

Budget Preparation Instructions

Please read the instructions below before preparing your proposed grant budget. If you have questions, please contact your grant manager.

1. Combined Budget & Quarterly Expense Report Form

Enter projected costs for the next annual period (July 1 – June 30) on the line-item budget form. Remember to include only allowable costs, per the guidance below. After your grant manager approves the annual budget, they will upload it into WebGrants, the City of Portland’s online grants management system. You will report quarterly expenses on the same form in the appropriate column. At the end of each quarter, you will need to upload the updated form in WebGrants to submit the quarterly expense report. This allows everyone to track year-to-date expenses compared to budget.

2. Prohibited Expenses

PCL funds cannot be used to recover costs for the following types of expenses:

- Travel, lodging and meal expenses related to trainings or conferences outside of Oregon/Washington, unless for required program training
- Capital expenditures such as land, buildings and equipment
- Fundraising expenses
- Fees or dues to a statewide, national, or international organization, unless required for usage of a curriculum for the program
- Expenses not listed as “allowable” in the budget guidance. Consult your grant manager if you are uncertain whether an expense can be reimbursed by PCL.

3. Budget Justification Narrative

Revise your most recent approved budget justification narrative (or the budget justification narrative in your application) to explain the costs in your proposed budget.

Include the following in your justification for each budget category:

Program Personnel

Direct service positions: Discuss the relationship between direct service hours you propose to provide in the scope of work, and the FTE/hours of the staff you are requesting PCL fund.

Supervisory positions: Include the amount of FTE to be supervised and supervisory responsibilities related to the program. PCL allows a ratio of up to .25 program supervisory FTE for 1 direct program staff FTE. Grant managers have discretion to allow more supervisory FTE in cases where managers/supervisors also provide direct services. PCL does not allow Executive Directors to be included in Personnel, unless they provide direct supervision of program staff.

Any other positions: Explain how the position supports service delivery or other program functions and provide justification for the level of FTE requested.

For all positions in budget: Include calculations that explain how you arrived at the amount budgeted. Example: .25 FTE x \$75,000 = \$18,750 salary + taxes and benefits at 35% (\$6,563) = \$25,313 budgeted for the position.

Contracted Program Services

Identify each subcontractor (organizations or individuals) who will provide specialized program services (e.g. interpretation and translation, childcare, workshops). Describe the type and amount of service they will provide, why services are necessary and show calculations used to arrive at the total cost for each subcontractor.

Other Program Expenses

Explain all other program expenses such as program supplies, food, mileage and other important costs. For each line item, tell us what is included, how you determined the amount (e.g. written estimates, previous year's actuals) and show the calculations used to arrive at the budgeted amount.

For Allocated Costs (e.g. facilities, insurance, office equipment) provide the methods you used to allocate costs to your PCL request. Depending on the type of expense, typical methods for allocating costs include using FTE, square footage and total clients served. Include calculations that show how you arrive at the amount budgeted.

Example of an allocated cost:

Telephone expenses are allocated by the FTE associated with the program. The proposed program will use 2.5 FTE. The organization employs 10 FTE, so we are allocating 25% of telephone costs to the proposed program. Typical annual phone costs are \$3,600 so we have budgeted \$900 for this line item.

For Allocated Facilities/Occupancy Costs: You must submit backup documentation that shows the following:

- Total agency expense for facilities/occupancy costs (e.g. rent for leased facilities, interest and/or depreciation for owned facilities, repair and maintenance, security, insurance, etc.) for an annual period.
- If costs are allocated based on FTE, provide the total FTE employed by the organization or the total FTE located in the relevant facility.
- If costs are allocated based on square footage used or occupied, specify the total square footage of the facility(ies).

If you have questions about what type of backup documentation to submit, contact john.kelly@portlandoregon.gov.

Administrative Rate and Expenses

You may allocate up to 15% of your annual PCL budget toward organization administrative costs. You don't need to break these costs down by line item; just make sure the costs are allowable per the guidance below.

Use the guidance on the following pages to help you understand which program costs you can include in your PCL grant budget.

