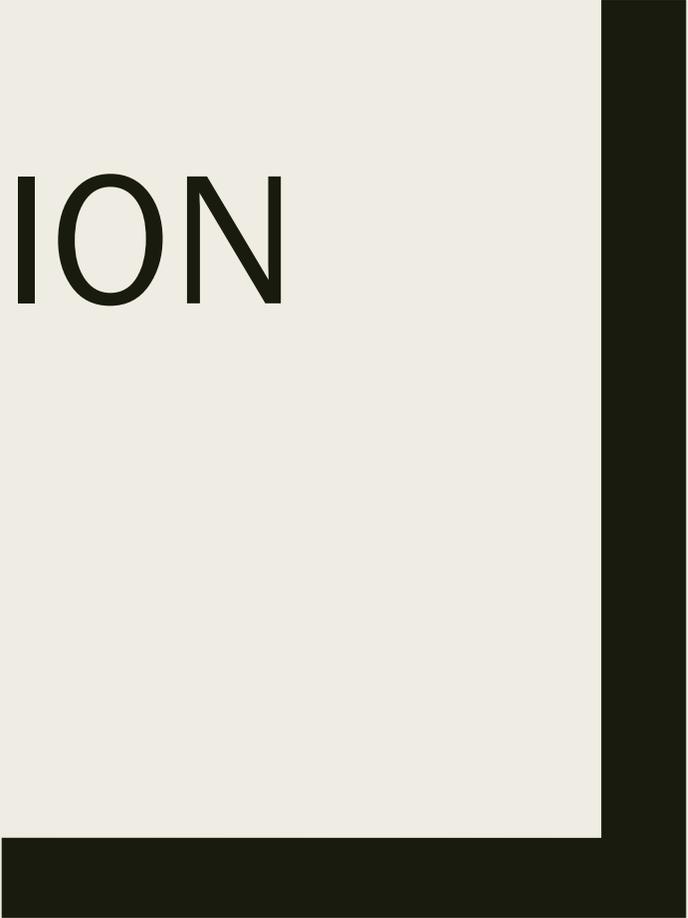


BUDGET SESSION

FY 2016

STOP VAWA Grant Program
Merry Wills, STOP Administrator
Nebraska Crime Commission



Session Topics

- Allocations – State and Project
- Project Period
- Subawards vs Contracts
- Supplanting
- Indirect Costs
- Budget Sheets
- Supplies/Operating vs Equipment
- Match

Guiding Principle

Is the cost:

- *Necessary*
- *Reasonable*
- *Allowable*
- *Allocable*

Basics of Budgets

- Ensure calculations are correct
- Use whole numbers
- Provide facts
- For travel use current GSA rates

<http://www.gsa.gov>

State Allocations – Determined on a Federal Level

Categories		Total Available
Law Enforcement		\$289,755
Prosecution		\$289,755
Courts (includes Juvenile Courts and Probation)		\$57,951
Victim Services (VS) – Of the total victim services allocation, \$34,727 will be allocated to Culturally Specific services.		\$286,612
Discretionary		\$173,853
TOTAL Funds Available		\$1,097,926
State Allocation Requirements: ***Note, these are NOT additional funds. ***		
Meaningful Sexual Assault Services <i>(Requests in this area must detail how the project determines that the services provided are meaningful.)</i>	Must be taken from at least 2 of the categories (LE, Prosecution, Courts or VS).	\$257,560
PREA (Prison Rape Elimination Act)	Dedicated to state efforts towards full compliance.	\$61,094 (VS)
Prevention & Education	Maximum allowed for entire state to develop, enhance or strengthen programming.	\$64,390

Project Allocations

- ✓ All funds requested must be allocated to one or more categories.
- ✓ The Allocation Summary Chart provides the sum total of the allocation charts completed for each budget section (personnel, contracts/consultants, travel, etc.).
- ✓ The total (**\$71,500**) must match the total requested funds indicated on the [Budget Summary](#).

Allocation Summary Chart		Of the total requested funds for each category how much will be dedicated to meaningful SA services and/or Prevention & Education.	
Category	Total Amount of Funds Requested by Category	Sexual Assault Services	Prevention & Education
Law Enforcement	5,000	2,500	0
Prosecution	30,000	20,000	0
Victim Services	32,500	20,000	2,000
Culturally Specific Services	0	0	0
CRT Coordination	4,000	2,000	0
BIP Facilitation	0	0	0
Totals	\$71,500	\$44,500	\$2,000

Project Period

Project periods extending beyond June 30, 2018 and approved for an award will be subject to additional Special Conditions.

Subaward or Contractor

Subaward:

- ✓ Also known as a sub-subrecipient.
- ✓ Involve the passing down of federal funds to a partner agency.
- ✓ Subawards are issued
- ✓ Monitored for compliance with federal requirements by a subrecipient (lead agency).

Contractor:

- ✓ Contracts of \$150,000 or more require additional approval from OVW.
- ✓ Must adhere to established procurement processes.
- ✓ Utilized to purchase specific services.
- ✓ Based on set fees.

