Building a Budget for OVSJG Grant Applications

Presenters

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About OVSJG

The mission of the Office of Victim Services and Justice Grants (OVSJG) is to develop, fund, and coordinate programs that improve public safety; enhance the administration of justice; and create systems of care for crime victims, youth, and their families in the District.

In order to accomplish its mission, OVSJG coordinates and funds community-based and District agency services for victims of crime and justice-involved individuals. Additionally, OVSJG manages efforts that aim to reduce truancy in the District’s public and charter schools, and supports juvenile diversion, mentoring, and gang-intervention efforts.

OVSJG also provides policy-making expertise, advice, and counsel to the Executive on the role of victims and offenders in the criminal justice system, and evidence-based practices to respond to, intervene in, and prevent violence.
Objectives

Upon completion, participants will be able to:

- List the sections of a typical OVSIG Request for Applications (RFA)
- Identify three elements of the budget framework
- Discuss budget categories and calculations

RFA Structure: What is Typically Required?

- Applicant Profile
- Abstract
- Project Narrative
- Organizational Experience and Qualifications
- Budget and Budget Narrative
- Logic Model and Work Plan
- Supporting Documents (e.g., Resumes, Job Descriptions, Organizational Chart)
- Certification and Assurances

Budget Framework

- Allowable
- Reasonable
- Allocable
Allowable
A cost is generally considered allowable if it services the purpose of the grant award. However, funders may follow a specific set of rules or guidelines that more narrowly define what allowable means for a particular grant.
When writing a proposal or managing grant awards received, organizations must conform to any limitations or exclusions stated in the solicitation or award documents for the grant. These documents usually outline regulation language or specific requirements or limitation language mandated by the funder.
A cost must be designated as “allowable” and not specifically defined as “unallowable” by a regulation, request for proposal, or grant/contract-specific award conditions.
When in doubt, ask the funder if a specific cost is allowable!

Reasonable
Costs must also pass the hurdle of being “reasonable.”
Reasonable costs are necessary for the appropriate and efficient performance and administration of the grant award dollars.
Reasonable costs are typically judged by what a “prudent person” would do given the circumstances when the decision was made.
- Good example: Requesting money to buy books for a proposal to facilitate a book club.
- Bad example: Requesting money to buy spoons for a proposal to facilitate a book club.

Allocable
Allocable means the costs requested are consistent with achieving the benefit intended or received under the grant.
Applicants should request costs that will be incurred solely to support or advance the work of the grant project. Applicants or grantees should not request funds that are outside the scope of what is needed to perform the work for their project.
Determining allocability requires you to think about assigning costs to your project activities and proposal objectives.
**Relationship Between Project Description & Budget**

**What are you planning to seek funding for?**

**What do you need to accomplish what you are proposing?**
- Can you assign costs to those identified needs?

**Are those costs allowable under OVSJG/District/Federal Guidelines?**
- Relevant Guidelines include: OVSJG Grants Management Policies and Procedures
- The Office of Partnership and Grant Services – Grants Manual and Sourcebook
- Federal Uniform Grant Guidance (applicable to federal subawards) – 2 CFR 200

**Are you going to ask for all costs in this proposal?**

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**Potential Funder:** Private Foundation with a funding opportunity to support youth entrepreneurship proposals.

**Proposal:** A group of neighborhood kids want to start a lemonade stand.

**Objective:** To sell lemonade to neighbors on Sundays to learn about small business management.

**What costs would be needed for a lemonade stand?**

**How will you justify/explain the need for the costs proposed to the funder?**
- Help the funder see that your proposed costs are reasonable, allowable, and allocable.

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**OVSJG Budget Template**

The template can be accessed in previous and current RFAs on OVSJG website www.ovsjg.dc.gov.

