

# Budgets

Webinar 4

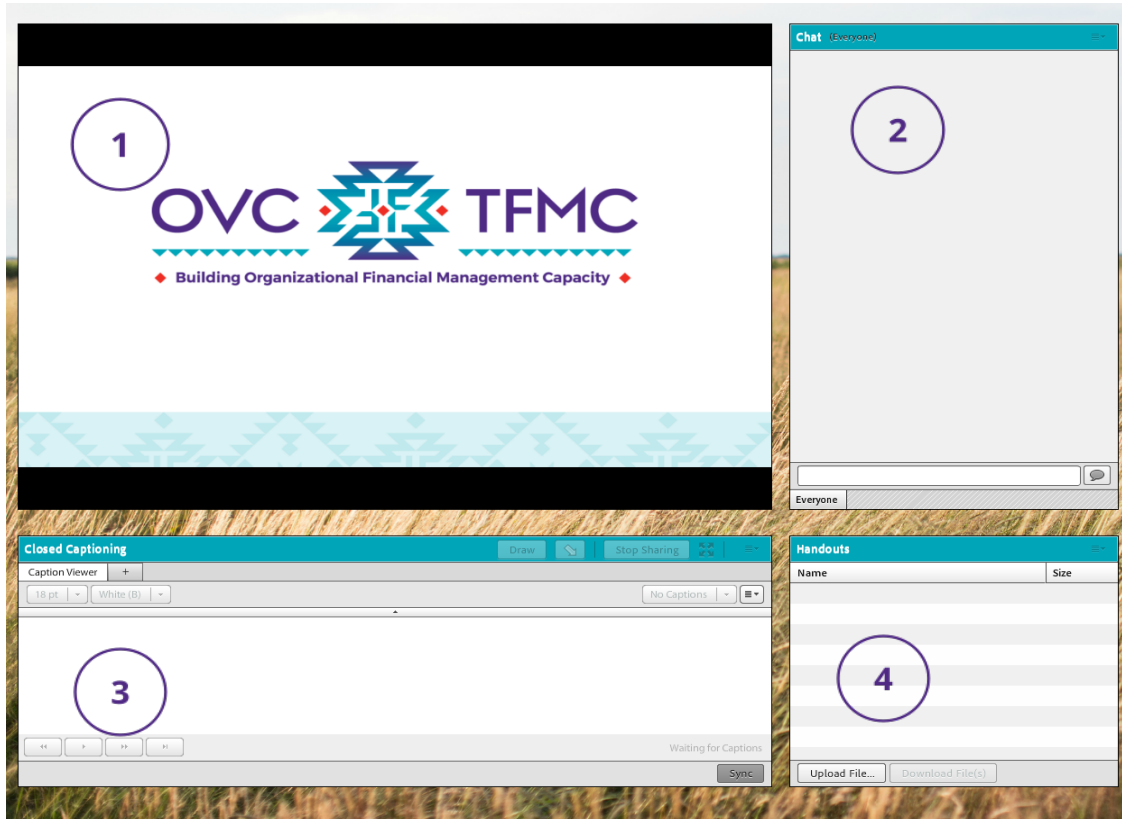
Presenters:

Tamara Fulwyler, MPH (Chickasaw), Financial Management Specialist and  
Sheree L. Hukill, JD, TFMC Project Director



## Using Adobe Connect

1. Presentation
2. Chat/Q&A
3. Closed Captioning
4. Handouts





## Webinar Producer



**Kat Negron**  
Webinar Producer  
Fairfax, VA



## Webinar Speakers



- ◆ Tamara Fulwyler, MPH (Chickasaw)
- ◆ Financial Management Specialist
- ◆ Puyallup, WA



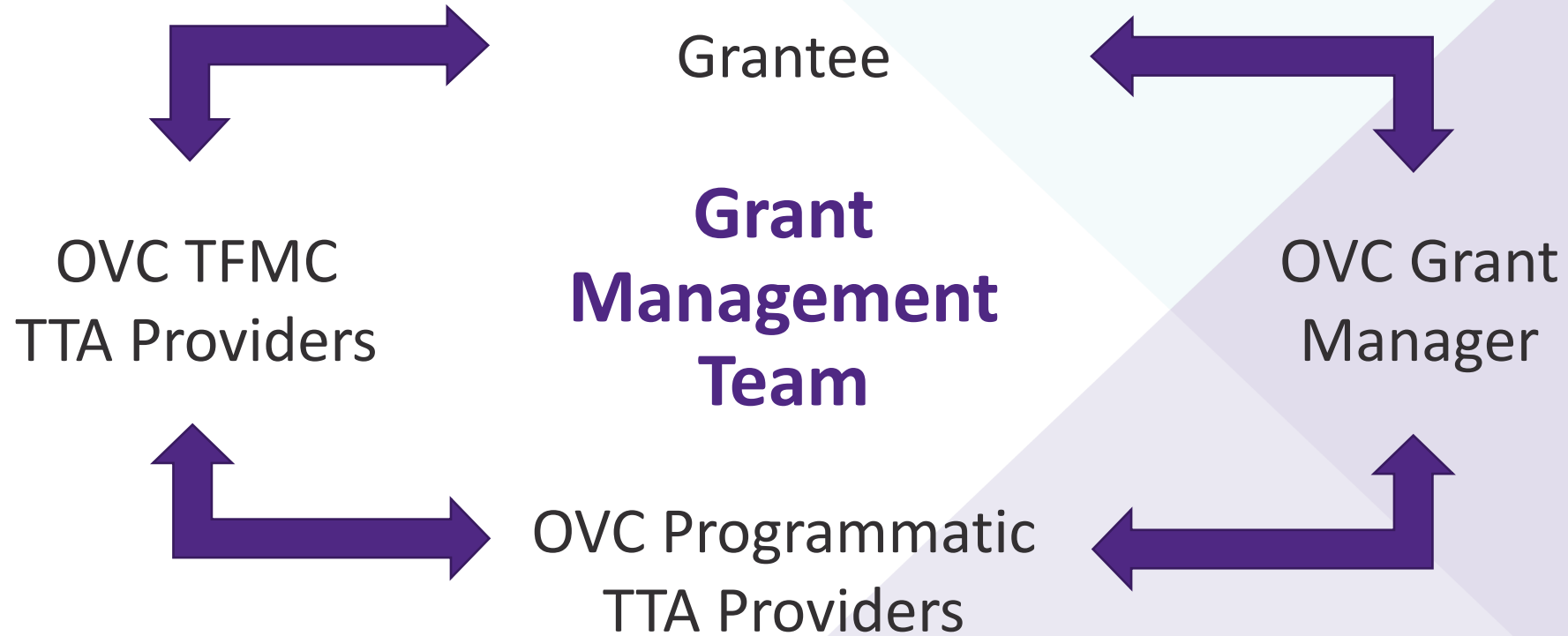
- ◆ Sheree L. Hukill, JD
- ◆ TFMC Project Director
- ◆ Skiatook, OK



