



Introduction

The Budget Manual (the Manual) must be used when creating a budget to request funds from The Children's Trust (The Trust). The Manual is also intended to assist providers in substantiating the operating costs of a program, maximizing resources, and protecting direct services and program quality for children and their families. The Budget Manual is effective for contracts with a commencement date of July 1, 2023 or later.

General:

A program budget must be prepared in conformity with contract requirements, including the conflict of interest policy, which is enumerated in The Trust's core contract. All budgets are subject to final review and approval by The Trust and may be modified during the contract negotiation process. Rationale and cost calculations for each expense must be provided in the narrative field of the appropriate budget line item.

All budget narratives must be concise and complete. If applicable, utilize the note field in each line item to enter budget justification found throughout the budget manual. All expenses must be reasonable, allowable, and necessary; a cost is considered reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under circumstances prevailing at the time the decision was made to incur the cost. To assist providers in determining appropriate costs, please refer to the "allowable costs" and "unallowable costs" sections of the Guidelines toward the end of this document.

Trust Central: Fiscal Module

The Trust has implemented Fiscal module in Trust Central as the online system to negotiate and complete budgets, budget amendments, and monthly reimbursements.

The 2023-24 contract cycle includes both previous and new providers contracting with The Trust; and in large part, is the result of a competitive solicitation process. Trust Central and Fiscal module provides both a comprehensive insight and detailed instruction for all activities supporting the submission of budgets, budget amendments and monthly reimbursement requests within the Trust Central - Fiscal online system. These resources are provided and available, on the Trust's website <https://www.thechildrenstrust.org/content/trust-central-support>

Fiscal Budgets:

As you begin to enter your budget in Fiscal, you are required to select the available line item categories to complete the Program Allocation and Children's Service Council (CSC) Allocation (The Trust allocation) columns. The Program Allocation column represents the total program budget including any match dollars; whereas, the Original CSC Budget column represents only the amount of funding requested from The Trust, excluding any match dollars. Please be sure to round all amounts to the nearest whole dollar as the Fiscal budget module does not provide for penny calculations.

When your budget is complete, the Total "Original Budget", plus the Total Funder amount MUST equal the Total Program Budget". These totals can be found at the top of the budget summary screen.

Regular Salaries and Wages

Fiscal - Positions:

The Fiscal – Positions and Staff tabs record all positions and staff within your agency supporting the program funded by The Trust. Positions, and staff support recorded in the Positions tab are used for program budgeting and reimbursement purposes. Therefore, all positions, staff support, and program support must be established in the Positions tab before creating any fiscal document (budgets, amendments and monthly reimbursement requests). Please refer to Trust Central – Fiscal resources for instructions on how to use the Positions and Staff tabs.

Once the initial budget is approved, any requests for new positions in the Positions tab and the related salaries included in an approved budget, will be considered using the adage “substance over form” to determine whether a position is, in fact, “new”. Assigning a new title to a position that holds the same responsibilities as a prior position is not deemed a “new position”. Typically, a new position includes new job responsibilities, which are substantially different from the job responsibilities of the previous position. To substantiate a new position, The Trust may require both old and new job descriptions.

Account # 511: Salaries:

Complete this section for all staff DIRECTLY involved in the program for which funding is requested and/or is provided as a match. The program must demonstrate that the percentage of salary supported by The Trust directly relates to the amount of time dedicated by the employee to The Trust-funded program.

Budget justification: The frequency of payment for payroll (i.e. weekly, bi-weekly, bi-monthly etc.), employment status (i.e. FT/PT) must be included in the justification. If there is any time dedicated to the program that is being matched, the source of funding must be included in the justification.

Setting pay rates for 1st year contract(s):

Provider may establish fair market value rates for all included positions within the program budget during the 1st year contract within a new funding cycle. Established rates must consider shared positions with other existing Trust contracts. As a benchmark for determining reasonable and justifiable salaries, please see the following resources:

- <http://www.salary.com/>
- <http://www.payscale.com/>

Please note that the resources referenced above are intended to be used as a guideline for appropriate and comparable salaries based on market location, organizational type and size. The Trust reserves the right to determine whether proposed rates are reasonable and may not approve a rate within the relevant ranges provided by the resources above.