Subaward vs Contractor

Characteristic	Subaward	Contractor
MOU partners are generally considered this	Yes	No
Do procurement standards (including competition and sole source approval) apply?	No	Yes
Funds received count toward meeting the audit threshold	Yes	No
Federal Program requirements and terms and conditions apply	Yes	No
Contract provisions apply (2 CFR 200 Appendix II)	No	Yes
Profit may be earned (including fee for service)	No	Yes
Reimbursed for actual costs incurred	Yes	No

Subrecipient – Lead Agency

Pass-through entity responsibilities:

- Identify the agreement as a subaward and include all required information
- Determine subaward's potential risk for non-compliance with Federal statutes, regulations, and award requirements, and add additional special conditions as needed
- Monitor activities, financial/performance reports, and audit compliance
- When necessary, take enforcement action for non-compliance

Consultant/Contractor

Subaward

CATEGORY B – CONSULTANTS & CONTRACTS (includes Subawards)

A. Name of Consultant/Contractor:				Type (check one): <input type="checkbox"/> Individual <input type="checkbox"/> Organization	
1. Purpose:					
	Rate	# (hours, miles, meals, nights, etc.)	Amount Requested	Match	Total Costs
2. Fees:					
Preparation Fee			\$	\$	\$
Presentation Fee			\$	\$	\$
Travel Time Fees			\$	\$	\$
Space/Room Fees			\$	\$	\$
Other Fees: Specify			\$	\$	\$
Consultant/Contractor Fees Subtotal			\$	\$	\$
3. Travel Expenses:					
Mileage	.54		\$	\$	\$
Air Fare	From:	To:	\$	\$	\$
Meals			\$	\$	\$
Lodging			\$	\$	\$
Other Costs:			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
Consultant/Contractor Travel Subtotal			\$	\$	\$
B. Name of Subaward:					
1. Purpose:					
2. Type of Agency (check one)		Non-profit	Gov. (i.d. City, County, State)	Private	Other
3. Budget Categories:					
			Amount Requested	Match	Total Costs
Salary			\$	\$	\$
Fringe			\$	\$	\$
Consultants/Contracts			\$	\$	\$
Travel			\$	\$	\$
Supplies/Operating			\$	\$	\$
Equipment			\$	\$	\$
Other Costs			\$	\$	\$
Indirect Costs			\$	\$	\$
Subaward Subtotal			\$	\$	\$
CONSULTANT/CONTRACTOR/SUBAWARD TOTAL			\$	\$	\$

Subtotals

Budget Narrative Consultants & Contractors

- Why is the consultant/contractor necessary?
- Who is the consultant/contractor?
- How is the consultant/contracted associated with the organization?
- What was the selection process?
- What will the consultant or contractor provide or do?
- Established rates must be reasonable and consistent with those paid for similar services in the marketplace and in align with the work proposed.
- Fees for individual consultant services are subject to maximum compensation of \$650 per day or \$81.25 per hour.

Supplanting

Definition: To deliberately reduce state or local funds because of the existence of federal funds.

- A state or local government agency cannot use federal funds to replace (supplant) other existing funds.
- Any request to support a state or local government agency with federal funds must address how the request is NOT supplanting of funds.
- Any contract or subaward with a state or local government entity must address how the request is NOT supplanting of funds .
- Nebraska defines a local government or political subdivision as any unit of government within the state including villages, cities of all classes, counties, school districts, learning communities, public power districts, and entities created pursuant to the Interlocal Cooperation Act or Joint Public Agency Act.

Budget Narratives & Supplanting

Address supplanting by clearly explaining:

- ✓ How the costs were previously funded.
- ✓ Why the funds are no longer available.
- ✓ When the funds ended and/or any temporary funding agreements or arrangements.

Indirect Costs

What are indirect costs?

- General or centralized expenses necessary for the overall administration of an organization.
- Not readily assignable to a particular project costs, but are necessary to the operation of the organization and the performance of the project.
- The cost of operating and maintaining facilities, depreciation, rent, supplies, telephone expenses, and administrative salaries are the types of costs that are usually treated as indirect costs.

What to know before requesting indirect cost funding.

- Agencies that request indirect cost funding must be able to report their indirect cost rate as it applies to the agency.
- Options:
 - *Federally Approved Indirect Cost Rate*
 - *De Minimis Rate*
 - *Pro-rating*

Federally Approved Indirect Cost Rate

- Can include the allocation for indirect costs.
- If so, must submit a copy of the written agreement with the grant application.
- The agreement must indicate it is “active”. If it is “pending”, once the agreement is active it can be applied.
- The approved indirect cost rate must be applied exactly how the agreement states. If the base indicates that subawards or the portion of subawards over \$25,000 can be included then it can be applied. Must spell it out.
- If a lower percentage is applied then explain in the budget narrative how the lower rate was determined (based on what?).

