 $0 $500
I. Other Program Operating Costs

• INSTRUCTIONS:
Allowable costs in this budget category include the following, when applicable:

  – **Criminal History Checks:** Costs for all individuals in a covered position. An individual in a covered position is anyone receiving a salary, living allowance, stipend, or education award from the grant (from either the federal or non-federal share).

  – **Office Space Rental:** Costs for office space rental for projects operating without an approved indirect cost rate agreement that covers office space.

    • *If space is budgeted and it is shared with other projects/activities, the costs must be equitably pro-rated and allocated between the projects/activities.*
Allowable costs (continued):

– **Utilities:** Costs for utilities, telephone, internet and similar expenses that are specifically used for AmeriCorps Members and project staff, and are not part of the organization’s indirect cost allocation pool.
  
  * If such expenses are budgeted and shared with other projects/activities, the costs must be equitably pro-rated and allocated between the projects/activities.

– **Recognition Events:** Costs for Member recognition events.
  
  * List each item and provide a justification in the budget narrative.
  * Gifts and/or food in an entertainment/event setting are not allowable costs.
### Example:

**I. Other Program Operating 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>Criminal History Background Checks</td>
<td>2 program staff and 10 Members x $37.50/criminal record check</td>
<td>$450</td>
<td>$0</td>
<td>$450</td>
</tr>
<tr>
<td>Space and utilities allocation</td>
<td>$250/month x 12 months (office space, telephone, internet, equipment usage)</td>
<td>$3,000</td>
<td>$0</td>
<td>$3,000</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$3,450</strong></td>
<td><strong>$0</strong></td>
<td><strong>$3,450</strong></td>
</tr>
</tbody>
</table>
## Section II: Member Costs

<table>
<thead>
<tr>
<th>A. Living Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Full-time (1700 hours)</td>
</tr>
<tr>
<td>• 1-Year Half-time (900 hours)</td>
</tr>
<tr>
<td>• Reduced Half-time (675 hours)</td>
</tr>
<tr>
<td>• Quarter-time (450 hours)</td>
</tr>
<tr>
<td>• Minimum-time (300 hours)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Member Support Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• FICA [for Members]</td>
</tr>
<tr>
<td>• Worker’s Compensation [for Members]</td>
</tr>
<tr>
<td>• Health Care [for Members]</td>
</tr>
<tr>
<td>• Other Member Support Costs</td>
</tr>
</tbody>
</table>
A. Living Allowance

OVERVIEW:

• AmeriCorps Members receive a living allowance during the term of service. The living allowance is designed to help Members meet the necessary living expenses incurred while participating in the AmeriCorps program.

INSTRUCTIONS:

• The budget narrative should clearly identify the number of Members supported by service term category and the amount of living allowance they will receive, allocating the appropriate portion between the CNCS and Grantee [Cash] Shares.
• **GUIDANCE:**
  
  – Full-time Members **must** receive a minimum living allowance of $12,530 and maximum of $25,060.
  
  – Funded programs are not required to provide a living allowance to less than full-time Members.
    
    • **If a living allowance is provided, then adhere to the limits outlined in the NOFO.**
  
  – **Professional Corps Members** must receive a living allowance or salary, which must meet the minimum, but may exceed the maximum living allowance set.
    
    • **Salaries are paid entirely by the organizations with which the Members serve and should not be included in the budget. In addition, the living allowance provided to AmeriCorps Members does not count toward the match requirement.**
• GUIDANCE (cont):
  - A living allowance is **not a wage** and programs **may not** pay living allowances on an hourly basis.
  - Programs must distribute the living allowance at **regular intervals** and in **regular increments**, and may increase living allowance payments **only** on the basis of increased living expenses.
  - Living allowance payments may only be made to a participant during the participant’s term of service.
  - Living allowance payments must **cease when the participant concludes the term of service.**
Living Allowance amounts for FY2016 are as follows:

<table>
<thead>
<tr>
<th>Service Term</th>
<th>Minimum # of Hours</th>
<th>Minimum Living Allowance</th>
<th>Maximum Living Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>1700</td>
<td>$12,530</td>
<td>$25,060</td>
</tr>
<tr>
<td>Half-time</td>
<td>900</td>
<td>n/a</td>
<td>$13,265</td>
</tr>
<tr>
<td>Reduced Half-time</td>
<td>675</td>
<td>n/a</td>
<td>$9,950</td>
</tr>
<tr>
<td>Quarter-time</td>
<td>450</td>
<td>n/a</td>
<td>$6,635</td>
</tr>
<tr>
<td>Minimum-time</td>
<td>300</td>
<td>n/a</td>
<td>$4,420</td>
</tr>
</tbody>
</table>
### A. Member Living Allowance

<table>
<thead>
<tr>
<th>Item</th>
<th># Mbrs</th>
<th>Living Allowance Rate</th>
<th># w/o Living Allowance</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time (1700 hrs)</td>
<td>6</td>
<td>$12,530</td>
<td>-</td>
<td>$75,180</td>
<td>$75,180</td>
<td>$0</td>
</tr>
<tr>
<td>Half-time (900 hrs)</td>
<td>4</td>
<td>$6,265</td>
<td>4</td>
<td>$25,060</td>
<td>$25,060</td>
<td>$0</td>
</tr>
<tr>
<td>Reduced Half-time (675 hrs)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Quarter-time (450 hrs)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Minimum-time (300 hrs)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$100,240</strong></td>
<td><strong>$100,240</strong></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>
B. Member Support Costs

• INSTRUCTIONS:

Consistent with the laws of the state(s) where Members will serve, the following benefits must be provided to Members:

– **FICA**: Unless exempted by the IRS, all projects must pay FICA for any Member receiving a living allowance, even when CNCS does not supply the living allowance.
  
  • *If exempted, please note this in the Application Narrative.*
  
  • *Indicate the number of Members who will receive FICA and calculate the FICA at 7.65% of the total amount of living allowances.*
• **INSTRUCTIONS (cont):**

  – **Worker’s Compensation:** Some Missouri employers may be required to insure their worker’s compensation obligations for AmeriCorps Members.

  • Grantees may consult the Missouri Workers’ Compensation Law, Section 287.010, et seq., RSMo or contact the Missouri Department of Labor and Industrial Relations, Workers’ Compensation Division at 800-775-2667 to determine worker’s compensation requirements.

  • If worker’s compensation is not required, then the organization must obtain Occupational, Accidental, and Death and Dismemberment coverage for Members to cover in-service injuries or incidents.
• **INSTRUCTIONS (cont):**
  
  - **Health Care:** Grantees **must** offer or make available health care benefits to **full-time Members** in accordance with AmeriCorps requirements. Indicate the number of Members and the applicable health care rate.

    • You **may not pay health care benefits to less-than-full-time Members with CNCS funds, unless they are less-than-full-time Members serving in a full-time capacity for a sustained period of time (e.g. full-time summer project).**
    
    • You **may choose to provide health care benefits to less-than-full-time Members from non-federal sources (Grantee Share).**
    
    • **CNCS WILL NOT** pay for dependent coverage.
• **INSTRUCTIONS (cont):**
  
  - **Unemployment and Other Member Support Costs:** The U.S. Department of Labor ruled on April 20, 1995, that federal unemployment compensation law **does not** require coverage for Members because no ‘employer-employee’ relationship exists.
    
    • *The grantee may not charge the cost of unemployment insurance taxes to the grant unless mandated by law.*
    
    • *Include any other required Member Support Costs in this section, if applicable.*
### B. Member Support Costs

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Calculation/Daily Rate</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FICA for Members</strong></td>
<td>$100,240 x 7.65%</td>
<td>$7,669</td>
<td>$7,669</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Workers Compensation</strong></td>
<td>$100,240 x $5.85/$100</td>
<td>$5,864</td>
<td>$0</td>
<td>$5,864</td>
</tr>
<tr>
<td><strong>Health Care</strong></td>
<td>6 Members x $199.34/month x 12 months</td>
<td>$14,352</td>
<td>$7,176</td>
<td>$7,176</td>
</tr>
<tr>
<td><strong>Unemployment/Other</strong></td>
<td><strong>Member Support Costs</strong></td>
<td><strong>n/a</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td><strong>$27,885</strong></td>
<td><strong>$14,845</strong></td>
<td><strong>$13,040</strong></td>
</tr>
</tbody>
</table>
### Section III: Administrative/Indirect Costs