Salary adjustments since previous contract(s):

The Trust will allow up to 10% increase to each position's salary for the contract year. Each position that receives an adjustment must be reviewed and approved by the program manager and accountant to determine if the request is reasonable and/or allowable. To determine whether a salary adjustment is allowable, Trust staff will consider the frequency and amount of salary adjustments previously approved in the program history. The Trust encourages salary adjustments for frontline and direct service staff.

Minimum Wage:

The Trust will allow adjustments related to the new minimum wage requirements. The Trust will allow adjustments up to the 2026 rate of \$15/hr. The expectation is that by September 2026, all staff meet the minimum wage of \$15/hr.

Overtime:

As for overtime pay The Trust will reimburse ONLY the straight time portion of overtime hours worked, if staff's overtime is related to maintaining student/teacher ratios as required by The Trust. Any overtime outside of this will not be reimbursed by The Trust.

Paid Holidays and Authorized Absences:

Paid holidays and authorized absences from the job, such as vacation and sick leave are allowable and expected for both full-time and part-time employees if such benefits are provided and documented in the organization's operations policy as well as equally provided to all employees of the organization.

Separation Costs:

Funds allocated to salaries and wages cannot reimburse pay upon separation from employment or suspension, such as accrued vacation pay or accrued sick pay.

Bonuses:

Bonuses will not be reimbursed by The Trust.

Executive & Senior Management Salaries:

Any executive or senior management salary must be justifiable and requires preapproval. The Trust will not pay more than 5% of an executive's salary. An exception may apply if the Trust funding equates to more than 50% of an organizations operating budget.

Fringe Benefits

Account # 521, 522, 523, 524, 525 and 529: Fringe Benefits:

Fringe benefits reimbursed by The Trust shall be reasonable and justifiable. As a general rule, The Trust will not reimburse for fringe benefits in excess of 30% of total salaries. Again, as a general rule, The Trust will fund fringe benefits in the same proportion as it funds salaries. This means that if a position is funded 50% by The Trust, then the associated fringe benefits will also be funded at 50%. Fringe benefits do not include administrative fees charged by payroll processing agencies to calculate and compile an organization's payroll. The Trust often uses the term "full-time equivalent", or FTE, as a measure of time charged to a contract. FTE is defined as a unit of time that indicates the workload of an employed individual in a way that makes workloads comparable across various contexts. FTE is often used to measure a worker's involvement in a project, or to track cost reductions in an organization. An FTE of 1.0 means that the person is equivalent to a full-time worker with 100% of their time charged to The Trust's contract; whereas, an FTE of 0.5 indicates that the worker's time is charged 50% (half-time) to The Trust's contract.

FICA/MICA:

The FICA/MICA rate is set by law (see Topic 751 of the Internal Revenue Service Code) and applies to various earnings thresholds when calculating FICA and MICA separately (FICA 6.2% + MICA 1.45% = 7.65%). Currently, the FICA tax rate is set at 6.2%. This means that FICA tax of 6.2% is paid on the first \$160,200 of wages (per employee). The MICA tax is paid at a rate of 1.45%, and there is no wage base limit for Medicare tax.

To calculate FICA/MICA expense for positions earning less than \$160,200 annual salary, simply multiply a position's gross salary times 7.65%. For example, if a position pays \$50,000, and is charged at 100% to The Trust (that is 1.0 FTE) then FICA/MICA expense is calculated at \$3,825 ($\$50,000 * 7.65\%$, or \$3,825). For positions with salaries and wages greater than \$160,200 please refer to the applicable thresholds above when calculating the FICA/MICA tax.

In addition, payments made to qualified section 125 cafeteria plans (i.e., health insurance plans) are not subject to FICA/MICA tax. In the example above, if an employee paid \$5,000 to a qualified health insurance plan then wages subject to FICA/MICA tax would be \$45,000. It may also be helpful to refer to IRS Publication 15, which sets the standard for depositing taxes and filing forms 941 and 940.

Budget justification: Budgeted at the position level in the calculation table.

Retirement Contributions:

This calculation is for the employer's portion of retirement for the position.