## Webinar Objectives

After completing this webinar, you will be able to—

- ◆ Identify three resources to help with budgets
- ◆ Describe the difference between project and tribal entity budgets
- ◆ List five good budget development practices
- ◆ Identify the major components of a budget policy
- ◆ List the six steps of the budget development process
- ◆ Identify the resources for submitting a budget Grant Adjustment Notice (GAN)





# OVC Tribal Financial Management Center





## Training and Technical Assistance (TTA) Approach

- ◆ Individualized virtual and onsite TA sessions
- ◆ Virtual Support Center consults
- ◆ Webinars
- ◆ Peer-sharing web forums
- ◆ Regional workshops
- ◆ Learning Circles
- ◆ Needs assessments





## OVC TFMC Virtual Support Center (TFMC VSC)

- ◆ Provides OVC tribal grantees with financial grant management support and information
- ◆ OVC tribal grantees may submit questions and/or requests for technical assistance to the TFMC VSC



### Contact Us

**Email:** [TFMC@OVCTFMC.org](mailto:TFMC@OVCTFMC.org)

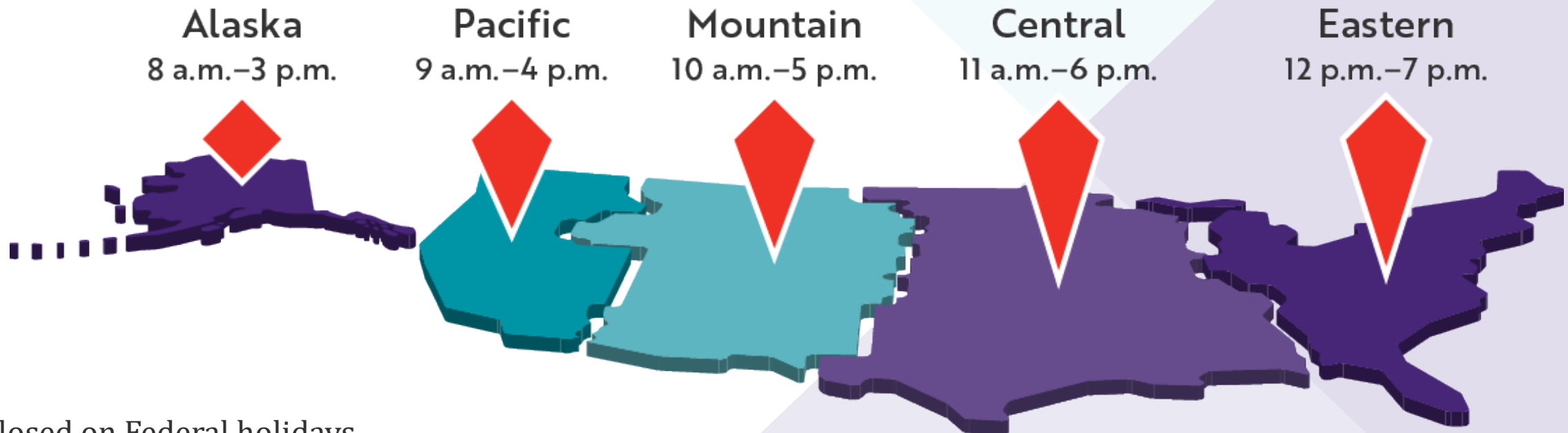
**Phone:** 703.462.6900

**Website:** <https://www.ovctfmc.org/>



## OVC TFMC Virtual Support Center (VSC)

Hours of Operation: Monday – Friday





## Our Promise: Cultural Humility

We begin with a commitment to develop an understanding of the community cultures, practices, and traditions of each tribal entity and a respect for community traditions, stories, and practices.





## What is the Difference Between Project Budgets and Tribal Entity Budgets?

- ◆ **Project Budget** – Built for a single program with specific activities over multiple years
- ◆ **Tribal Entity Budget** – Includes all projects, plus administrative and operations items for one fiscal year





## Poll #1 – What type of budgets have you worked on?

- ◆ Project
- ◆ Tribal entity
- ◆ Both





## Steps for Building a Project Budget

1. Outline the project activities
2. Break the activities into specific costs
3. Assign the costs to the appropriate cost categories