De Minimis Rate

- NEVER had a federally approved indirect cost rate agreement.
- 10% of the modified total direct costs (MTDC).
- Can be used indefinitely.
- Costs must be consistently charged as either indirect or direct (not both).
- Must provide with application:
 - a) *List of the requested administrative costs items and the corresponding cost of each item.*
 - b) *Copy of the agency's written allocation policy for the costs.*
 - c) *A written certification that the agency has never had a federally approved indirect cost rate agreement.*

Calculating 10% De Minimis Rate

Direct Costs

Budget Category	Amount Requested	Comments
Personnel	\$244,000	200,000 Advocate Salaries, \$44,000 Advocate Fringe Benefits
Consultants/Contracts (including subawards)	\$100,000	3 Partner Agency's: #1 receives \$30,000; #2 receives \$28,000 and #3 receives \$42,000
Travel	\$10,000	Training and Outreach
Supplies/Operating	\$4,000	Office Supplies
Equipment		
Other		
Total Direct Costs	\$358,000	

Modified Total Direct Costs

Total Direct Costs	\$358,000	
Subtract the amounts over \$25,000 for each consultant (these are the 3 Partner Agencies under Consultants/Contracts)	$\$358,000 - \$25,000 = \$333,000$	#1: $\$30,000 - 25,000 = 5,000$ #2: $\$28,000 - 25,000 = 3,000$ #3: $\$42,000 - 25,000 = 17,000$ Total = \$25,000
10% of \$333,000	\$33,300	Modified Indirect Cost Rate
Requested Direct Amount	\$358,000	
Requested Indirect Amount	\$33,300	
Total Federal Request	\$391,300	

Pro-rating

- Projects can pro-rate various administrative and general expenses up to 10%.
- Allocations must identify the specific costs involved and indicate the percent allocated of the total costs.
- Additional project allocations can be made; however, they must be for the provision of direct services.
- Reminder - All costs must be necessary, allowable, reasonable, and allocable.

Pro-rating Example

Facts (bases for supporting this request):

Position: Executive Director, full-time employee @ 40 hours per week

1. 85% (34 hours) of the position involves administrative tasks needed to ensure overall operation of the agency including the project.
2. 15% (6 hours) of the position is dedicated to direct care services that includes facilitation of a group for survivors of sexual assault.
3. Time records from the last 12 months indicate that the position has spent on average 4 hours per week administrating the STOP funded project and 3.25 hours in preparation and facilitation of a weekly sexual assault group.
4. Attached job description clearly indicates these activities and outlines the percentages of time that the position spends in the various administrative duties versus direct services tasks.

Request for STOP funds:

- 10% (4 hours) of the 85% (34 hours) to be supported with federal STOP funds for administering the project
- 50% (3 hours) of the 6 hours that the position dedicates to direct care services. These 3 hours will be spent in preparation and facilitation of a weekly sexual assault group.

New Personnel Budget Sheet

Title/Position	Program Director	Advocate	Volunteers		TOTAL COSTS
New/Existing	Existing	New			
F-Time/P-Time	Full-time	P-Time			
Exempt/Non-exempt	Non-exempt	Non-exempt			
Hrs. Per Week	40	20	10		
% of Time Devoted	50%	100%	100%	%	
2016 Current Salary	\$40,000	\$0	\$	\$	
2017 Salary	\$42,000	\$38,000	\$	\$	
Requested Salary	\$16,800	\$38,000	\$	\$	\$54,800
Salary Match	\$4,200	\$0	\$7,800	\$	\$12,000
Requested Fringe	\$5,000	\$7,000	\$	\$	\$12,000
Fringe Match	\$1,000	\$0	\$	\$	\$1,000
TOTAL COSTS	\$27,000	\$45,000	\$7,800	\$	\$79,800
Total Requested			Total Match		
Total Requested Salary	Total Requested Fringe		Total Salary Match	Total Fringe Match	
\$54,800	\$12,000		\$12,000	\$1,000	

Match Reminders

- 25% cash or in-kind match of the total costs for the project is required except for the funds used by nonprofits.
- Budget narratives must identify all sources of match.
- Federal funds cannot be used for match federal funds.
- Match (cash or in-kind) must directly relate to the project goals and objectives.
- Must be financially documented in the same manner as grant funds.
- Must be expended within the project period.
- Restricted to only allowable activities and costs under the STOP VAWA grant funding.
- Volunteers as in-kind match are valued at \$15 per hour.

Supplies & Operating or Equipment?

Supplies:

- Agency's capitalization policy determines whether equipment items are listed here or under Category E - Equipment.
- No written policy then agency must follow state policy
- State policy - more restrictive than federal policy.
- Federal policy - items with useful life of more than 1 year and fair market value under \$5,000 per item.

Equipment:

- No written capitalization policy must follow state policy.
- State policy - more restrictive than federal policy.
- Federal policy - items with useful life of 1 year or more and fair market value of \$5,000 or more.
- Bids are likely and bidding process must show bids were taken as required by law, rules or regulations.
- Purchases must adhere to established procurement processes.
- Items must be managed in accordance with Federal Property and Equipment guidelines.

Category F – Other Costs

For those items that do not fit within one of the defined budget categories.

In need of further technical
assistance call Merry!

402.471.3416

merry.wills@Nebraska.gov

Thank you