To calculate retirement expense for budgeted positions, calculate as a percentage of total program salary cost multiplied by a retirement contribution percentage. For example, if an agency's total program salary is \$200,000, with a retirement benefit paid at 10%, then retirement expense is calculated at \$20,000 ($\$200,000 * 10\%$, or \$20,000). Note that some staff may not have retirement contributions, and so the budget amount should reflect this variation.

Budget justification: Enter the amount dedicated to the program based on staffing. **Note that we are not requiring detailed calculations in the budget** but request that agencies have it ready as this information can be requested at any point by The Children's Trust.

Life & Health Insurance:

This calculation is for the employer's portion of the health (includes dental, vision, short term disability, long term disability, insurance) premium.

To calculate health insurance expenses for budgeted positions, calculate as the monthly cost of life insurance, health insurance, short-term disability and long-term disability insurance per employee. Note that some staff may not have insurance coverage for the entire contract period, and so the budget amount should reflect this variation. If applicable, include the number of FTE's in the calculation.

Budget justification: Enter the amount dedicated to the program based on staffing. **Note that we are not requiring detailed calculations in the budget** but request that agencies have it ready as this information can be requested at any point by The Children's Trust.

Worker's Compensation:

Workers' compensation is insurance coverage purchased by the employer/agency that provides benefits for job related employee injuries. Florida law requires all employers to purchase workers' compensation insurance (with a few exceptions). Rates for worker's compensation insurance are established by the State of Florida annually and vary by type of employee based upon the risk inherent in their job classification and responsibility.

To calculate: Typically, the State publishes rates, which refer to the cost of worker's compensation insurance **per \$100 of payroll**. Using the State of Florida's rate as a starting point, insurance companies may offer discounts based upon a provider's history of claims (called an experience modification factor). Worker's compensation insurance is calculated by multiplying total payroll times the pre-determined State worker's compensation rate.

For example, if an agency's Trust funded payroll is \$100,000, with a worker's compensation rate of 2.7%, then worker's compensation expense is calculated at \$2,700 ($\$100,000 * 2.7\%$ or \$2,700). Note that rates may vary per position; therefore, you may use an average rate to account for this variation.

Budget justification: Enter the amount dedicated to the program based on staffing. **Note that we are not requiring detailed calculations in the budget** but request that agencies have it ready as this information can be requested at any point by The Children's Trust.

Reemployment Tax (SUTA):

Unemployment compensation is an employer-funded tax that gives short-term benefits to those who lost or left their jobs for a variety of reasons. State reemployment tax is paid on the first \$7,000 of wages multiplied by an agency's reemployment tax rate, assigned annually, by the Florida Department of Revenue & Taxation (FDOR). Each agency's reemployment rate is based upon their history of unemployment claims. Reemployment tax is paid and reported on a quarterly basis by filing form UCT-6. In 2023, the minimum reemployment tax rate is 0.0010 or \$7.00 per employee and the maximum rate is 0.0540 or \$378 per employee. New employers are assigned a rate of 0.0270 or \$189 per employee.

To calculate reemployment tax for **positions with Trust funded salaries of \$7,000 or greater**, simply multiply, \$7,000 times the number of FTE's charged to The Trust times the agency's reemployment rate. For example, if an agency's reemployment tax rate is \$.027, with 5.5 FTE's charged to The Trust, then reemployment expense is calculated at \$1,040 ($\$7,000 * 5.5 \text{ FTE's} * .027$, or \$1,040). Please note that each position included in the calculation of 5.5 FTE's would have individual wages greater than \$7,000 with no limit.

To calculate reemployment tax for **positions with Trust funded salaries of \$6,999 or less**, simply multiply total Trust funded salaries by the reemployment tax rate (FTE's are not applicable for this calculation). For example, if a position is paid \$10,000 and 50% of this amount is charged to The Trust, then the reemployment expense is calculated at \$135 ($\$5,000 * .027$, or \$135).

Budget justification: Enter the amount dedicated to the program based on staffing. **Note that we are not requiring detailed calculations in the budget** but request that agencies have it ready as this information can be requested at any point by The Children's Trust.

Other Fringe:

This category is reserved for fringe benefits offered to program staff, other than those described above. This category is often used by colleges, universities and hospitals because these organizations use composite fringe benefit rates.