It will also be available in ZoomGrants.
**Budget Categories**

- Personnel/Salary
- Fringe Benefits
- Training/Travel
- Consultants / Contracts
- Supplies
- Equipment
- Operating Costs
- Flex Funds
- Indirect
- Match (if applicable)

**Allocating Costs**

<table>
<thead>
<tr>
<th>Item</th>
<th>Computation</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC</td>
<td>$X/month x Y months x Z%</td>
<td>$xxx.xx</td>
</tr>
</tbody>
</table>

**Justification**

Personnel

<table>
<thead>
<tr>
<th>POSITION</th>
<th>COMPUTATION</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jane Doe, Program Manager</td>
<td>$48,000/year x 65%</td>
<td>$39,000</td>
</tr>
<tr>
<td>John Smith, Case Worker</td>
<td>$45,000/year x 100%</td>
<td>$45,000</td>
</tr>
</tbody>
</table>

**Total** $84,000

Jane Doe, Program Manager, will oversee the daily operations of the project and supervise project staff. Ms. Doe is also responsible for drafting and submitting programmatic and financial reports.

John Smith, Case Worker, will work directly with clients providing case management and referrals to additional services.
Fringe

<table>
<thead>
<tr>
<th>POSITION</th>
<th>COMPUTATION</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jane Doe, Program Manager</td>
<td>$90,000</td>
<td>$8,190</td>
</tr>
<tr>
<td>John Smith, Case Worker</td>
<td>$45,000</td>
<td>$6,750</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$14,940</strong></td>
<td></td>
</tr>
</tbody>
</table>

Fringe rate of includes FICA (7.65%), health insurance (6%), and retirement (7%)

Travel and Training

<table>
<thead>
<tr>
<th>Item</th>
<th>CALCULATION</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mileage - driving clients to appointments</td>
<td>10 trips/week x 52 weeks x .59 per mile</td>
<td>$306.80</td>
</tr>
<tr>
<td>Airfare - Round Trip Ticket BWI to LAX</td>
<td>$450/ticket x 2 employees</td>
<td>$900</td>
</tr>
<tr>
<td>Hotel Accommodations</td>
<td>$250 per night x 2 nights x 2 rooms</td>
<td>$1,000</td>
</tr>
<tr>
<td>Trauma Training Registration Fees</td>
<td>$300 per attendee x 2 employees</td>
<td>$600</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,806.80</strong></td>
<td></td>
</tr>
</tbody>
</table>

The Case Worker transports clients to appointments (medical, court, etc.) approximately 10 times per week. Project staff will attend the annual Trauma Training Conferences to be held in Los Angeles, CA.

Consultants/Contracts

- List all expenses to be paid to the consultant (hourly rate for services, travel, lodging, etc.)
- Consultant rate cannot exceed $600 per day/$81.25 per hour
- Rate should be based on market rate and consultants past performance (i.e., do not just give everyone the maximum)

- Can include IT contracts, outsourcing of program services, maintenance/service agreements, accounting, etc. Some items sometimes can fit under multiple categories

- Printing
- Copying
- Rent
Supplies

Office supplies, postage, training materials, copy paper, and expendable equipment items costing less than $5,000 are typically considered a supply.

Keep in mind the following themes when providing cost estimates for supplies and equipment:

- Is this reasonable? (number of items requested, dollar amount requested, items requested are relevant to the project objectives)
- Did I provide enough detail about my request? (provide why an item is needed, be detailed in your outline of what requested funds will be used for, and whenever possible give detailed numbers, calculations, and descriptions)

<table>
<thead>
<tr>
<th>Item</th>
<th>Computation</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office supplies</td>
<td>$5,000/year x 15%</td>
<td>$750</td>
</tr>
<tr>
<td>Palm cards</td>
<td>$0.05/card x 5000 copies</td>
<td>$250</td>
</tr>
<tr>
<td>Laptop/Notebook</td>
<td>1 unit at $500</td>
<td>$500</td>
</tr>
</tbody>
</table>

TOTAL SUPPLIES: $1,500

Office supplies are based on the program’s percentage of the annual organization supply budget. Palm cards with agency contact information will be distributed during outreach activities. The laptop/Notebook will be purchased for the Case Worker.