#### SECTION III: ADMINISTRATIVE / INDIRECT COSTS

| A. | Corporation Fixed Percentage Method  
|    | • Corporation Fixed Amount  
|    | • Commission Fixed Amount  
| B. | Federally Approved Indirect Cost Rate |
• **Administrative / Indirect Cost Methods**
  
  – **Federally Approved Indirect Cost Rate**: Allows organizations to calculate allowable administrative costs based on an established, federally approved indirect cost rate agreement for the organization.
  
  – **CNCS Fixed Percentage**: Allows organizations that have never had a federally approved indirect cost rate to calculate allowable administrative costs.
  
  – **De Minimis Rate**: Though available to organizations that have never had a federally approved indirect cost rate, MCSC does not recommend the use of the de minimis rate in calculating administrative costs.
A. CNCS Fixed Percentage Method

• CNCS Fixed Percentage Method

1) **CNCS Share:** Multiply the sum of the CNCS funding share of Sections I and II by 5.26%.
   
   • **Note:** 4.21% will be reimbursable to the applicant; 1.05% will be retained by MCSC. Please note this in the budget.

2) **Grantee Share:** Multiple the total (both CNCS and Grantee share) of Sections I and II by 10%.

3) **Note:** These calculations represent the maximum amounts that may be claimed for administrative/indirect costs. The applicant may budget lower amounts, with the exception of the 1.05% Commission retainer.
Example:

<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>Corporation Fixed Amount</td>
<td>CNCS Share: 117,235 * 4.21% = 4,935</td>
<td>$22,400</td>
<td>$4,935</td>
<td>$17,465</td>
</tr>
<tr>
<td></td>
<td>Grantee Share: 174,655 * 10% = 17,465</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commission Fixed Amount</td>
<td>117,235 * 1.05% = 1,231</td>
<td>$1,231</td>
<td>$1,231</td>
<td>$0</td>
</tr>
<tr>
<td>Subtotal Section III:</td>
<td></td>
<td>$23,631</td>
<td>$6,166</td>
<td>$17,465</td>
</tr>
</tbody>
</table>

Total of Section I: $46,530  
CNCS Share: $2,150  
Grantee Share: $44,380  

Total of Section II: $128,125  
CNCS Share: $115,085  
Grantee Share: $13,040  

Total of Sections I and II: $174,655  
CNCS Share: $117,235  
Grantee Share: $57,420
B. Federally Approved IDC

• Federally Approved Indirect Cost Rate Calculation

  1) **Basis:** Determine the base amount of direct costs to which you will apply the IDC rate, including both CNCS and grantee shares, as outlined by your established rate agreement (i.e. salaries and benefits, total direct costs, etc.). Multiply the appropriate direct costs by the rate being claimed for total allowable indirect costs.

  2) **CNCS Share:** Multiply the sum of the CNCS funding share in Sections I and II of the budget by 5.26%.

     • **Note:** 4.21% will be reimbursable to the applicant; 1.05% will be retained by MCSC. Please note this in the budget.

  3) **Grantee Share:** Subtract the amount calculated in CNCS share from the base amount.

---

**Documentation of the Federally Approved Indirect Cost Rate (a copy of the cost rate agreement) is required with submission of the grant application.**
### Example:

<table>
<thead>
<tr>
<th>Cost Type / Cost Basis / Rate / Calculation</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total of Sections I and II:</strong></td>
<td>$174,655</td>
<td>$117,235</td>
<td>$57,420</td>
</tr>
</tbody>
</table>