Budget justification: Describe the fringe benefits being charged and enter the amount dedicated to the program based on staffing. **Note that we are not requiring detailed calculations in the budget** but request that agencies have it ready as this information can be requested at any point by The Children's Trust.

Operating Expenses

Program Operating Expenses:

Program operating expenses include operating expenses required to sustain a program's on-going activities, other than salaries and fringe benefits. Expenses must be allowable as determined by The Trust and governing statutes, as applicable. The purpose of the budget narrative is to justify the amount requested in the program budget. The Guidelines herein contain various accounts with dollar and/or percentage limitations, in any case if these thresholds are exceeded, proper justification must be provided and will be reviewed and approved (or disallowed) by Trust staff. The Manual lists allowable items for each respective account, any item that does not meet these requirements, will be disallowed unless prior written approval is given.

Account # 531: Travel - other than participants (i.e., staff's travel):

Travel costs (other than participants) is to be used for staff travel to conferences and/or staff travel to obtain instructor certification and/or staff travel that is an integral part of the program (i.e., home visitation).

Allowable items include airfare, mileage, car rental, ridesharing transportation (i.e. Uber, Lyft, etc.), shuttle service, hotel lodging, conference registration, tolls, parking fees and allowable per diem meal rates. In no instance will The Trust reimburse for tips and taxes.

Budget justification of travel costs must include the conference and purpose of travel and number of attendants. In the case of mileage, include estimate mileage and purpose.

Budget limits are described below:

Food Expense – The following per diem meal rates are reimbursable by The Trust and should be used in your budget. The rates are obtained per Florida Statute 112.061(6)(b)(1)(2)(3): [Statutes & Constitution :View Statutes : Online Sunshine \(state.fl.us\)](#). Food and beverage costs for staff are not an allowable cost unless incurred in connection with attending an out-of-town training/conference. The negotiated price for the rental of a room must not include the cost of food and beverages.

Breakfast \$6 (travel begins before 6am through noon); lunch \$11 (travel begins before noon and continues until 6pm); dinner \$19 (travel begins before 6pm and continues). Meals that are included in the cost of registration are not reimbursable using the per diem rate.

Hotel – The Trust uses the U.S. General Services Administration (GSA) lodging reimbursement rate in effect at the time travel commences. Please refer to the following website to obtain the most current rate by region:

<https://www.gsa.gov/travel/plan-book/per-diem-rates>

Airfare – Business class and first-class rates are not allowable expenses. All out of state travel requires pre-approval.

Mileage- The Trust uses the U.S. General Services Administration (GSA) mileage reimbursement rate in effect at the time travel commences. Please refer to the following website to obtain the most current rate: <http://www.gsa.gov/portal/content/100715> and use Google Maps, or a similar on-line mapping service, to calculate distances travelled.

The Trust will use this rate for vehicles that transport ten (10) or less individuals. For every additional ten (10) passenger capacity that a vehicle holds, The Trust will allow for an additional 20% over the current GSA's mileage reimbursement rate.

For example: using a base mileage reimbursement rate of \$0.655 per mile, The Trust will reimburse a provider for \$0.786 for vehicles that transport eleven (11) to twenty (20) passengers and \$0.943 for vehicles that transport twenty-one (21) to thirty (30) passengers. If a vehicle is modified to accommodate participants with special needs, the seating capacity of the vehicle, prior to modification, is used in the determination of the mileage reimbursement rate. Applied mileage rates and passenger details supporting amounts requested and/or budgeted must be included in each monthly reimbursement request narrative and/or budget justification.

The GSA standard mileage rate considers costs such as fuel, repairs, maintenance, and insurance; therefore, an organization cannot budget for travel costs that include both the GSA standard mileage rate and the actual travel costs incurred. In no instance will The Trust reimburse for the cost of fuel.

Conference Registration – The Trust will allow up to 2 conferences per year per person.

Account # 532: Travel – participants (i.e., bus rental):

Travel costs (participants) is to be used for direct transportation of participants to field trips and/or transport for participants to and from program and/or participant travel that is an integral; part of the program.

Allowable items include, Miami-Dade County Transit Easy Cards, the cost of renting a bus/van (i.e., the charge from a bus company), mileage, tolls and parking fees.

Budget justification of travel participants must include purpose of travel & number of participants.

