

OREGONSERVES BUDGET TIPS- AMERICORPS BUDGET DEVELOPMENT BEYOND THE BASICS



Budgets should be developed with input from program staff, accounting staff and others that are involved with program management. An effective budget is a guide and must be realistic, consistent, and flexible. Links for the governing financial documents for AmeriCorps are listed below. Guidance for budget development is provided annually is available in several places including the [24-25 Competitive Request for Grant Applications](#) and the [24-25 AmeriCorps State and National Grant](#). Technical assistance calls and feedback may also be provided by both OregonServes & AmeriCorps as opportunities to improve budgets.

ITEMS TO CONSIDER IN DEVELOPING YOUR NEXT BUDGET	WHERE TO LOOK	THINGS YOU MIGHT CONSIDER
<p>PERSONNEL/PERSONNEL BENEFITS: Programs may need to project increases in costs in these areas. If you are a competitively funded grant re-competing for another 3-year grant, you may want to work with accounting staff to project the costs of personnel and benefit cost three years in advance.</p>	<p>Talk with your program accountant for payroll projections</p>	<p>If your organization normally provides a specific salary increase, such as a Cost of Living Adjustment or a percentage increase, for all staff, then you should budget for that appropriately. Similarly, you could check in with your organization's staff that manages benefits to determine if they anticipate increases in health care or other benefit costs.</p>
<p>MEMBER TRAINING: Consider previous/historic spending on items. Are you consistently overspending in training, yet you are budgeting the same amount annually? If you do not anticipate changing or reducing the training, then you should allocate enough money to cover the training costs.</p>	<p>Past budgets, past expenses, talk with other program staff</p>	<p>Is it possible to share resources with another program to help defray training costs? Can you work with other programs on joint member orientation or other desired training? Or portions of required trainings to help not only provide a richer member experience, but also reduce your time in developing the training? This may also allow you to bring in an outside trainer, splitting the cost with another program.</p>
<p>STAFF/MEMBER TRAVEL: Just like payroll expenses, travel reimbursement amounts sometimes increase annually. Planning for those increases in per diem or mileage increases can soften the blow on your budgets. If you want to report staff/member travel as match you need to budget for costs appropriately. If you want to use federal funds you must budget for the cost in the staff/member travel line.</p>	<p>Accountant, program staff, past budgets</p>	<p>Programs should be realistic in the estimated cost increases if the future costs are unknown. Estimates should be reasonable, and increases should be in keeping with recent revisions to the per diems or mileage rates. Programs should be prepared to provide updated policies that reflect the rates they use. Programs may want to consider paying off-grant for some travel costs if they're able. Tracking and documenting travel expenditures can be tedious. Programs could consider instituting a per diem to reduce the documentation burden and increase flexibility. Keep in mind, you're still required to follow all federal and grant requirements.</p>
<p>SUPPLIES: Purchases of items that are not budgeted for can be problematic. If they are single item larger purchases of more than \$1000, they must be approved by your program officer. If they are small items and consistently purchased, for example, educational items in support of grant activities, they could be flagged as unallowable in an audit.</p>	<p>Past budgets, past expenses, accounting staff</p>	<p>A few items are one thing, but if you're consistently purchasing items for your program, you should be including them in the budget. Program staff should review the past year ledger and talk with accounting staff to see if there are things that should be specifically included in the budget or items that were missed, such as educational materials or member training.</p>