### B. Federally-Approved Indirect Cost Rate

<table>
<thead>
<tr>
<th>Cost Type: Fixed; Cost Basis: Total Direct Costs; Rate: 12.96%</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basis: $174,655 * 12.96% = $22,635</td>
<td>$22,635</td>
<td>$6,166</td>
<td>$16,469</td>
</tr>
<tr>
<td>CNCS Share (FAIDC): $117,235 * 4.21% = $4,935</td>
<td>$117,235</td>
<td>$4,935</td>
<td>$112,300</td>
</tr>
<tr>
<td>CNCS Share (Commission): $117,235 * 1.05% = $1,231</td>
<td>$117,235</td>
<td>$1,231</td>
<td>$106,004</td>
</tr>
<tr>
<td>Grantee Share: $22,635 - $6,166 = $16,469</td>
<td>$22,635</td>
<td>$16,469</td>
<td>$0</td>
</tr>
</tbody>
</table>
# Budget Totals

## Example *(using the CNCS Fixed Percentage Method)*:

### Budget Review *(CNCS Fixed Percentage Method as the Admin/Indirect Costs)*:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Total Amount</th>
<th>CNCS Share</th>
<th>Grantee Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal Sections I &amp; II:</td>
<td>$174,655</td>
<td>$117,235</td>
<td>$57,420</td>
</tr>
<tr>
<td>Subtotal Section III:</td>
<td>$23,631</td>
<td>$6,166</td>
<td>$17,465</td>
</tr>
<tr>
<td>Subtotal Sections I + II + III</td>
<td>$198,286</td>
<td>$123,401</td>
<td>$74,885</td>
</tr>
</tbody>
</table>

**PERCENTAGES:**
- **Total:** 100%
- **CNCS Share:** 62%
- **Grantee Share:** 38%

**TOTAL MSY** *(6 FT and 4 HT w/ living allowance, and 4 HT w/o living allowance):* 10.00

**COST PER MSY:** $12,341 *(Based on a grant request of $123,401 divided by 10 MSY)*
Sources of Match

- **INSTRUCTIONS:**
  - List the Sources of Match that will cover all the Grantee share represented in the budget. The list should include:
    - A brief description of the Source of Match
    - The match classification (cash or in-kind)
    - The amount from the match source in the appropriate classification

<table>
<thead>
<tr>
<th>List the Source(s)</th>
<th>List the Type (Cash/In-kind)</th>
<th>Amount from Private Sources</th>
<th>Amount from State/Local Sources</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Foundations</td>
<td>Cash</td>
<td>$70,000</td>
<td>-</td>
<td>$70,000</td>
</tr>
<tr>
<td>Individual Donor Campaign</td>
<td>Cash</td>
<td>$3,000</td>
<td>-</td>
<td>$3,000</td>
</tr>
<tr>
<td>ABC Consultants (staff training)</td>
<td>In-kind</td>
<td>$2,000</td>
<td>-</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

**TOTAL:** $75,000 $0 $75,000
Budget Checklist and Tips

1. Does the budget adhere to the budget instructions outlined in the Missouri NOFO and application instructions?
2. Are all budgeted costs allowable, allocable, and reasonable?
3. Is all source information used to calculate budget amounts included in the budget narrative?
4. Does the budget adhere to the restrictions and limitations outlined in the guidelines (i.e. maximum cost per MSY)?
5. Is the budget in the correct template?
6. Are the budgeted amounts rounded to the nearest dollar?
7. Is the math correct? *(Check it one more time to be sure.)*
8. Has the budget been reviewed and approved by my financial team, if applicable?
Conclusion

Application instructions and templates are available at: https://www.movolunteers.org/grants.htm

Financial Management:
For information and curriculum on financial management and budget preparation, please visit http://www.nationalservice.gov/resources/financial-management.
# Timeline: Formula Continuation

<table>
<thead>
<tr>
<th>DEADLINE</th>
<th>AC STATE FORMULA</th>
</tr>
</thead>
</table>
| Friday, December 18, 2015  
(by 5:00 pm, CST) | Concept Papers due to MCSC  
(first-time/new applicants) |
| Friday, March 11, 2016  
(by 3:00 pm, CST) | Grant applications due to MCSC |
| Friday, April 22 –  
Friday, April 29, 2016 | Clarification Period |
| Friday, May 20, 2016 | Anticipated Date of Award Notification |

*Formula applicants are not to enter applications into eGrants until permitted by MCSC.*
Technical Assistance

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