Budget limits are described below:

Bus rentals - Will be reimbursed at a maximum of \$63 per hour for up to 5 hours, which is consistent with market rates. Specialized bus rentals (i.e buses with wheelchair lifts) are allowable expenses.

Mileage- Include the cost of mileage reimbursement by using the GSA mileage reimbursement rate in effect at the time travel commences; if an organization does not use the GSA standard mileage reimbursement rate, then they may charge The Trust for actual travel costs incurred (except for the cost of fuel).

The standard mileage rate considers costs such as depreciation, lease payments, fuel, repairs, maintenance, oil, insurance and vehicle registration fees; therefore, an organization cannot budget for participant travel costs that include both the standard mileage rate and actual travel costs incurred. However, parking fees and tolls may be deducted in addition to using the standard mileage rate. In no instance will The Trust reimburse for any portion of debt incurred (lease or loan) to transport participants, or fuel costs.

Buses/vans/vehicles must carry appropriate insurance as required in The Trust's core contract.

Easy Card - An organization must have written policies and procedures, as well as maintain strong internal controls to be reimbursed for use of the Easy Card, which include at a minimum: safeguarding the Easy Cards, ensuring only the quantity needed is obtained and providing a rationale for using the Easy Card that includes the frequency of distribution.

Account # 533: Meals (Participants):

Meals (participants) is to be used for snacks and/or full meals for program participants.

Allowable items include meal costs for field trips and snack/full meal cost for program purposes. The purchase of food or beverages for children in The Trust funded program is allowable as a reasonable expenditure when nutrition education and receipt of healthy snacks and/or meals is an integral part of the core program components. This includes after-school and summer camp programs. Food and beverage for parties, celebrations, end-of-program events and the like are not allowable.

Budget justification of meal costs must include purpose of meal and number of participants.

Budget limits are described below:

Youth Development Programs - The Trust uses rates established by the Florida Department of Health: Child Care Food Program as a guideline for the cost of meals per participant, and will not reimburse at a rate greater than the established reimbursement rates (current rates can be viewed at <http://www.floridahealth.gov/programs-and-services/childrens-health/child-care-food-program/guidance/index.html>), with the exception of dinner, which will be reimbursed at a rate of \$4.93. If the program receives Department of Health subsidized funding for meals, then The Trust will not fund the cost of participant meals. It is the responsibility of the program to become approved through the Department of Health for reimbursement. All programs operating within a Miami-Dade County Public School, or a non-public school will receive snacks through the After-school Meals program (AMP) sponsored by the school system or non-public school. When program is subsidized by Department of Health funds (DOH). The Trust will not reimburse any fees associated with DOH subsidized meal plans.

The Trust will reimburse for meals associated with field trips at a rate of \$10 per participant.

All other Programs - The Trust will reimburse at a rate of \$10 per participant.

Account # 534: Space (i.e., lease/rent of a building for the program):

Space is to be used for programmatic space (the location(s) where the program is taking place). Office space used in connection with the administrative functions must be budgeted under Administrative/Indirect costs

Allowable items include rental/lease cost for programmatic space. The Trust will not reimburse providers for the cost of mortgage payments (principal and/or interest) on facilities. The Trust will also not reimburse providers for rent agreements made with related parties who are the mortgage holders of the leased property. In connection with Family Stabilization requests for clients enrolled in FNSP programs, limited non-commercial mortgage costs are allowable. Purchase of buildings, construction costs, leasehold or capital improvements are also unallowable.

Budget justification of space costs must include hourly, daily, monthly or quarterly rental cost & percentage being charged to The Trust. A copy of the lease agreement is required at time of contract negotiation.

Budget limits are described below:

Facility/Space rental - will not be reimbursed by The Trust for more than a reasonable and prudent percentage of the program's use of the space.

Account # 535: Utilities:

Utilities is to be used for utility costs that will be used by the program.

Allowable items to consider include electricity, water, phone, cell phone, equipment repairs and maintenance, equipment operating lease, waste management, pest control, alarm services and zoom or any other video conferencing platform. Repair or maintenance expense items qualify as stipulated by IRS regulations.

Budget justification of utilities must include a list of the types of utility expense and percentage being charged to The Trust. For Youth Development, percentage should be split by after-school and summer.