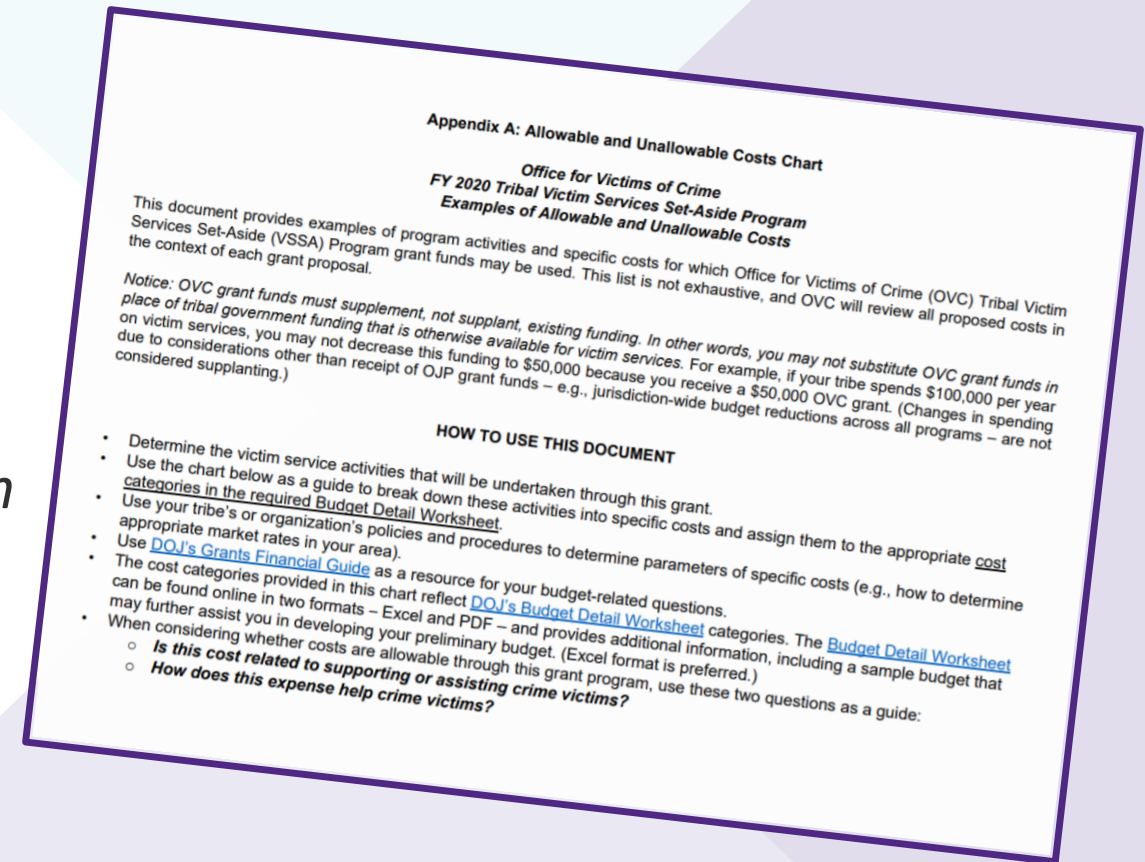




# Allowable and Unallowable Costs

## Appendix A: Allowable and Unallowable Cost Chart

### Office for Victims of Crime FY 2020 Tribal Victim Services Set-Aside Program Examples of Allowable and Unallowable Costs





## Project Budget Categories

Expenditures align with these categories:

personnel, fringe benefits, travel, equipment, supplies, contractual, and other.

Budget Category
A. Personnel
B. Fringe Benefits
C. Travel
D. Equipment
E. Supplies
F. Construction
G. Subawards (Subgrants)
H. Procurement Contracts
I. Other
<b>Total Direct Costs</b>
J. Indirect Costs
<b>Total Project Costs</b>





# Budget Detail Worksheet and Narrative

## EXAMPLE

Does this budget contain conference costs which is defined broadly to include meetings, retreats, seminars, symposia, and training activities? - Y/N  
[\(DOJ Financial Guide, Section 3.10\)](#)

### A. Personnel

Name		Position		Computation						
<i>List each name, if known.</i>		<i>List each position, if known.</i>		<i>Show annual salary rate &amp; amount of time devoted to the project for each name/position.</i>						
Add Personnel		Delete Selected		Salary	Rate	Time Worked (# of hours, days, months, years)	Percentage of Time	Total Cost	Non- Federal Contributi	Federal Request
John Smith	Executive Director	\$140,000	yearly	1	5%	\$7,000	\$0	\$7,000		
Jane Doe	Project Manager	\$90,000	yearly	1	75%	\$67,500	\$0	\$67,500		
Alex Jones	Program Assistant	\$22	hourly	1,040	100%	\$22,880	\$0	\$22,880		
<b>Total(s)</b>							\$97,380	\$0	\$97,380	

### Narrative

Add Additional Narrative Text Area

John Smith, Executive Director, will provide oversight on the entire award providing 5% of this time to the project.  
 Jane Doe, Project Manager, will manage the project, complete reports, and submit deliverables spending 75% of her time on the project.  
 Alex Jones, Program Assistant, will provide the project manager assistance where needed spending 1,040 hours on the project.

### B. Fringe Benefits

Name		Computation						
<i>List each grant-supported position receiving fringe benefits.</i>		<i>Show the basis for computation.</i>						
Add Benefit		Delete Selected		Base	Rate	Total Cost	Non- Federal Contributi	Federal Request
John Smith		\$7,000		25.00%	\$1,750	\$0	\$1,750	



## Budget Detail Worksheets

### **PERSONNEL**

Year One

**January 1, 2020 – December 31, 2021:**

#### **Project Director**

**\$37 per hour X 173.33 hours/month X 12 months X 10%**

The Project Director will be assigned at 0.1 FTE to provide oversight and guidance to ensure compliance with the approved project design, purpose, and budget

#### **Project Manager**

**\$25 per hours X 173.33 hours/month X 12 months X 100%**

The Project Manager will be assigned at 1.0 FTE to provide day-to-day support for the Project Director and the Case Manager in fulfilling the approved project design and purpose within the parameters of the project budget



**FRINGE**

January 1, 2020 – December 31, 2020:

**Project Director (Fringe)**

FICA	7.65% X \$364 X 3 months
SUTA	2.20 X \$364 X 3 months
IRA Match	3.00% X \$364 X 3 months
Medical	\$638 X 3 months
Dental	\$19.50 X 3 months
Worker's Compensation	4.53% X \$364 X 3 months

**Project Manager (Fringe)**

FICA	7.65% X \$3293 X 3 months
SUTA	2.20 X \$3293 X 3 months
IRA Match	3.00% X \$3293 X 3 months
Medical	\$638 X 3 months
Dental	\$19.50 X 3 months
Worker's Compensation	4.53% X \$3293 X 3 months

**Narrative  
Justification  
for Every Cost**



## Narrative Justification for Every Cost

### **SUPPLIES**

*The Project Manager and Case Manager positions are new positions and will need the following items to properly equip their offices.*

- ◆ **Computer, monitor, keyboard, mouse, and printer:** \$2942 X 2 Project Staff from Best Buy
- ◆ **Office furniture:** \$518 X 2 Project Staff for Desk from Powell's Office Supply
- ◆ **Locking filing cabinet with bookshelf:** \$907 X 2 Project Staff from National Furniture Supply
- ◆ **Office chair:** \$150 X 2 Project Staff from National Furniture Supply
- ◆ **General office supplies:** \$100 per month X 2 Project Staff X 3 months (copy paper, legal pads, notebooks, file folders, highlighters, pens, pencils, tape, printer ink)



# VSSA Project Budgets

OVC Tribal Financial Management Center

Budget Category	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Totals
A. Personnel	\$30,416	\$0	\$121,680	\$0	\$130,416	\$0	\$0	\$0	\$0	\$0	\$282,512
B. Fringe Benefits	\$6,497	\$0	\$25,969	\$0	\$25,969	\$0	\$0	\$0	\$0	\$0	\$58,435
C. Travel	\$0	\$0	\$10,670	\$0	\$11,641	\$0	\$0	\$0	\$0	\$0	\$22,311
D. Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
E. Supplies	\$9,845	\$0	\$2,400	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0	\$15,245
F. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G. Subawards (subgrants)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
H. Procurement Contracts	\$1,080	\$0	\$1,080	\$0	\$1,080	\$0	\$0	\$0	\$0	\$0	\$3,240
I. Other	\$195,998	\$0	\$195,998	\$0	\$195,998	\$0	\$0	\$0	\$0	\$0	\$587,944
<b>Total Direct Costs</b>	<b>\$243,836</b>	<b>\$0</b>	<b>\$357,797</b>	<b>\$0</b>	<b>\$368,104</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$969,737</b>
J. Indirect Costs	\$52,333	\$0	\$35,507	\$0	\$28,373	\$0	\$0	\$0	\$0	\$0	\$116,213
<b>Total Project Costs</b>	<b>\$296,169</b>	<b>\$0</b>	<b>\$393,304</b>	<b>\$0</b>	<b>\$396,477</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,085,950</b>

Does this budget contain conference costs that are defined broadly to include meetings, retreats, seminars, symposia, and training activities? Y/N No



**Chat Box Question #1 – What financial tool supports a tribal entity's overall action plan?**





## Tribal Entity Budget

A tribal entity budget is the financial tool for supporting a tribal entity's overall action plan.