GUIDANCE ON ALLOWABLE COSTS PER PCL BUDGET CATEGORY

1. Program Personnel. All direct service staff including line staff, staff that supervises line staff, support or clerical staff that work directly on the funded program, and staff providing data management and evaluation on the funded program. This budget category includes salaries/wages, taxes and benefits.

Allowable Expenses	Disallowable Expenses
Salaries/wages for direct service staff providing services to children, youth or parents	Salaries for administrative or executive staff not providing direct program services or supervising program staff (classify these as Administrative)
Salaries for staff supervising direct service staff (PCL looks for ratio of up to .25 supervision FTE for 1 direct service FTE, see page 1 above.)	Performance bonuses paid to staff
Salaries/wages for clerical or support staff that work directly on the program	Severance payments to former staff
Salaries for staff on vacation	
Staff costs associated with data management and evaluation	
Salaries for staff on paid medical or family leave	
Overtime, holiday pay, and other temporarily increased salaries (e.g. hazard pay for staff doing face-to-face work during an emergency) when earned in support of the funded program following grantee policy	
Typical staff taxes and benefits: FICA and SUI, Workers Compensation, Health benefits, Retirement benefits	

2. Contracted Program Services. Subcontractors are organizations or individuals that provide specialized services to program participants to enhance your program.

Allowable Expenses	Disallowable Expenses
Services provided to program participants by an external party (e.g. interpretation and translation, childcare, workshops)	Services provided in support of agency administration, operations or finance (classify these as Administrative)

3. Other Program Expenses. Expenses that directly benefit and support the operation of the proposed program.

Allowable Expenses	Disallowable Expenses
<p>Client Assistance Funds** to support family stabilization such as:</p> <ul style="list-style-type: none"> • Housing: payee must be landlord, property manager, mortgage company or bank • Utilities (e.g. phone, gas, electricity, internet, garbage, water, sewer): payee must be utility company • Food • Transportation • Clothing • Household supplies • Emergency or short term (3 months or less) mental health support • Diapers, formula and other essential items for babies • Car seats when needed for family stabilization (e.g. facilitating parents’ employment, taking child to caregivers) • Moving expenses or expenses related to fleeing/preventing violence • Gift cards with maximum value of \$200 	<ul style="list-style-type: none"> • Payments directly to clients for housing and utility assistance • Gift cards with a value of more than \$200 • Anything not on the list of allowable expenses. Contact your grant manager if you have questions. • Client assistance expenses that exceed 5% of the total annual PCL budget.

** If grantee will provide client assistance, the following information must be tracked and supporting documentation submitted with quarterly grant expenditure reports/invoices:

- **DATE** assistance was provided to the client
- **WHO** received assistance (client’s unique agency identifier, or client initials, or other ways to protect confidentiality).
- **AMOUNT** of assistance provided
- **REASON** for assistance (from the list of allowable expenses above. Incentives are not client assistance and should not be listed as a reason; see “participant incentives” section below for allowable incentive costs).
- **For housing and utility support:** Documentation of payee must show landlord/property manager/bank/mortgage company, or utility provider.

<p>Communications</p> <ul style="list-style-type: none"> • Postage, telephone, cell phone, internet • Outreach materials (design and printing) 	
<p>Equipment</p> <ul style="list-style-type: none"> • Equipment purchases with a value of less than \$50 to be given to clients for program participation • Equipment purchases with a value of more than \$50 such as computers, printers, furniture, and kitchen equipment to be owned by agency and used by or in direct benefit of program participants • Office equipment rental for direct use by the program • Major equipment requests (over \$5,000) considered on a case-by-case basis by grant manager 	<ul style="list-style-type: none"> • Equipment not for primary and direct use by the program • Equipment with a value of more than \$50 to be owned by program participants
<p>Facility Costs</p> <ul style="list-style-type: none"> • Space rental for program space • Interest and depreciation expenses in lieu of rent for programs housed in property owned by grantee • Utilities (excluding telephone, cell phone and internet) • Building maintenance • Janitorial service 	<ul style="list-style-type: none"> • Rent for administrative staff space (classify this as Administrative) • Interest and depreciation expenses greater than 10% of the total annual PCL grant budget
<p>Fees Fees or dues to a statewide, national or international organization that’s required for usage of an approved program curriculum.</p>	<p>Fees or dues to a statewide, national or international organization that’s not required for usage of an approved program curriculum</p>
<p>Food Snacks and meals provided to participants as part of the program</p>	<ul style="list-style-type: none"> • Staff meals at restaurants on occasions other than professional development or program events • Alcoholic beverages
<p>Hiring Costs</p> <ul style="list-style-type: none"> • Job posting fees to fill program staff positions • Fingerprinting fees for program staff background checks • Payroll processing fees for program staff 	<p>Hiring costs for administrative staff positions (classify as “Administrative”)</p>