Budget limits are described below:

Utilities costs - should be calculated based on the percentage of space allocated to The Trust.

Cellphone allowance - The Trust will reimburse at a rate of \$50 per FTE.

Account # 536: Office Supplies:

Office supplies are to be used for items/products utilized in an office environment to perform daily work assignments.

Allowable items include charges for paper, printing, postage, toner, cleaning supplies etc. Office supplies are expected to benefit only the operating activities of the period under contract. If large amounts of office supplies are purchased near the end of the contract period, those transactions will be subject to additional review before approval.

Budget justification is NOT required for this line item.

Budget limits are described below:

Office Supplies Account- may not be greater than 2% of The Trust's contract value. If excess amount is needed, further Trust approval is required.

Account # 537: Program Supplies:

Program supplies is to be used for items/products that are needed for programmatic implementation.

Allowable items include charges for curricula, books, educational software, recreational supplies, art supplies, sports supplies, t-shirts and standardized testing. Program supplies are expected to benefit only the operating activities of the period under contract. If large amounts of program supplies are purchased near the end of the contract period, those transactions will be subject to additional review before approval.

Budget justification of program supplies must include per participant or per month or per location cost. For Trust Academy providers, items to be purchased should be listed.

Budget limits are described below:

Program Supplies Account- may not be greater than 5% of The Trust's contract value.

T-shirts for participants - may not exceed \$13 per shirt and must include The Children's Trust logo. T-shirts to help identify children during field trips to popular attractions and large public places and for other program purposes aligned with scope of services are allowable.

Account #540: Non-Capital Equipment-costing less than \$5000:

Allowable items include furniture, computers, printers, audio equipment, telephones, sports equipment such as basketball hoops and equipment rentals. Specialized equipment like cameras & drones need pre-approval from Program Managers.

Budget justification of non-capital equipment must include items to be purchased and the approximate number

Budget limits are described below:

Laptops, desktops and tablets - The Trust will fund up to \$500 for laptops and desktops, and \$300 for tablets. If the cost of laptops, desktops and tablets are greater than The Trust thresholds mentioned above, the difference will be considered as matching costs.

Account # 550: Capital Equipment Costs of \$5,000 or more:

Allowable items include Individual items purchased at a cost of \$5,000 or more with a life expectancy of more than one year. Modular furniture, computer components, and similar types of items. Allowable only to the extent that the equipment purchased is for the direct and immediate benefit of the program funded by The Trust. Data processing software is not considered to be capital equipment within the meaning of these instructions. "Cost" means acquisition or procurement cost (i.e., invoice price plus freight and installation charges less discounts).

Budget justification of capital equipment must include items to be purchased and the approximate number

Budget limits are described below:

Capital Equipment - Capital equipment purchases are typically allowed only in the first-year contract and will not be allowable throughout the remaining funding cycle, unless fully depreciated from the initial purchase of the capital equipment.

Please note that Miami-Dade County sells its surplus equipment at a discount. Information regarding Miami-Dade County surplus property may be found at:

<https://www.miamidade.gov/internalservices/county-store.asp>

Account # 591: Administrative/Indirect Costs

Administrative/Indirect costs represent the general overhead expenses necessary to operate a program and typically relate to the organization's general executive and administrative functions.

Allowable items include legal services, accounting, auditing, office management, executive direction, administrative support, administrative office space, website costs, insurance and payroll administration costs.

Budget justification is NOT required for this line item.

Budget limits are described below:

Administrative/ indirect costs - cannot exceed fifteen percent (15%) of The Trust's contract amount. The 15% threshold also includes administrative/indirect costs paid to subcontractors and partner agencies. Organizations with operational budgets of \$100 million and more cannot exceed ten percent (10%) of The Trust's contract amount.

Please note that this line item can be invoiced at any point in the contract period with no monthly limit. In cases that contracts are rescinded or terminated before the end of the contract period with this line item being fully utilized or greater than the contract period, The Trust will request the repayment of the excess amount.

Account # 611: Subcontractor(s):

For the purpose of direct service programs budget, a subcontractor is defined as an independent agency or entity that has entered into an agreement with a Trust-funded provider to perform and oversee multiple components or the entire program services to participants on behalf of that provider. This excludes individuals or entities rendering professional services, which must be budgeted in the category of Professional Services.