## Tribal Entity Budget Categories

Budget FY19	Victim Services	Shelter	Community Peacemaking	Programs Sub-Total	Admin/OPS	Fundraising
Salaries	867,221	476,894	19,514	1,344,115	1,215,589	38,433
Fringe Benefits	302,720	132,960	5,746	435,680	364,677	11,530
Communications	19,836	14,788		34,624	34,000	1,500
Supplies	94,914	11,800	14,750	107,714	15,000	1,000
Printing	11,251	2,500		13,751	11,975	
HR Support/ Recruitment	0	2,000		2,000	5,000	
Local Travel	24,416	13,000	1,680	37,416	2,500	
Staff Development		4,500			12,500	
Training/Travel	78,763	30,000		108,763	10,000	
Audit Expense	0			0	6,500	
Utilities	7,400			7,400	25,000	
Contractual	189,334	4,000		193,334	113,500	
Rent/Facilities				0	99,084	500
Lease Equipment		3,300		3,300	500	1,300
Maintenance	2,842			2,842	21,672	
Depreciation		0			903	
Insurance	703	1,800		2,503	14,000	
IT Software Support	2,670	30,650		33,320	31,000	
Noncapital Equipment	5,781	10,000		15,781	13,000	
Client Services	656,012				0	
Community Partners	2,509,975	6,520,066		9,030,041	0	
<b>Total Direct</b>	<b>4,774,838</b>	<b>7,258,258</b>	<b>41,330</b>	<b>12,033,096</b>		
<b>Total Indirect</b>	<b>664,222</b>	<b>1,332,178</b>	<b>6,737</b>	<b>1,996,400</b>		
<b>Total Program Budget</b>	<b>5,439,060</b>	<b>8,590,436</b>	<b>48,067</b>	<b>14,077,563</b>	<b>1,996,400</b>	<b>54,263</b>





## Financial Management Practices

To ensure effective use of grant funds, program staff's use of sound financial management practice is vitally important.

- 1. Policies**
- 2. Processes**
- 3. Practices**



## Poll #2 – Does your tribal entity have a written budgeting policy?

- ◆ Yes
- ◆ No





## Major Components of a Budget Policy

### POLICY

- ◆ Who is responsible for developing the entity budget and who is involved?
- ◆ Who approves it (Council/Board of Directors) and when?
- ◆ Under what circumstances would the budget be modified?
- ◆ What level of responsibility do program managers have for making line item changes to their budgets? Who approves the modifications?
- ◆ Is it possible to move budget dollars from one program to another? If so, who approves?



## Major Component of a Budget Policy

### PROCEDURE

- ◆ What are the procedures for developing and modifying the budget?
- ◆ Are there any other specific requirements (i.e. budgeting by month, including a cash flow projection)?
- ◆ What is the process for program managers to adjust their budgets?
- ◆ What is the process for moving budgeted amounts between programs?



## Poll #3 – What is the purpose for creating a budgeting process?

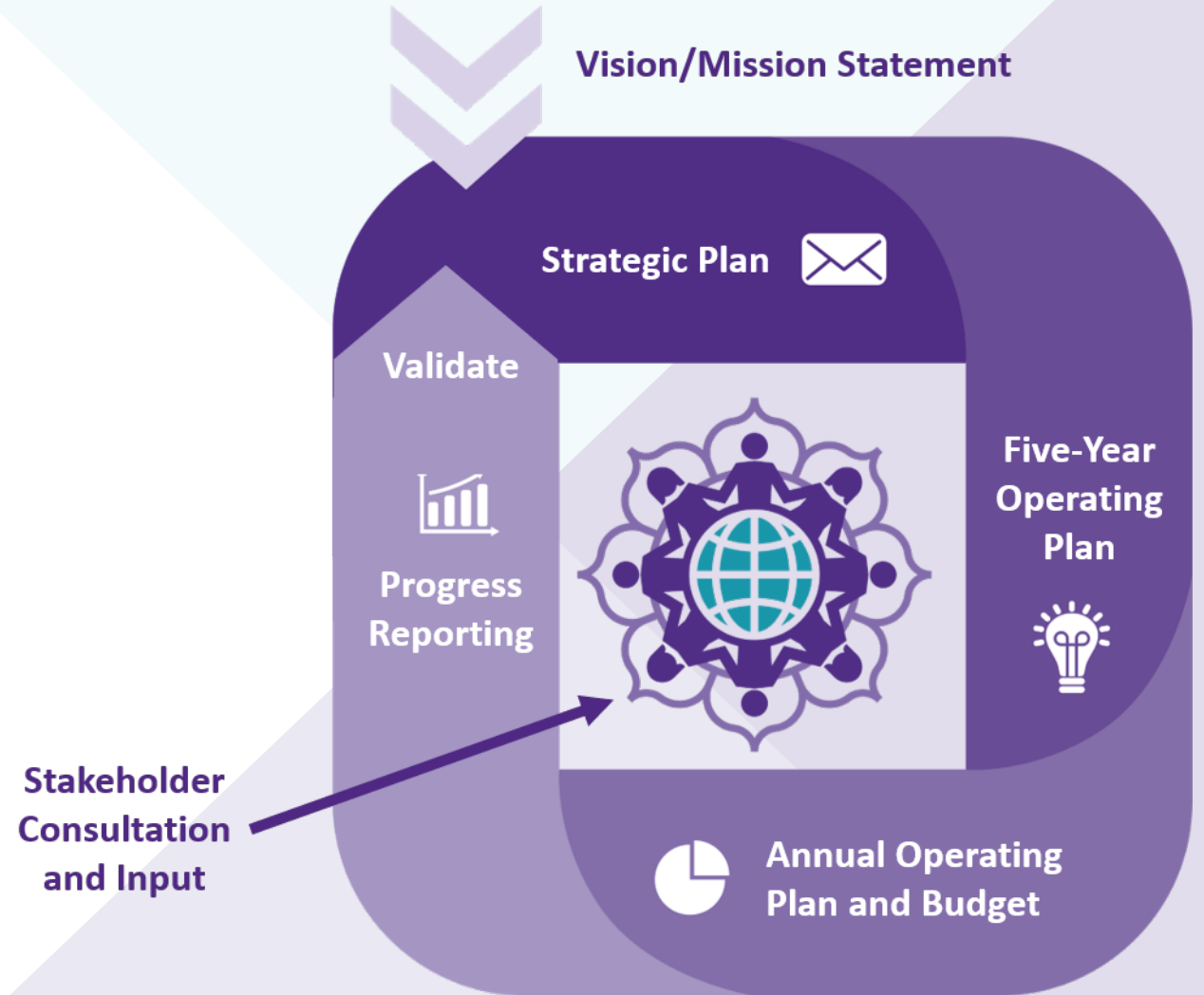
- ◆ Control finances
- ◆ Guide work of the entity
- ◆ Give accurate reports to funders
- ◆ Expend grant funds as promised
- ◆ All the above





## Budget Team and Steps

It's a complex process with a lot of steps and a lot of people!