<p>Insurance Allocated portion of premiums for general liability, automobile, abuse and molestation, and workers' compensation insurance, as required by PCL for the funded program.</p>	
<p>Office supplies used by staff in the operation of the program</p>	Office supplies for the agency (classify as "Administrative")
<p>Participant Incentives</p> <ul style="list-style-type: none"> • Cash incentives, gift cards or other non-cash items with value of up to \$200/participant/year • Incentives of more than \$200/participant/year considered on a case-by-case basis by grant manager taking into account length of service, participation requirements, total amount budgeted for incentives and total annual PCL budget 	<p><i>Participant incentives are not the same as client assistance. Incentives are to encourage clients to attend/complete services. Client assistance is for basic needs. See page 4 for more information on allowable expenses for client assistance.</i></p>
<p>Professional Development</p> <ul style="list-style-type: none"> • Registration fees for training and conferences that support the professional development of direct service staff • Transportations costs, meals and lodging for training & conferences in OR, WA 	<ul style="list-style-type: none"> • Training and conferences not directly related to the program • Transport, lodging and meal costs for training and conferences outside of OR/WA (unless required for the program and approved by PCL staff)
<p>Program supplies consistent with services provided by the program (e.g. art supplies, curriculum materials, food for cooking classes, personal protective equipment)</p>	Supplies used in general agency operations, not by program participants or in operation of the program (classify these as "Administrative")
<p>Special Events</p> <ul style="list-style-type: none"> • Food and supplies for parent meetings, program-specific celebrations, etc. • Rental fees for event space, tables, chairs, or equipment for program-related events 	<ul style="list-style-type: none"> • Fundraising expenses • Events attended by staff only
<p>Staff mileage/transportation</p> <ul style="list-style-type: none"> • Mileage for local staff travel for activities that directly benefit participants (e.g. home visits) • Public transportation • Fuel reimbursement • Parking fees 	Travel costs associated with attending program-related training or conferences (classify these costs in the "Program Expense, Professional Development" section)
<p>Stipends</p> <ul style="list-style-type: none"> • Stipends for adults or youth up to \$500 • Fees paid to AmeriCorps staff 	Stipends of \$501 or greater. Participants receiving this amount should be paid as hourly staff.

<p>Transportation</p> <ul style="list-style-type: none"> • Client access to program services • Transportation for field trips • Standard maintenance of program vehicles 	<ul style="list-style-type: none"> • Staff travel to trainings or professional development conferences (classify as Program Expense, Professional Development) • Parking/moving violations, tickets and penalties for infractions of any laws, or towing charges
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4. Administrative Rate and Expenses. Expenses incurred in the general administration, operations and fiscal management of the agency.

Allowable Expenses	Disallowable Expenses
Salaries and expenses for executive director (for time not spent directly on program), finance director, bookkeeper, controller or other fiscal staff	<ul style="list-style-type: none"> • Fundraising expenses • Total administrative expenses greater than 15% of annual PCL budget.
General legal services	
Payroll	
Agency administrative fees for grantees operating under and receiving central services from a larger institution	
Audit expense	
Contractors providing services to the agency (bookkeeper, accountant, etc.)	
Fiscal sponsorship fees for grantees operating under a fiscal sponsor	
Tax preparation	
Rent, utilities, payroll processing and other expenses for administrative activity	
Prorated administrative postage	