Allowable items: The Children's Trust will no longer require providers to enter detailed subcontractor information into the subcontractor budget in Trust Central. Providers will still be required to collect subcontractor agreements including detailed budgets; this information can be requested at any point by The Children's Trust. Preparation of subcontractor budgets must adhere to the budget guidelines contained herein, unless otherwise noted. The 15% threshold for administrative/indirect cost also includes administrative/indirect costs paid to subcontractors and partner agencies.

Budget justification of subcontractor must include the total amount for respective subcontractors. This will be entered using the sub-budget functionality in the FISCAL module.

Account # 711, 721, 731, 741, 751 and 791: Professional Services

(Instructors, certified teachers, tutors, consultants, evaluation and other)

Allowable items: Professional Services include the services of independent contractors, consultants, instructors and other professionals or entities engaged to provide distinct services to participants and/or provide program evaluation services. Professional services do not include subcontractor services as defined above. Rates paid for professional services must be consistent with that paid for similar work within the applicant's organization as well as the Miami-Dade County job market. Rationale for the use of professional services from sources outside of the tri-County area must be provided.

Please note that an organization must determine if the services provided are deemed that of an independent contractor or an employee. As a general rule, an independent contractor is an individual who has the right to control the means or methods of accomplishing the results of the work contracted. See IRS definition for additional details:

<http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Independent-Contractor-Defined>

Budget justification of professional services must include a description of the services, frequency of services (i.e., the number of days/hours), and the method of payment (i.e. hourly rate, daily rates, price per deliverable).

Professional Services for Evaluation:

Allowable items Contracting with an external evaluator is allowable, but not required and must be clearly justified. All Trust providers must develop internal program capacity to fulfill basic contractual requirements such as data collection, reporting and program quality assurance. The cost of evaluating program effectiveness may include the purchase of measurement tools as well as staff time for data management.

External evaluation services should not be duplicative of other Trust evaluation efforts, tools and resources. The Trust research and evaluation staff must review and approve the external evaluator's scope of services prior to final approval. A copy of the final report prepared by the evaluator must be completed within the contract period and submitted to The Trust within 15 business days of completion of the report. More detailed policy guidance and resources regarding selection and use of external evaluation services are available on The Trust's website in the research section under "Resources for Providers," "External Evaluation" at <https://www.thechildrenstrust.org/content/external-evaluation>.

Budget justification of professional services must include a description of the services, frequency of services (i.e., the number of days/hours), and the method of payment (i.e. hourly rate, daily rates, price per deliverable).

Budget limits are described below:

Evaluation - evaluation costs for a direct service contract should not exceed 5% of the total contract and may be considerably less.

Account # 811, 821, 831, 851, 852, 853, 854, 855 and 891: Other Expenses

(i.e., Advertising, background screening, admission to field trips, volunteers, special events, required staff training, discretionary funds,—and other-other): This section should be used for any other allowable DIRECT SERVICE program costs that are not specifically covered in the budget categories listed above.

Other (special events):

End of season recognition events and special events may be included in the budget, but must be reasonable, justifiable, and directly tied to participant/parental involvement and program services.

Allowable items include event rentals and recognition awards. Food and beverages for parties, celebrations, end-of-program events and the like are NOT allowable.

Budget justification of special events should include type of event.

Budget limits are described below:

Special Events - Limited to the lesser of 2% of The Trust's contract value or \$10,000

Other (admission to field trips):

Participant field trips should be included in this category but must correlate to the contracted scope of services and pertain to The Trust funded program. For example, field trips to a local restaurant are not permitted unless the social skills curriculum indicates that this type of field trip is necessary.

Allowable items include admission cost for approved field trips for chaperones and participants. Fieldtrips in Miami-Dade County, Broward County, Palm Beach County and Monroe County are generally allowable if directly related to the program activities and outcomes (fieldtrips outside of these counties may only be funded if explicitly pre-approved by The Trust). Field trips must be clearly related to activities described in the scope of services. The Trust will reimburse one (1) field trip per week during the school year, and two (2) per week during the summer.

Budget justification of admission to field trip must include related fieldtrip activity/category and number of participants and chaperones.

