

AmeriCorps Budget Guidelines & Composition



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Objectives

- To understand the characteristics and value of a sound budget
- To understand the steps in the budget process
- To understand requirements and restrictions related to the grant
- To understand guidelines for composing the budget



The Budget: Why is it important?

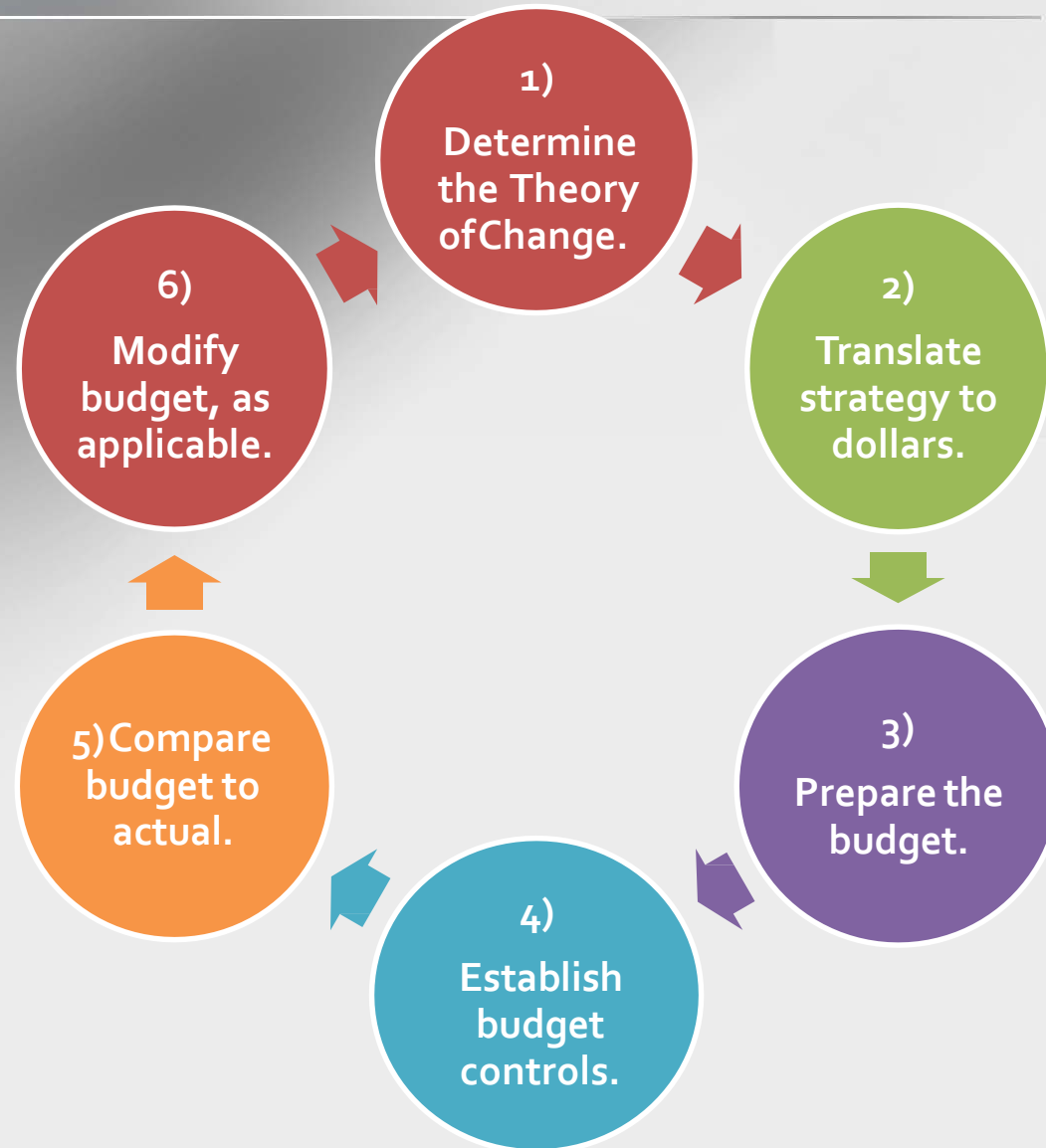
- The budget is the **blueprint for activities** supported under the grant.
- A **sound budget** should help the organization:
 - Determine cash requirements for operating costs;
 - Outline costs associated with program goals and objectives;
 - Comply with federal, state, and local requirements;
 - Establish goals to leverage match in support of the program;
 - Establish budget controls to monitor and control resources; and
 - Meet financial reporting obligations.

The proposed budget should be sufficient to perform the activities described in the application narrative.



The Budget Process

Budget Process:
Outlines key factors in developing and administering the grant budget.



The Budget Process

Factors to Consider for the Process

Step 1: Determine the Theory of Change.

1. What is the problem/need being addressed by the proposed program?
2. What are the goals/objectives to address the problem/need?
3. What strategy will be implemented to accomplish goals/objectives?
4. How will progress towards goals/objectives be measured (data collection, performance measurement, evaluation)?

Step 2: Translate the strategy into dollars.

1. What is the organization's capacity to undertake proposed activities?
2. What are the ongoing specific, shared, and/or start-up costs?
3. Who will perform activities related to implementing the program strategy (program and fiscal staff)?
4. How many AmeriCorps Members can the organization support to perform service activities?
5. What additional funds must be leveraged to support grant activities (match)?



The Budget Process

Factors to Consider for the Process

Step 3: Prepare the budget.

