**Advancing Learning Beyond the 180-Day School Year**
 **Budget Guide**

The Advancing Learning Beyond the 180-Day School Year is in support of Governor Daniel J. McKee’s Learn365RI Initiative and is funded through the federal State Fiscal Recovery Funds (SFRF). As such, all funds are governed by the following federal fiscal regulations:

* [Title 34, CFR](https://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html) – Education Department General Administrative Regulations (EDGAR), especially [Part 76 (State-Administered Programs)](https://www.ecfr.gov/cgi-bin/text-idx?SID=dad45ad671686053a76c7c23296b4761&mc=true&tpl=/ecfrbrowse/Title34/34cfr76_main_02.tpl)
* [Title 2, CFR](https://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html) – Office of Management and Budget Guidance for Grants and Agreements, especially [Part 200 (“Uniform Guidance”)](https://www.ecfr.gov/cgi-bin/text-idx?SID=a3a33f2ac61d52352d011f60ff86ce8f&mc=true&tpl=/ecfrbrowse/Title02/2cfrv1_02.tpl#200)

## All funding distributed through the Rhode Island Department of Education is done on a reimbursement basis. As such, before grants are approved, a thorough review of the budget is completed with both programmatic and fiscal officers. To help with this process, please pay close attention to the following budget guidance when building your budget.

## **Guiding Principles**

As with other federal funding streams, SFRF funds must meet these overarching federal requirements:

* **Allowable** – All costs charged to the grant must be allowable – or not specifically prohibited – under federal regulations (see below).
* **Necessary** – All costs must be necessary for the program’s success. They should help to make an activity or the program as a whole function properly and effectively.
* **Reasonable** – For all expenditures, the grantee follows sound business practices, pays a fair market price, and acts with prudence.
* **Allocable** – The costs must benefit the federal program in proportion to the amount charged to the grant. In other words, the federal grant cannot pay for more than its share of any goods or services purchased (though it may pay for less). This includes staff time, as well as supplies, equipment, etc.
* **Documented** – The grantee must maintain documentation for all phases of the grant process. Such documentation should be sufficient to support the decision to spend funds and subsequently to trace how funds were spent.

**Budget and Budget Narrative**
**Purpose**

The goal for the *Budget* and the *Budget Narrative* forms is for an outside reader to be able to understand clearly how the funds will be spent and how the program will operate. The budget provides a visual snapshot, with specific dollar amounts for each item, while the budget narrative provides additional detail and justification.

For each item in your budget request, you should describe what it is, what the rate or cost basis is, and how many or how much you are purchasing. If appropriate, please make it clear how many students will be served with each item. The cost basis should be an equation (or number sentence) that clarifies how you got to the total dollar amount for each line. Examples of cost basis include:

* 10 hours \* $18/hour = $180
* 9 contracts \* $1,000/contract = $9,000
* $50/student in supplies at \* 150 students = $7,500

The cost basis should allow the reader to assess whether the spending is allowable, necessary, and reasonable.

## **Categories 51000/52000 Employee Compensation and Benefits**

This category is for employees hired by the **fiscal agent (i.e., the municipality)**, including stipended positions, but not for *consultants or contractors*. If the municipality is paying teachers or other staff directly out of their payroll, they would be included in 51/52000. If the municipality is giving money to another entity, including the school department or a community based organization, and that entity is paying teachers or other staff out of their payroll, then they would be listed in 53000 (see below).

If a position is salaried, please ensure that the FTE of Position and % Paid for by this Grant columns are complete. In the former, you should say how many Full-Time Equivalents a position is (i.e., 1.00 FTE, 0.33 FTE, etc.) In the latter you should indicate how much of the position is paid for with this grant, as opposed to other funding sources. If a position is hourly, please leave the FTE column blank and instead include the hours and rate in the Position column. Whether salaried or hourly, each line should only list the amount paid for by these funds. If a position is dedicated full-time to this program but is also supported through other funds, please note that in the budget narrative.

Every salary line (51000) budgeted must have a corresponding fringe benefits amount (52000). In the budget narrative, please indicate how the fringe benefits were calculated and a brief description of what is included. These funds should not be supplanting costs for fringe benefits covered by other funding sources (e.g., health insurance for school day teachers). For positions with more than one funding source, the percentage of salary paid by this grant must be the same as the percentage of fringe benefits paid by the grant.

**Stipended positions:** If you are providing a stipend to someone for their services – including students – and are paying them through payroll, then they should be included in 51000/52000 Employee Compensation and Benefits. If you are cutting them a check separately and treating them as a vendor or consultant, then they should be included in 53000 Professional & Technical Services.

**Student stipends:** These are an allowable expense, but simply providing a stipend for attending the program is *not* allowable. Students must produce some kind of deliverable or provide a service for stipends to be allowable, which should be outlined in the budget narrative. There must be some tangible benefit to others or to the program.

