



# The Elevation Grant Program Budget Information Session

March 2022



**THE INDIANAPOLIS  
FOUNDATION**

A CICF AFFILIATE



WELCOME

# PRESENTERS

- **Pamela R. Ross**  
Vice President of Community Leadership & Equitable Initiatives  
The Indianapolis Foundation, a CICF affiliate
- **Alicia J. Collins**  
Senior Consultant  
The Elevation Grant Program
- **Alyson Parham Small**  
President  
Partec Consulting Group, Inc.
- **Beth A. Millikan**  
Assistant Controller  
Central Indiana Community Foundation (CICF)

# AGENDA

- Welcome & Introductions
- Session Objectives
- Overview of Elevation Grant Program
- Program Interest Areas
- Budget Requirements & Parameters
- Uniform Guidance & Cost Principles
- Expense Reporting and Monitoring
- Budget Template
- Evaluation
- Resources
- Questions
- Cost Category Highlights

# SESSION OBJECTIVES

**You should leave this session knowing:**

- Dollars available for each program interest area
- Expectations for budget
  - Grant period
  - Cost Categories
- Key Dates
- Templates
- Resources



# **ELEVATION GRANT PROGRAM OVERVIEW**

# FRAMEWORK & DESIRED OUTCOMES

**A comprehensive framework including neighborhood empowerment and community building to reduce violence in Indianapolis**

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## **Desired Outcomes:**

- Address root causes
- Increase resident-led solutions
- Discover new innovative efforts
- Invest in infrastructure development for grassroots efforts
- A new narrative – qualitative metrics

# FUNDING ROUNDS & ALLOCATIONS

## **ROUND ONE** (\$5.5 Million)

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- Thriving Neighborhoods
- Empowered Youth
- Restoration & Resilience

## **ROUND TWO** (\$8.45 Million)

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- Thriving Neighborhoods
- Empowered Youth
- Restoration & Resilience
- Intervention
- Violence Reduction

*If funds are remaining from Round One, funds will be available for allocation in Round Two*

# KEY DATES

## ROUND ONE

Applications open: April 1

Applications deadline: May 2

Grant announcement: July 1

## ROUND TWO

Applications open: July 1

Applications deadline: Aug. 2

Grant announcement: Sept. 30

LEARN MORE AT:  
[ElevationGrant.org](https://ElevationGrant.org)



# BUDGET OVERVIEW

# BUDGET REQUIREMENTS

- Eligible to apply for the Elevation Grant Program
  - See the Grant Information Session slides and the RFP for more detail
- Grant budget must include a **detailed** statement of projected expenses that clearly present:
  - Personnel Expenses
  - Direct Program Expenses
  - Administrative Costs
- Budget must be submitted in the formulated excel template provided in the RFP
- Budget narrative must describe the basis for estimating each cost presented
  - You may use either in MS Excel or MS Word to document the rationale and basis for estimating program expenses
- Comply with Uniform Guidance (2 C.F.R. Part 200) and Subpart E – Cost Principles

# BUDGET PARAMETERS

- Awards will be between \$20,000 - \$250,000
- Funds must be expended between July 1, 2022 and June 30, 2023
  - Applicants will not be eligible to apply for 2023-24 funding if grant funds for Round 1 and/or Round 2 are not expended
- Grant budget must address **one** of the program interest areas
  - Cannot address multiple interest areas in the same proposal
  - Applicants **can** submit more than one proposal addressing different interest areas
- **BE AWARE:** Quarterly program and financial reporting is required for **each** grant award

# UNIFORM GUIDANCE 2 C.F.R. PART 200

- Program funds for the Elevation Grant Program are provided from the Coronavirus Local Fiscal Recovery Fund of the American Rescue Plan Act
  - This Act extends Uniform Guidance to this grant program
- Set of authoritative rules and regulations about federal grants from the Office of Management and Budget (OMB). This “guidance” is designed to keep everyone in the federal grants community – Congress, grant-making agencies, and applicants – referring to a common set of requirements.
- **Grantees may not earn or keep any profit resulting from Federal financial assistance. Exceptions to this rule are rare.**