1. What are the direct costs associated with the proposed program?
 - a) Personnel salaries/benefits and AmeriCorps Member living allowances/benefits
 - b) Program-related travel, training, and supplies expenses
 - c) Other program operating costs (e.g. criminal history checks, recognition events, etc.)

2. What are the indirect/administrative costs for common objectives that cannot be readily identifiable with a particular program activity?
 - a) Accounting and legal services
 - b) General liability insurance
 - c) General office space



The Budget Process

Factors to Consider for the Process

Step 3: Prepare the budget (*continued*).

3. Are budgeted costs allowable, allocable, and reasonable?
 - a) Allowable per federal, state, and local regulations
 - b) Allocable per the percentage of time, effort, usage, or benefit
 - c) Reasonable per the judgment of a prudent person

4. What sources of match will be leveraged to support the proposed program?
 - a) Cash or in-kind contributions
 - b) Private sources (e.g. charitable foundations) or state/local sources
 - c) Federal funds (*Written authorization must be obtained from the federal granting agency to use federal funds as match. Another AmeriCorps grant may not be used as match.*)

5. What are the match requirements (*detailed on subsequent slide*)?



The Budget Process

Factors to Consider for the Process

Step 4: Establish budget controls.

1. How will the organization ensure compliance with federal, state, and local regulations?
2. How will the organization monitor budget figures to prevent overspending?
3. How will the organization avoid unallowable or disallowed costs?
4. How will the organization ensure timely and accurate financial reporting?

Step 5: Compare budget to actual.

1. How and when (how frequently) will the organization evaluate variance between the budget and actual costs and revenues?
2. *Note: The budget is a planning tool. Grant activities may cause actual costs to vary.*

Step 6: Modify the budget, if applicable.

1. *Budget modifications must adhere to MCSC guidelines and are subject to MCSC approval. Modifications to the budget will not be detailed in this presentation.*



Corps Size Requirements

How many AmeriCorps Members may I request?

- **Formula Applicants:**
 - **Minimum:** 5.00 Member Service Years (MSY)
 - **Maximum:** N/A; determined by proposed interventions and organizational capacity
- **Competitive Applicants (*by invitation only*):**
 - **Maximum:** N/A; determined by proposed interventions and organizational capacity

Member Position (Slot) Type	Number of MSY	Minimum # of Hours Required
Full-time	1.00000	1700
Three Quarter time	0.70000	1200
Half-time	0.50000	900
Reduced Half-time	0.38095	675
Quarter-time	0.26455	450
Minimum-time	0.21164	300



Grant Restrictions and Limitations

MAXIMUM GRANT AMOUNT

Formula:	\$350,000
Competitive (by invitation only):	N/A <i>*Minimum request should be equivalent to the formula maximum.</i>

MAXIMUM COST PER MSY

Traditional Cost Reimbursement:	\$15,192
Professional Corps/Cost Reimbursement:	\$1,000
Education Award Only Program (EAP)	\$800
Fixed Amount <i>*Fixed amount grants are not available for first-time applicant and are not being offered to returning formula sub-grantees at this time.</i>	\$15,192

Cost per MSY = Total CNCS Share of the Budget ÷ Number of MSY Requested



Match Requirements

How much is my organization expected to contribute?

- The AmeriCorps grant provides partial funding to support the proposed AmeriCorps program. Applicants must cover the remaining costs through leveraged match (cash or in-kind).
- The **minimum required match** based on the applicable year of funding is follows:

Min. Req. Match	Years 1-3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10+
	24%	26%	30%	34%	38%	42%	46%	50%

Minimum Required vs. Budgeted Match:

Minimum required match is the required match per grant guidelines. Budgeted match is the overall grantee share budgeted by the organization beyond the minimum required match. Applicants should be cautious to not “over promise” match. MCSC will hold all sub-grantees accountable for both the minimum required and budgeted match.



Budget Basics

- **The budget is comprised of four sections:**
 - Section I: Program Operating Costs
 - Section II: Member Costs
 - Section III: Administrative/Indirect Costs
 - Section IV: Sources of Match
- **Note: Budgeted costs are divided into CNCS share and Grantee share.**
 - **CNCS Share:** Costs covered by the AmeriCorps grant; to be reimbursed to the organization.
 - **Grantee Share:** Costs covered by the organization; may be either cash or in-kind.

The following are restrictions regarding Grantee share (match):

1. The time/effort of community volunteers engaged in service projects or opportunities **may not** be used as in-kind match.
2. Another AmeriCorps grant **may not** be used as match for this AmeriCorps grant.



Budget Guidelines

- 1) Follow the Missouri NOFO and budget instructions.
- 2) Ensure the budget aligns with the application narrative.
- 3) Provide adequate descriptions of itemized budget costs.
- 4) Provide adequate information to assess how each itemized budget cost is calculated.
- 5) Organize costs in the proper budget categories.
- 6) Do not use fractioned costs (cents). Round to the nearest dollar.
- 7) Review the final budget for mathematical errors.

Detailed budget instructions are in the Missouri Notice of Funding Opportunity (NOFO) and the Budget Worksheet template available at

<http://movolunteers.org/grants.htm>.



Resources & Technical Assistance

Missouri Notice of Funding Opportunity	Guidelines are outlined in the Budget Guidelines section of the MO NOFO.
Budget Worksheet	Tab #1: Budget template Tab #2: Detailed instructions by budget category Tab #3: MSY calculator
Sample Budgets	Two sample budgets are available based on the organization's admin/indirect costs method (<i>CNCS Fixed Percentage vs. Federally Approved IDC Rate</i>)

All items are available at <http://movolunteers.org/grants.htm>.

For additional guidance related to the AmeriCorps budget, please contact:

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