## **Categories 53000/54000/55000 Purchased Services**

* **53000 Professional & Technical Services** is for temporary contracted services, evaluations & testing, legal, audit, food for travel to conferences, training & professional development services.
	+ If you are contracting with a community-based organization and they are hiring staff or purchasing supplies directly through that contract with the municipality, they should be listed under 53000. Use the Budget Narrative to break out the cost basis for the overall amount awarded to the CBO in the contract.
	+ For budget requests that contain multiple items under a single heading, such as After-School Programming Providers, please include the following in the description or justification columns of the budget and/or in the budget narrative:
		- If you know who your providers will be, your description should include the anticipated amount per provider, how the amount is determined (e.g., flat rate or hourly rate), and the number of students to be served by each provider.
* **54000 Property Services** is for cleaning, repairs and maintenance, utilities, rentals, telephone, internet & wireless.
* **55000 Other Services** is for services such as transportation, insurance, advertising, printing, tuition, travel & hotel expenses related to attendance at trainings.

## **Category 56000 Supplies & Materials**

This category is for consumables and general supplies, including program supplies or office supplies, books, and maintenance supplies. For budget items that contain multiple items under a single heading such as program supplies or office supplies, grantees should include the following in their written description/justification:

* If you mostly know what items you will be buying, your description should include the actual amounts to be spent. You can group together generic items such as paper, pens, post-it notes, etc. as long as the total amount is under $1,000.
* If you mostly do not know what specific items you will be buying, your description should include whatever planning values you use (e.g., cost per student, average expenditures in the past) along with examples of some of the higher dollar amount items that are typically purchased in the category.

**Category 57000 Property & Equipment**

This category is for furniture, technology – hardware & software, and other equipment. Although federal guidance technically defines equipment as purchases of $5000 or more, for the purposes of RIDE budget requests, please include smaller non-consumable items, particularly electronics, in this category. Purchases of equipment must be reasonable in cost and necessary to furthering the goals of this Grant. Use of the equipment must be limited to this project only and cannot be used for other programs, unless other funding sources are used (see bullet on Allocable expenses in “Guiding Principals” in Section I). Please provide an affirmation in the budget narrative that any equipment will be:

* used exclusively by the grant (or proportionately if costs are shared with another funding source),
* tagged accordingly, and
* stored securely.

## **Category 58000 Miscellaneous**

This category is for things that do not fall under any of the above categories.

## **Category 60000 Indirect**

If you take an indirect fee, it should be calculated not on the full amount of your grant, but instead as a percentage of eligible expenditures. Eligible expenditures are all items in categories 51000, 52000, 56000, and 58000. The first $25,000 of each contract in categories 53000, 54000, and 55000 is also eligible. No expenditures in category 57000 or 60000 are eligible.

* Municipalities that have a federally-negotiated indirect rate agreement may use that rate – or a lower rate, if you prefer. You may not use a *de minimus* rate with this grant. RIDE must have a copy of your most recent indirect rate agreement on file in order for you to use the indirect rate.

**Unallowable Expenses**

SFRF subgrant funds may not be used for:

* Religious worship, instruction, or proselytization
* Endowments
* Construction or facility purchase or repair
* Materials or programs “designed to promote or encourage sexual activity”
* Distributing legally obscene materials
* Sexuality- or HIV-education that is not age appropriate and that does not include the health benefits of abstinence
* Distributing contraceptives
* Alcoholic beverages
* Lobbying
* Entertainment

**Problematic Expenses**

**Gift Cards:** While not explicitly prohibited by federal regulations, gift cards are not allowable for this grant, due to the difficulties with maintaining proper fiscal controls with their use.

**Field trips:** Please note that field trips are only allowable if they serve a clear educational/programmatic purpose. Otherwise they are considered to be entertainment and are thus unallowable. Justification should be provided in the budget narrative for all field trips planned. It is strongly recommended that you create a lesson plan for each field trip and keep a copy of it on file.

**Food:** Food is not allowable for non-programmatic activities (e.g., staff meetings, professional development events, etc.). It may be allowable for activities for youth or families, if it serves a programmatic purpose and is necessary for the success of the activity. Grantees are expected to rely on the USDA snacks and meals programs if possible for food. If requesting funds for food, please include a justification for it in the Budget Narrative and explain why the need cannot be covered by the USDA snacks or meals programs. Snacks purchased for students outside of the USDA snack/meal programs should be healthy options in accordance with the [*National Afterschool Association Health Eating and Physical Activity Standards*](https://naaweb.org/all-documents/37-hepa-standards-2-0/file)*.*

**Potential “dangerous weapons”:** Federal legislation changed in October 2023, specifically allowing the use of funds for activities like cooking/culinary, archery, hunting safety, and gun safety programs, including ones that are part of many JROTC programs.

**Clothing:** T-shirts and other clothing are generally not an allowable expense with this grant. The one exception is that they may be allowable if they serve an explicit safety purpose (e.g., identifying program participants on a field trip). Purchasing clothing for branding or as promotional materials is not allowed.

**Incentives:** Incentives for program participation are allowable, but they must be nominal in value. Cash, stipends, and gift cards are not allowable incentives.

**Student stipends:** These are an allowable expense, but simply providing a stipend for attending the program is *not* allowable. Students must produce some kind of deliverable or provide a service for stipends to be allowable, which should be outlined in the budget narrative. There must be some tangible benefit to others or to the program.

**Scholarships/memberships:** Providing students with scholarships for college or to cover costs or fees for other programs that are not directly part of the 21st CCLC offerings is generally not allowable. However, funds may be used to cover costs for memberships or fees for programs that are necessary for students to participate in a program offering. In fact, such fees should be covered or waived in order to eliminate any potential financial barriers to full participation in the grant and its offerings. In those cases, however, funds should go directly to the organization charging them and should not be provided directly to students or families.