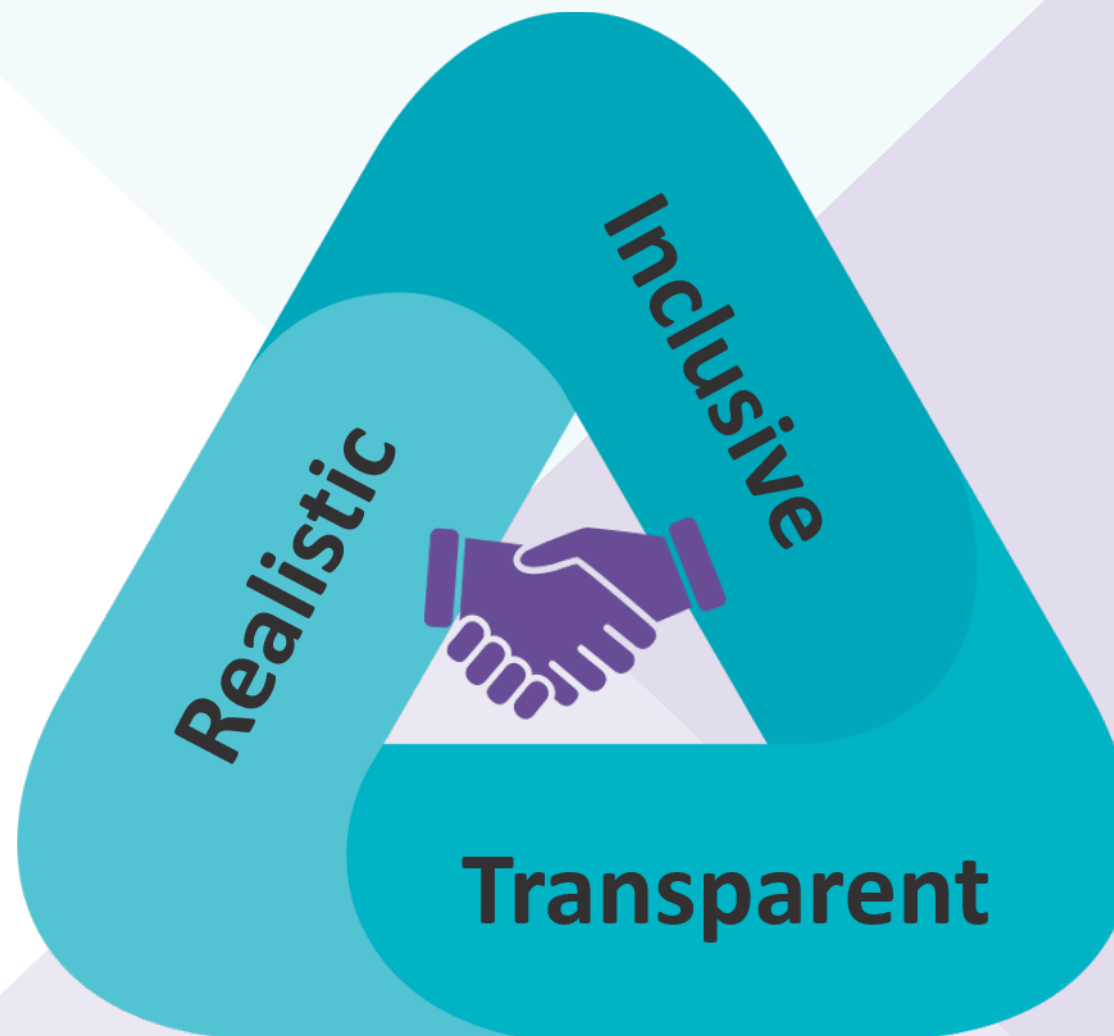


## Six Step Budget Development Process





## 1. Create a Team







## 2. Develop a Budget Timeline and Tasks





### 3. Gather Information



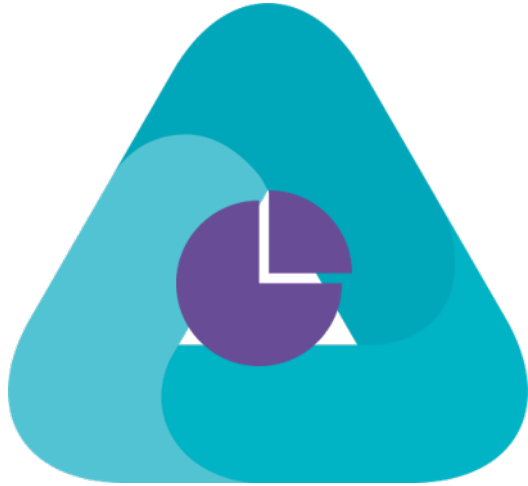


## 4. Build the Budget

### Estimate Income/Revenue

List all actual figures or estimates of amounts expected from known funding sources.