# COST PRINCIPLES

- Budgeted expenses should be:
  - Consistent with the grant narrative
  - Allowable – necessary for the performance of the grant
  - Allocable – specific to this grant (not tied to multiple programs)
  - Reasonable – does not exceed what a prudent person would pay
  - Consistently applied – direct vs. indirect & this program vs. others
  - Adequately documented – record sufficiently supports the expense
- Record keeping and financial documents must be retained for 5 years after all funds have been expended
- Consult Subpart E for further information on these principles
- No payments should be made to individuals

# BUDGET TEMPLATE

- RFP will include formulated budget template that must be submitted with your grant application
- Budgeted expenses must fall into the following categories:
  - **Personnel (ie. salaries)**
  - **Fringe Benefits**
  - **Travel**
  - **Equipment**
  - **Materials & Supplies**
  - **Contractual**
    - **Partner Expenses**
    - **Consultants**
  - **Program**
  - **Other**
  - **Administrative Costs**
- **You do not have to budget for all categories.**

# HOW DO I GET STARTED?

- Start Early!!!!
- What resources do I need to achieve the outputs/outcomes of my grant?
  - Costs incurred by the grantee (what will pass through my bank account? What will I need to pay for?)
  - Remember start up and close out costs
  - No in kind or matching is required - do not include in the budget
- Follow the budget template
- Keep it simple!
  - Logical
  - Easily calculated
  - Think: How will I document this?
- Before submission, perform a “walk” between the proposal and the budget – is anything missing?
- Work with your finance partner (ie. Accountant, Finance Director, external firm)
- Come to a grant preparation session

# EXPENSE REPORTING AND MONITORING

- Payments will be made to grantees at the start of the grant period (July 2022) and after the midterm report (February 2023)
- Quarterly financial reports documenting expenditures of program funds for preceding three month period
  - TIF will review documentation to ensure that actual expenses are allowable and do not deviate unreasonably from the budget
  - Proof of payment will be required (ie. invoices, bank statements, check, pay stubs or payroll reports, etc.)
- TIF will work with grantees to monitor expenditure trends and support “course correction” to keep programs on track
- Funds not expended at the end of the grant period must be returned to TIF

# BUDGET EVALUATION

DOMAINS	WILL NOT CONSIDER FUNDING (0-1 points)	HESITANT TO CONSIDER FUNDING (2 – 3 points)	WILL CONSIDER FUNDING (4 – 5 points)
<b>Financial Management and budget</b> <b>Demonstrate the ability to account for grant funding and leverage other financial and/or in-kind support from other community partnerships</b>	Key expenses are neither described nor justified. The method for arriving at budgeted expense categories/ amounts is not provided.	Some expenses are described and justified. The method for arriving at budgeted expense categories/amounts is unclear or requires inference.	Key expenses are fully described and justified. The method for arriving at budgeted expense categories/amounts is clearly explained. Budget is directly connected to project description, goals, and timetable. Budget demonstrates commitment to money flowing to the hands of program participants and other residents that are asked to assist with program implementation.

# RESOURCES

- Visit Website: [ElevationGrant.org](https://ElevationGrant.org)
  - See slides from the grant information sessions held on March 24<sup>th</sup> and March 28<sup>th</sup>
  - Review this session recording and slides
- Consult the RFP beginning April 1<sup>st</sup>
- Refer to the hyperlinks shared in the slides and budget template
- Attend a grant preparation clinic
- Submit your question(s) to [ElevationGrant@cicf.org](mailto:ElevationGrant@cicf.org)

# GRANT PREPARATION CLINICS

- **Monday, April 11 from 12 – 3 pm @ Bethel Park**
- **Monday, April 11 from 5:30 – 7:30 pm (virtual)**
- **Wednesday, April 13 4:30 – 7:30 pm @ Fay Biccard Glick Center**
- **Monday, April 18 4:30 – 7:30 pm @ Riverside Park**