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<p>SUPPLIES: Purchases of electronics (for example computers, tablets and/or laptops) should be included in the budget. Single item purchases of any kind more than \$1000 must be in the budget or be approved by the program officer. If your organization has an electronic replacement plan to replace computers (or other devices) every three years, you should include those costs in your budget.</p>	<p>Organizational Policies, past budgets</p>	<p>Any electronic devices purchased solely with AmeriCorps grant funds must be used 100% for AmeriCorps use. This means programs who have program staff whose time isn't 100% on the grant must have a plan to attribute costs accordingly. Programs that provide electronics to members should also have a policy that outlines the requirements surrounding the lending and return of the equipment.</p>
<p>MEMBER TRAINING: Food is difficult for federal grants. In general, food is considered entertainment, but if you are having food in conjunction with a training that is 6 hours or more in length and the meal is integral to the training, it can be allowable; however, you MUST budget for the food in your approved budget.</p>	<p>Past budget, program staff, grant resources</p>	<p>The OregonServes Fiscal Manual outlines the requirement for providing food as part of a training, see pages 38-39. This is not an item that can be added to the budget after the fact. Please think about program training opportunities as you are developing your budget. Meals for staff are generally not allowed unless the staff is in travel status.</p>
<p>EVALUATION: Evaluation is another activity where programs tend not to budget anything, but then want to spend money in this line. It would not hurt a program to budget a small amount (\$50) to open the line, even if it's just on the match side.</p>	<p>Program staff, accountant, program officer</p>	<p>Then if the opportunity presented itself, and the program was able to reallocate some more funds to do some evaluation work this could be done without a formal amendment. If those funds were not needed the money could be reallocated without trouble to another line in the spring.</p>
<p>OTHER PROGRAM OPERATING COSTS: Recruitment activities are one of the expenses AmeriCorps allows to cross program years. OregonServes encourages programs to plan and engage in year around recruitment, and to help host sites play an active role in member recruitment as well.</p>	<p>Past budgets, program staff, program officer</p>	<p>If you don't have a recruitment budget already, budget an amount that reflects your recruitment strategy and timeline.</p>
<p>OTHER PROGRAM OPERATING COSTS: Member recognition is encouraged; however, spending using federal dollars must be reasonable and included in the budget.</p>	<p>Program officer, grant regulations</p>	<p>Federal funds can only cover the costs for members and site supervisors to attend recognition/training events. If your plans include family members or the public, you'll need to find another source of funds to cover the food and/or drinks for them. Gifts to members need to be reasonable as well and in line with the number of years of service.</p>
<p>MEMBER HEALTHCARE: Member Healthcare costs are traditionally difficult to budget for accurately; however, most programs can look back over the past three years and get an average of the costs. If you're able to do this, take advantage of this data. Under-budgeting may lead you to needing a formal budget amendment. OregonServes would also strongly suggest that you budget member</p>	<p>Past budgets, past expenses</p>	<p>Member Assistance Program (MAP) should also be budgeted in this category (the ASC membership fees are budgeted in Other Program Operating Costs). MAP fees must be paid in the same grant year the covered members are serving. Unspent member healthcare costs can be reallocated to other areas through the budget modification process, if the amount is larger, (changes in lines exceeds 10% of total budget) or smaller amounts can be moved after a discussion with your program officer. Budgeting healthcare</p>

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healthcare expenses on both the federal share and the match side.		costs on both the federal share and match side may help you avoid time in making healthcare rebate/credit adjustments in the future.
<p>REDUCING UNEXPENDED FUNDS: The largest reason for unexpended funds is not being able to fully recruit all the member slots awarded to the program. While some of this most recently can be attributed to COVID, recruiting ups and downs have long been an issue for AmeriCorps programs. Programs with consistent high unexpended funds/low member recruitment may be required to adjust their budget during clarifications or at the time of award.</p>	<p>Program staff, program office, host site(s), program officer</p>	<p>Programs should evaluate their program design to ensure the current allocation of member slot types are working. Do you have slot types that you are always having to convert? Can you fill them, but the member never completes the service? Is that a program design issue or a host site issue? Would a different slot type work better? Working through these questions and being deliberate about your plan will help to right-size your program and minimize your administrative time in managing the grant.</p>

Governing financial documents:

Uniform Administrative Guidance [2CFR 200](#)

Federal statute for the Corporation for National and Community Service [42 U.S.C.12651](#), National and Community Service Act of 1990, as amended
Regulations - [45 Code Federal Regulations \(CFR\) Chapter XII](#), [45 Code Federal Regulations \(CFR\) Chapter XXV](#)

Current year [General](#) and [AmeriCorps Specific](#) Terms and Conditions (these are updated annually)

Keep in mind the following—

- A well-prepared budget should be reasonable and demonstrate that the funds being asked for will be used wisely.
- The budget should be as detailed and specific as possible in its estimates. Make every effort to be realistic, to estimate costs accurately based on prior expenditures, and considering expected changes for the upcoming year.
- The budget format should be as clear as possible. It should begin with a budget narrative, which you should write *after* the entire budget has been prepared.
- Make sure you address all the items that are outlined in the NOFO directions. If you have questions send an email or attend one of the technical assistance calls.

Your budget should justify all expenses and be consistent with the program narrative:

- Salaries for grant-supported staff should be comparable to those within the applicant organization. If the grant-supported staff is also doing other work for the organization, it should be at the same rate of pay as others in the organization with comparable competency and knowledge.
- If new staff is being hired, additional space and equipment are considered, as necessary.
- Indirect costs should be allocated across all programs within your organization. Costs should be treated consistently, i.e., that if a cost, such as your Accountant's time or the rent, is charged as an indirect cost on another grant, it must be charged as an indirect cost on your AmeriCorps grant. Other things that are often charged as indirect costs are difficult to allocate, for example utilities and board insurance. If your organization has several grants, it should have an Allocation Plan that spells out which costs are included in the indirect cost pool and how those are allocated in each grant.
- If your organization is accounting for In-kind costs outside of your accounting system you must have a policy that supports this practice. This would include the value of In-kind site supervisor time.