Any Tribe, USA		
Income	Year	Narrative
Anytown Foundation	20,000	Anytown Community Foundation (Unrestricted)
Trainings	2,000	Training to Community on Domestic and Sexual Violence (Unrestricted)
Individual Donors	5,000	Individual Donations to Agency (Unrestricted)
Pow Wow	10,000	Pow Wow (Unrestricted)
State Fund	24,000	State Funding (Temporarily Restricted)
United Way	30,000	Local or Regional Worksite Giving Program (Unrestricted)
Federal Award	40,000	Victims of Crime Act (Federal, Temporarily Restricted)
	131,000	



## 4. Build the Budget (continued) Estimate Expenses

Expense	
Salaries	72,000
Fringe	10,800
Rent	14,400
Utilities	2,400
Phone	1,800
Internet	600
Insurance	5,400
Office Supplies	2,000
Program Supplies	12,000
Office Equipment	6,000
Fund Raising Expenses – Non-federal Funds	1,000
Consultant Fees	2,500
<b>Total</b>	<b>130,900</b>



## 4. Build the Budget (continued) Compare Total Expenses to Total Income

Any Tribe, USA	
Income	Year
Anytown Foundation	20,000
Trainings	2,000
Individual Donors	5,000
Pow Wow	10,000
State Fund	24,000
United Way	30,000
Federal Award	40,000
<b>Total</b>	<b>131,000</b>

Expense	
Salaries	72,000
Fringe	10,800
Rent	14,400
Utilities	2,400
Phone	1,800
Internet	600
Insurance	5,400
Office Supplies	2,000
Program Supplies	12,000
Office Equipment	6,000
Fund Raising Expenses – Non-federal Funds	1,000
Consultant Fees	2,500
<b>Total</b>	<b>130,900</b>



## 4. Build the Budget (continued)

### Making Up a Gap in the Budget

- ◆ Use money in the bank from prior years to close the gap
- ◆ Cut expenses by eliminating some items
- ◆ Reduce staff hours
- ◆ Reduce staff





## Poll #4 – Which role do you play on your budget team? Select all that apply.

Person who:

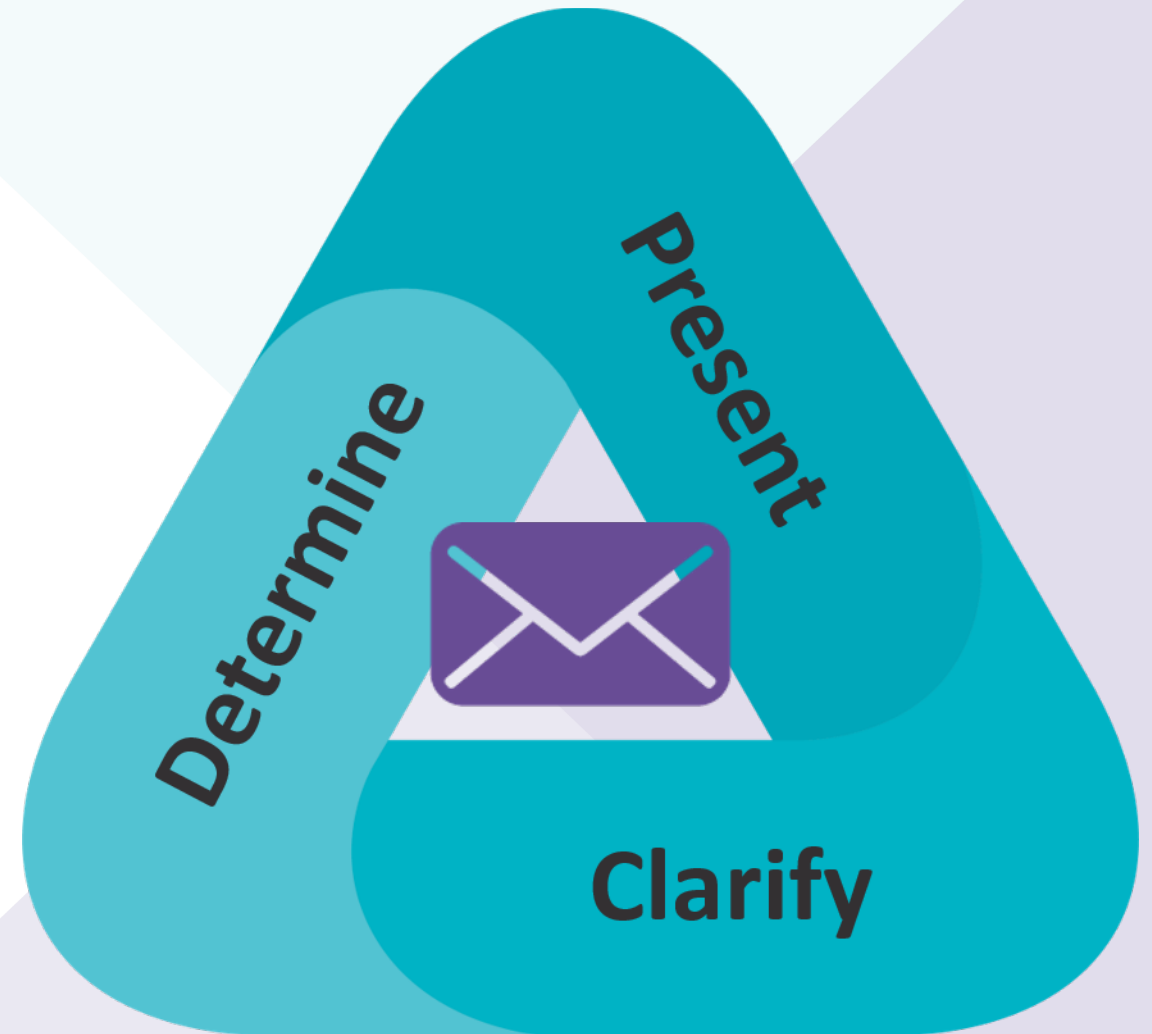
- ◆ Builds the budget
- ◆ Holds the “yes/no” decision making responsibility
- ◆ Contributes information to the builder of the budget
- ◆ Receives information after the budget is approved





## 5. Obtain Budget Approval

- ◆ Present budget for approval
- ◆ Clarify roles and expectations for budget monitoring
- ◆ Determine budget-to-actual report format and plan for distributing