**Go to [ElevationGrant.org](https://ElevationGrant.org) to register for a session!**

**COMMENTS?  
QUESTIONS?**





# COST CATEGORY HIGHLIGHTS

# PERSONNEL (SALARIES & WAGES)

- Staff who will work for the benefit of the grant
  - Defined as W-2/Payroll employees
  - Budget should conform with the written policies of your organization
  - Rate of pay should be consistent with other Federal and non-federal work
  - Rate of pay should be comparable to that paid for similar work in the labor market

## Direct Personnel Expense Example:

- Full time  $\$48,000 = \$4,000/\text{month} \times 12 \text{ months}$
- Part-time  $\$24,000 = \$4,000/\text{month} \times 12 \text{ months} \times 50\%$
- Hours worked  $\$4,320 = \$24/\text{hr} \times 15 \text{ hours per month} \times 12 \text{ months}$ 
  - Watch for hours allocated to grant out of total available hours (ie. 2,000)

CFR Reference: [200.430 Compensation - personnel services](#)

# FRINGE BENEFITS

- Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, taxes, and unemployment benefit plans.
  - Applied consistently to this grant and other work
  - This number should be based on historicals or refer to your accountant to calculate the percentage

## Fringe Benefits Rate Example:

- Annual Salary = \$48,000
- Fringe Rate of 24.2% = \$11,620/\$48,000

Annual Salary		\$ 48,000.00
FICA/SUTA/IN-MC	15.00%	\$ 7,200.00
403b (Employer)	4.00%	\$ 1,920.00
Medical Insurance		\$ 2,500.00
Total Employer Paid Benefits		\$ 11,620.00
Benefit Rate		24.2%

*\*example is illustrative and not based on statutory or other rules your firm may follow*

CFR Reference: [200.431 Compensation - fringe benefits](#)

# TRAVEL

- Staff to travel locally and is based on an actual calculation of miles and a reimbursable mileage rate. May also include lodging and daily per diem if traveling out of town for a conference.
- Local travel is defined as domestic travel within the US and not international travel.
- Use your organizations travel policy for budgeting purposes.
- The GSA has per diem and accommodation guidance for budgeting reference.
- Actual costs incurred will be reimbursed (not budgeted values).

CFR Reference: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.475>

# EQUIPMENT & SUPPLIES/MATERIALS

- **Equipment** reflects the purchase of items in excess of \$5,000 per item with a useful life greater than 1 year. Typically not used for operating programs. Equipment **will need** prior approval and would need to be inventoried. Disposition instructions would be sought at the conclusion of the grant.

CFR Reference:

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.439>

- **Supplies** may include program-related supplies such as items needed to administer an afterschool program as well as office supplies. Materials & supplies are not equipment.

CFR Reference:

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.453>

# CONTRACTUAL

## **Partners (ie. organizations)**

- Other organizations receiving grant funds
- Name organizations in the proposal, otherwise, will need to follow fair competition practices (ie. open competition)
- Budgets should be evaluated using the same cost principles applied to the Lead

## **Consultants (ie. individuals)**

- NOT W-2/Payroll employees
- Receive 1099 for labor performed under consultancy
- Rate of pay should be reasonable for similar work in the market and/or supported by other similar work by the consultant
- Fair competition practices should be used

CFR Reference: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.318>

# PROGRAM EXPENSES

- Activities conducted with grant funds and not included elsewhere in the budget.
- Program expenses can include, but not be limited to
  - Evaluations, research, surveys, trainings, meetings, media, programs, vehicle rental, etc.
- Like all other costs presented, should reflect expenses incurred by the grantee to administer the program and directly related to the objectives of the grant.
- Costs should be subject to 2 CFR 200 Subpart E Cost Principles
- **WATCH OUT FOR:**
  - No payments of cash or checks to individuals
  - Any food purchased must be clearly tied to a program activity and supported with receipts

# ADMINISTRATIVE COSTS

- Administrative costs are those incurred for a common or joint purpose benefiting more than one objective/project. Administrative expenses must be allocated consistently to each objective/project and so to not disproportionately burden an objective/project.

