2020 CDBG How to Complete a Budget

Housing and Community Development
CDBG Grants Management Division

Overview

- Budget Types
  - Preparing Your Activity and CDBG Application Budgets
- Using Your Budget in Grants Network
- Saving Your Budget Narrative
- What About Program Income?
- Evaluating Your Budget Pre- and Post-Award
- 2018 Activities

Budget Types

- Activity Budget
  - Budget for full Activity, includes all pertinent phases and as much long-term information as possible

- CDBG Application Budget
  - CDBG cost specific budget that includes just the portion of the project that will be funded with CDBG

Activity Budget

- Activity Budget
  - Your activity budget is your "big budget" and should include the full scope of your activity
  - Should be an excel file – must be uploaded in the application
  - Line-item budget – recommend substantial detail
  - Should include ALL funding sources, including sources not yet procured
    - If you have a cost allocation plan it also needs to be uploaded.
    - We will be looking at this budget for unfunded line-items and budget gaps

Sample Activity Budgets

- Hogwarts Senior Housing Project
  - Sources and Uses
  - Includes estimated dates sources will come online
  - Includes unfunded costs (with annotation)
  - Includes project total costs by project phase by funding source.
  - Could include additional phases, supportive services budget, long-term operations budget
    - What is included will depend on the activity.

Sample Activity Budgets

- Diagon Alley Food Bank
  - Sample generic cost allocation
  - Includes all applicable funding sources
  - Identifies costs across applicable categories
  - Bonus includes donations/volunteers
  - Sufficient detail to know what funding is covering what
  - Can be customized to eliminate ineligible costs

CDBG Application Budget

- Budget through Grants Network (online Grant Management System)

Budget Narratives

- Should explain anything that impacts how money will move in your activity
    - Timing (both expenditures and receipts)
    - Resources (both on hand and future receipts)
    - Phases (relationship between expenditures and national objectives)
    - Unfunded budget gaps
    - Scale-ability; can you scale your project for a reduced award?
        - If so, how? Reduced scope? Fewer beneficiaries?

Program Income

- RLF Reservation – TBA
- Stand Alone PI Activities – Early/mid April
- Including PI in your Grant Activity
  - Cash on Hand
    - Activity vs General Admin (what gets spend when?)
  - Future Receipts
    - Activity vs General Admin
- Stay inside budget caps
  - 7% GA for New Grant
  - 17% GA for PI Receipts

Program Income Scenarios

- What do I do about negative GA on my PI reports?
- What if I run out of PI GA before I spend my activity and have more GA costs?
- What if I want to use my future PI on a different activity?
- What if I want to use my PI on multiple activities?
- What if I want to move PI GA to my activity?

Evaluating Your Budget

- Strategize and evaluate your budgets across all activities in your proposed applications
- Plan for future funds – both PI and other potential funding sources
  - Example CESH for homeless shelters
- If your budget ages poorly and you need to validate it, talk to us we may have a path forward
- If more than a few months has passed since you prepared your budget, we will ask if you need to update it prior to Standard Agreement execution

2018 Activities

- Budget uploaded in GMS
- Standard Agreements in routing
- Updating project budgets
  - Include Cash-on-hand PI balances
  - Include PI future receipts (if applicable)
- PI cash and future receipts should only be in 1 (one) activity budget
  - Flexibility until we get regular in reporting and expenditures

Questions? Comments? Concerns?