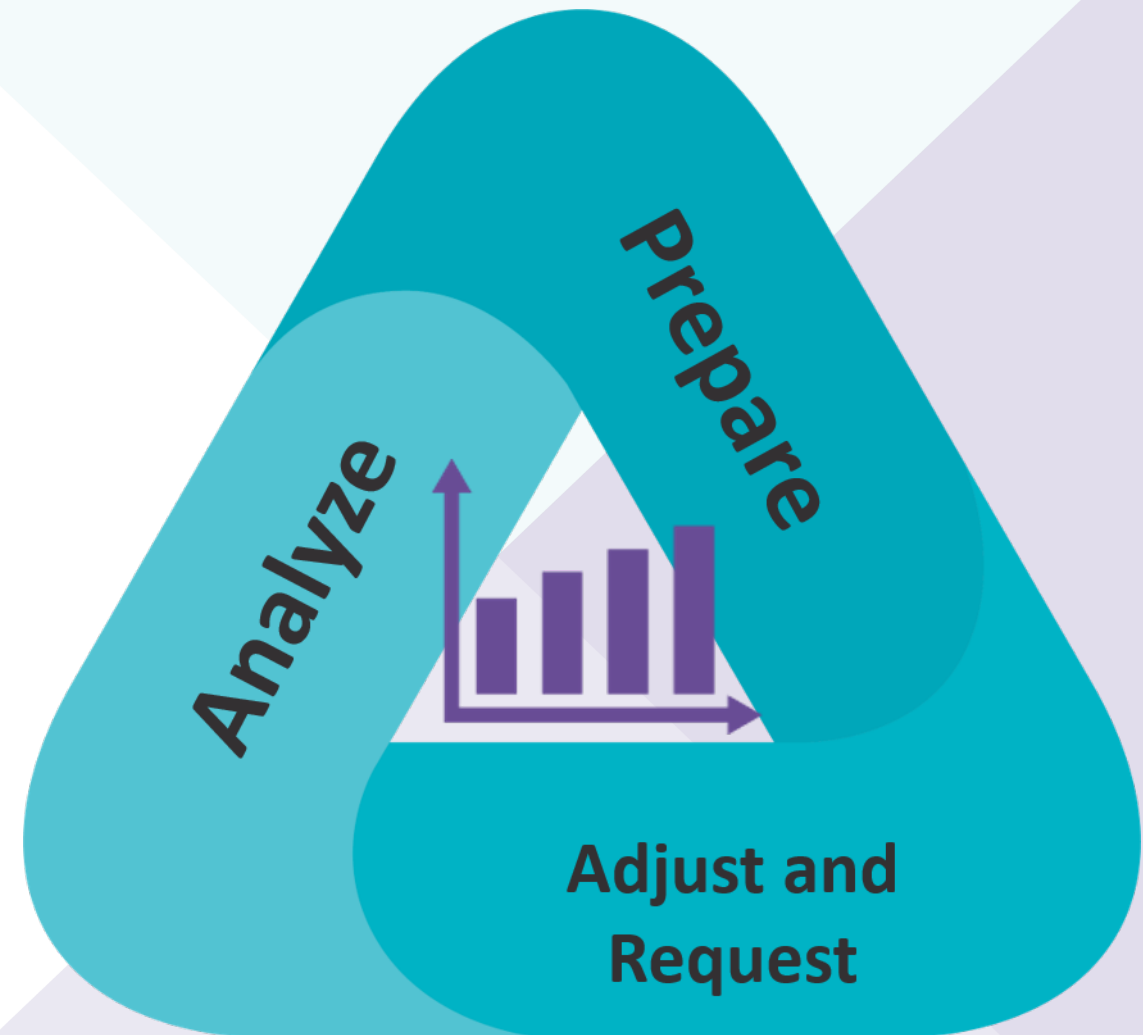






## 6. Monitor the Budget

- ◆ Prepare accurate and timely budget-to-actual reports
- ◆ Adjust plans to keep numbers on track
- ◆ Request budget modification, if necessary
- ◆ Analyze budget variances





## Chat Box Question #2

On this table, what are some possible reasons for variables? Type your answer in the Chat Box.

Item	Budget	Actual	Favorable Variance (Unfavorable Variance)
Revenue	210,000	190,000	(20,000)
Salaries	140,000	100,000	40,000
Non-Labor Expenses	60,000	63,000	(3,000)
Surplus (Deficit)	10,000	27,000	17,000





# Budget-to-Actual Report

Bear Valley Safety Services: Budget 10/1/2018-9/30/2019	Expenditures June 2019	Year-to-Date Expenses	Total Budget \$ - Original	BALANCE OF UNSPENT FUNDS	% Expended Y-T-D
<b>Expenditures</b>					
Indirect Cost	0	18,590	24,768	6,196	75.00%
Salaries	99,245	156,109	167,454	11,345	93.23%
Fringe-Employer P/R Taxes	14,323	32,976	64,283	31,307	51.30%
Annual Leave	0	15,688	0	(15,688)	
Communications	3,876	22,987	25,897	2,910	88.76%
Consumable Supplies	838	34,876	44,987	10,111	77.52%
Program Supplies	4,498	88,987	126,991	38,004	70.07%
Copying	0	0	300	300	0.00%
Local Travel	1,717	8,567	7,500	(1,067)	114.23%
Training Costs & Travel	512	19,397	22,547	3,150	86.03%
Contractual-Personal Service	0	0	400	400	0.00%
Computers <\$5,000	0	3,045	0	(3,045)	
Total Direct Costs	125,009	382,633	460,359	<u>77,726</u>	83.12%
<b>Total Expenditures</b>	<b>125,009</b>	<b>401,223</b>	<b>485,145</b>	<b>83,922</b>	<b>82.70%</b>



**Chat Box Question #3 - What might be going on with the 3 “red” items?**

Type your answer in the Chat Box.

Bear Valley Safety Services: Budget 10/1/2018-9/30/2019	Expenditures June 2019	Year-to-Date Expenses	Total Budget \$ - Original	BALANCE OF UNSPENT FUNDS	% Expended Y-T-D
<b>Expenditures</b>					
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Annual Leave	0	15,688	0	(15,688)	
Communications	3,876	22,987	25,897	2,910	88.76%
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# Let's Review Sound Budgeting Practices





# Budget Revision Explanation

Grantee requests approval to move funds in the approved original detailed line item budget from one budget category to another during grant Year 2.

EXAMPLE			
Year 2 Dates (Jan 1 – Dec 31, 2020)	Original Fed Request	Fed Rev +/-	New Fed Request
<b>Personnel</b>			
Executive Director	\$ 7,000.00		\$ 7,000.00
Project Manager	\$ 67,500.00		\$ 67,500.00
Program Assistant	\$ 22,880.00		\$ 22,880.00
Legal System Advocate	\$ 75,000.00	\$ (75,000.00)	-
SUBTOTAL PERSONNEL	\$ 172,380.00	\$ (75,000.00)	97,380.00
<b>Fringe Benefits</b>			
FICA (7.65%)	\$ 13,187.07	\$ (5,737.50)	\$ 7,449.57
Unemployment Insurance (3% )	\$ 5,171.40	\$ (2,250.00)	\$ 2,921.40
Workers Comp Ins. (0.75%)	\$ 1,292.85	\$ (562.50)	\$ 730.35
401(K) Retirement (4%)	\$ 3,895.20	-	\$ 3,895.20
Health/Dental/Vision Insurance (1.75%)	\$ 3,016.65	\$ (1,312.50)	\$ 1,704.15
SUBTOTAL FRINGE BENEFITS	\$ 26,563.17	\$ (9,862.50)	\$ 16,700.67