## Types of F&A Costs:

- Facilities - depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses.
- Administration - is defined as general administration and general expenses such as the director's office, maintenance, accounting fees, insurance, office internet, fire protection maintenance, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable).

CFR Reference: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRd93f2a98b1f6455/section-200.414>

# ADMINISTRATIVE COSTS IN BUDGET

- **Option 1:** If your organization has an approved NICRA, it must be applied consistently with this grant as with other Federal work.
- **Option 2:** If your organization does not currently have a NICRA, you may charge a de minimis rate of 10% of modified total direct costs (MTDC). Costs presented as direct should not also be charged as indirect. Apply consistently with other Federal awards.
- **Option 3:** Direct charge administrative expenses. The proposed cost should be presented consistently with similar work and have a reasonable allocation rationale described in the budget notes. If this option is chosen, change the “Administrative Cost” section in the budget template to allow for multiple line items and add each category to the template. **Check your totals!**

# DE MINIMIS

- Any non-Federal entity that does not have a current negotiated rate, may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. No documentation is required to justify the 10% de minimis indirect cost rate. As described in [§ 200.403](#), costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time
- Subject to \$25,000 cap on each subawards
- Intended to reduce the effort of calculating an indirect rate and for grantors to evaluate and audit a proposed rate

CFR Reference: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.332>

# OPTION 3 EXAMPLE: DIRECT ALLOCATION BASIS

- If this option is chosen, describe the allocation rationale for each administrative expense allocated to the budget. You can provide the detail on a support tab in the excel template, if needed, or update the budget template summary to allow for more line items. The allocation rationale and cost descriptions would be included in the grantee budget narrative.

## Administrative Expense Allocation Example:

In this example, the grantee would budget for \$19,724 in administrative expenses. If Direct Costs + Personnel Costs total \$75,000, then the indirect rate would be 26.3% for a total grant budget of \$94,724.

Cost Category	Total Projected Cost over Grant Period	Allocation Rate	Allocated Expense	Allocation Rationale
Insurance	\$ 7,000	25.0%	\$ 1,750	3 Persons working for grant out of 12 total staff
Internet	\$ 3,000	25.0%	\$ 750	3 Persons working for grant out of 12 total staff
Executive Director S+B	\$ 59,620	20.0%	\$ 11,924	Percent of time supporting grant
Software + IT	\$ 2,000	25.0%	\$ 500	3 Persons working for grant out of 12 total staff
Rent (Annual)	\$ 12,000	40.0%	\$ 4,800	400 sqft dedicated for grant out of 1,000 total sqft
<b>Total Administrative Expense</b>			<b>\$ 19,724</b>	

# MODIFIED TOTAL DIRECT COST

- Means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award).
- MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

CFR Reference:

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>

# SUBPART E – COST PRINCIPLES

- **Cost principles** establish principles for determining the allowable costs incurred by non-Federal entities under Federal awards. The principles are designed to provide that Federal awards bear their fair share of cost recognized under these principles except where restricted or prohibited by statute.

CFR Reference: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200>

# UNALLOWABLE COSTS

- Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising). A List of most commonly unallowable costs and costs allowed with exceptions are included in the attached reference:

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Alcoholic beverages	2 CFR § 200.423	Unallowable
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Fines, penalties, damages and other settlements <i>*this includes speeding tickets or parking fines</i>	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)



Microsoft Word  
Document

*\*refer to the attached document for a more comprehensive list of special cost references*

# SUBPART F – AUDIT REQUIREMENTS

- ***Audit required.*** A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

CFR Reference: <https://www.ecfr.gov/current/title-2/part-200/subpart-F>