Equipment

Special Rules for Equipment:

- Inventoried (keep property records that demonstrate use, maintenance and management of equipment)
- Depreciation schedule (method to account for the cost of an asset over its lifetime of usefulness)
- Available for inspection (must be able to demonstrate the property still exists, is usable, and still needed)

Keep in mind the following themes when providing cost estimates for supplies and equipment:

- Is this reasonable? (number of items requested, dollar amount requested, items requested are relevant to the project objectives)
- Did I provide enough detail about my request? (provide why an item is needed, be detailed in your outline of what requested funds will be used for, and whenever possible give detailed numbers, calculations, and descriptions)
Flex Funds (allowable)

- Some OVSJG grants allow for the applicants to request flex funds.
- Please read the RFA carefully to determine if your proposed program is eligible for this type of funding.
- Flex Fund requests must be supported by a justification of how flex funds support the objectives of the grant. Cost calculations should still be included.
- OVSJG requires that flex funds be used for client support services (e.g., purchasing Smart Trip cards to support client transportation).

Indirect Costs

Costs incurred for a common or joint purpose benefiting more than one cost objective

"Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel, and all other types of expenditures not listed specifically in “Facilities.”

"Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.

Direct vs. Indirect Costs

"There is no universal rule for classifying certain costs as either direct or indirect."

**Direct**
- Costs that can be identified specifically with a particular final cost objective
- "Cost objective" means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred
- Ex: Compensation of employees for effort on the performance of the award; materials and equipment; travel expenses

**Indirect**
- Costs incurred for common or joint purposes
- Cost cannot be readily and specifically identified with a particular cost objective without effort disproportionate to the results achieved
- Ex: Accounting; Human Resources; Payroll; 2 CFR 200.56
**NICRA & De Minimus**

**Negotiated Indirect Cost Rate Agreement (NICRA)**
- Submit a proposal to cognizant federal agency
- Cognizant federal agency is generally the federal agency that provides your organization with the most federal financial assistance.

**De Minimus**
- Have never received a NICRA
- Up to 10% of modified total direct costs (MTDC)
- MTDC can include all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward/contract.
- MTDC excludes equipment, capital expenditures, rental costs, tuition remission, scholarships, and fellowships, participant support costs, and the portion of each subaward/contract in excess of $25,000.

**Match Funds**

Some OVSJG grants require that the applicant is able to support a share of the funds used to execute a project or meet a grant objective. This is called match funds or grantee share.

An expense undertaken by the organization that helps to meet the program goals and objectives.

Applicants can typically use a combination of in-kind and/or cash to cover match.

OVSJG also offers opportunities for requesting a waiver of these requirements.

- Review the RFA language to determine eligibility of a cost or funding source for meeting a match requirement or when considering whether your organization may be eligible to request and receive a waiver.

**Budget Summary**
ZoomGrants™

Applications must be submitted in the OVSJG electronic grants management system, ZoomGrants™. You can access ZoomGrants by selecting the link provided in the RFA or posted on the OVSJG current funding opportunities webpage: https://ovsjg.dc.gov/page/current-funding.

Once you have created an account in ZoomGrants you can begin filling out an application.

There are two sections within the application that request budget information.

- Budget tab – enter budget summary information
- Documents tab – download, complete, and submit the required budget template and budget narrative

Budget Tab – Budget Summary Information

Downloading the Budget Template in ZoomGrants
**Downloading the Budget Template in ZoomGrants**

**Use the Template as a Guide**
- Can submit either Word, PDF, or Excel format
- Include your organization and project title name at the top
- Do not include the instruction language and cost examples that OVSIG provided
- Save your budget proposal, and submit the completed template in ZoomGrants.

**Uploading a Completed Budget**
Resources

Grant Central Station
- Writing and Budget Narrative - http://grant-central-station.com/articles/33/

Sample Budget Narratives
- Grantprofessionals.org
  https://www.grantprofessionals.org/rc_files/102 BUILDING%20BETTER%20PROPOSAL%20BUDGET SAMPLES.pdf
- The Bill and Melinda Gates Foundation
  https://docs.gatesfoundation.org/Documents/USP_Budget_Narrative_Sample.pdf
- The Greater New Orleans Foundation

Questions

Each RFA contains contact information that directs you where to submit any questions.

General questions can also be submitted to the OVSIG email: ovsig@dc.gov.