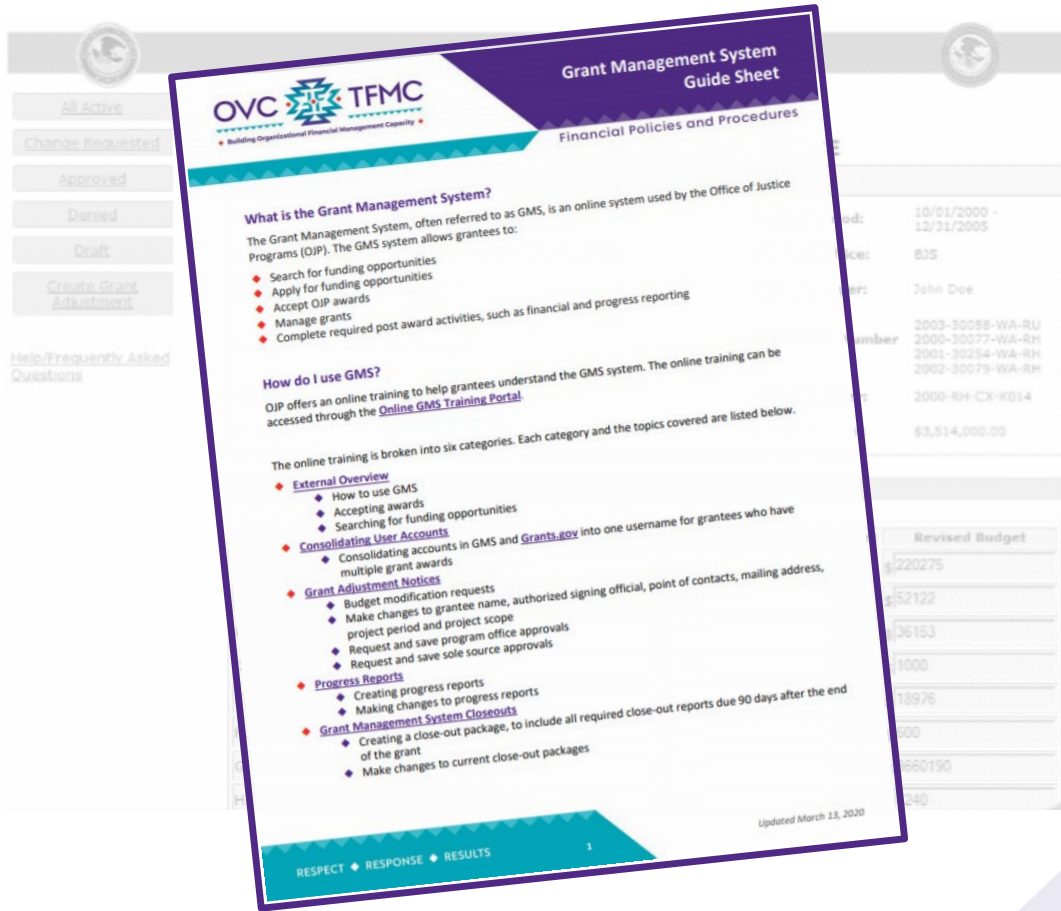
# Budget Revision Explanation

Grantee requests approval to move funds in the approved original detailed line item budget from one budget category to another during grant Year 2.

EXAMPLE (Cont'd)			
Year 2 Dates (Jan 1 – Dec 31, 2020)	Original Fed Request	Fed Rev +/-	New Fed Request
<b>Supplies</b>	\$ 500.00		
Printer	\$ 1,000.00	\$ (637.50)	\$ 362.50
Locking File Cabinet	\$ 400.00		\$ 400.00
Office Supplies (Paper, Toner, Pens, Staples)			\$ -
SUBTOTAL SUPPLIES	\$ 1,550.00	\$ (637.50)	\$ 912.50
<b>Construction</b>			\$ -
SUBTOTAL CONSTRUCTION	\$ -	\$ -	\$ -
<b>Procurement Contracts</b>			
NW Legal Services/Legal Advocate	\$ -	\$85,500.00	\$85,500.00
SUBTOTAL PROCUREMENT CONTRACTS	\$ -	\$85,500.00	\$85,500.00
<b>Other</b>			
SUBTOTAL OTHER	\$ -	\$ -	\$ -
<b>YEAR 2 SUBTOTAL</b>	\$ 200,493.17	\$ -	\$ 200,493.17
<b>Indirect Charges (Negotiated rate %)</b>	\$ 30,855.90		\$ 30,855.90
<b>TOTAL YEAR 2</b>	\$ 231,349.07	\$ -	\$ 231,349.07



# Grant Adjustment Notice (GAN) Guide Sheet



- ◆ TFMC created and published a Guide Sheet on creating and submitting GANs
- ◆ [This guide sheet is available for download here.](#)





# OJP Grants Management System (GMS) Computer Based Training

Online training on the GAN is available at:

<https://ojp.gov/gmscbt/>





## Poll #5 – Have you ever used the GAN process in GMS?

- ◆ Yes
- ◆ No





## Webinar Objectives

Now you have completed this webinar, you will be able to—

- ◆ Identify three resources to help with budgets
- ◆ Describe the difference between project and tribal entity budgets
- ◆ List five good budget development practices
- ◆ Identify the major components of a budget policy
- ◆ List the six steps of the budget development process
- ◆ Identify the resources for submitting a Grant Adjustment Notice (GAN)



# Questions and Answers

Submit your questions via the Chat Pod.





## OVC TFMC Offerings Planned for 2020

- ◆ Procurement (Purchasing Procedures) Webinar
- ◆ Understanding the SF-425 Webinar
- ◆ Virtual Learning Circles



## References and Resources

- ◆ **The Community Toolbox.** <https://ctb.ku.edu/en/table-of-contents/finances/managing-finances/annual-budget/main>
- ◆ **OVC Training and Technical Assistance.** <https://www.ovcttac.gov/views/TrainingMaterials/NVAA/EMS/dspFinancialMgmt.cfm>
- ◆ **OVC Tribal Financial Management Center, Guide Sheet on Creating an Entity Budget.** [https://mcusercontent.com/1603316364d7d2df3ca86736d/files/ac587af6-fb53-42ba-b22e-6a594920866c/Entity\\_Budgets.pdf](https://mcusercontent.com/1603316364d7d2df3ca86736d/files/ac587af6-fb53-42ba-b22e-6a594920866c/Entity_Budgets.pdf)

**The OVC Tribal Financial Management Center (TFMC)** provides **training, technical assistance, and resources** to support American Indian and Alaska Native communities as they successfully manage the financial aspects of their federal awards. OVC TFMC also offers support via our Virtual Support Center (VSC) to Office of Victims of Crime (OVC) grantees and those seeking federal funding from OVC for the first time. **Email questions or requests for grant financial management technical assistance to [TFMC@ovctfmc.org](mailto:TFMC@ovctfmc.org).** Visit [OVCTFMC.org](https://OVCTFMC.org) for additional resources and information.



**Thank you for participating!**