Budget limits are described below:

Admission Fee – cannot exceed more than \$35 per person for admission fee. All out of county field trips need pre-approval from Program Manager.

Other (required staff training):

Staff training costs must relate directly to the program/curriculum being funded by The Trust. This line item is reserved for costs related to required trainings and required conferences.

Allowable items include registration costs for staff training, training expenses related to the implementation of Evidence Based Programs (EBP) and required conference presentations. Any consultant/entity hired to provide curriculum training must be certified or recognized by the EBP developer. Proof of the trainer's certification must be submitted along with the reimbursement form.

Budget justification of required staff training must include type of training and number of staff attending.

Other (background screening):

Allowable items include cost of background screening

Budget justification of background screening must include number of screenings.

Other (advertising):

Allowable items include material related to advertisement of program but must correlate to the contracted scope of services and pertain to The Trust funded program. The current Trust logo should be included on marketing materials.

Budget justification of advertising must include type of marketing and how it relates to the program.

Other (discretionary funds):

The discretionary fund is a budget line item intended to reduce minor budget amendments and revisions. Funds allocated to the "Other-Discretionary Funds" subgroup do not need to be identifiable costs during the budgeting process.

Allowable items: This account may only be used for operational expenses and may NOT be used to adjust salaries and wages. It also cannot be used to exceed other operational line item thresholds. Expenses must agree with the purpose of the program and be approved by the program manager in advance of submitting the reimbursement request. The invoice must contain extensive support within the narrative and include all associated transaction details.

Budget justification is NOT required for this line item.

Budget limits are described below:

Discretionary funds - Limited to the lesser of 5% of The Trust's contract value or \$20,000.

Other (other):

Allowable items include certain limited uses of gift cards, shared cost of provider data base, IT maintenance, Stipends and DCF license. Cash and monetary incentives may never be used.

Budget justification of other (other) must include item, purpose and percentage of shared cost (if applicable)

Stipends:

Stipends are allowable in instances in which the payment of a stipend is customary and noted as an evidenced based best practice for the program and pre-approved by The Trust. The rationale for providing a stipend must be described in the justification.

Non-monetary gift incentives: Non-monetary gift incentives are allowable in the following instances:

- Must be a part of an Evidence-Based Practice (EBP) and cited as a justified best practice.
- Must have a direct program connection that is reflected in the scope of services. The purpose of the incentive should be used in the description of the cost, for example, a milestone award, achievement award, recognition award, etc. (related to curriculum/program).

An example of an incentive might be a child receiving a book as a result of reading 5 books over the summer as part of the literacy activity if the activity had a reading challenge built into it.

Gift Cards: Gift cards are allowable in the following instances:

- Must be a part of an Evidence-Based Practice (EBP) and cited as a justified best practice.
- Must be related to primary data collection from individual subjects, if used within research contracts. Research incentive amounts must be reasonable and in line with acceptable research practices accepted by most Institutional Review Boards (IRBs). Strict controls, oversight and documentation of research incentive gift cards must be demonstrated.
- Must be prescribed by the initiative

Account #841 Program-Specific Audits:

Direct Service contracts (not inclusive of subcontracts) will be required to engage services from a licensed independent auditing firm to perform Trust required program-specific audit procedures. Attachment D of the core contract details the required program-specific audit procedures.

Allowable items include the cost of Program-Specific Audits

Budget justification of program-specific audits must include an amount.

Budget limits are described below:

Program-Specific Audit - The Trust will allow 3% of the contract value, up to \$6,000, to apply toward the cost of a program-specific audit. If an agency has more than one contract with The Trust, then the maximum amount cannot exceed \$6,000 for all contracts. To receive reimbursement for the preparation of a program-specific audit, as defined in section O of The Trust's core contract, a provider must choose from a list of pre-qualified Certified Public Accounting Firms that are licensed and registered to conduct business with the Florida Department of Business & Professional Regulation. A list of qualified firms is available for download at:

<https://www.thechildrenstrust.org/content/financial>

Inclusion on this pre-qualified list requires a Certified Public Accounting Firm to meet three criteria, which are:

- a. Participation in either the American Institute of Certified Public Accountants (AICPA) or the Florida Institute of Certified Public Accountants (FICPA) peer review program as evidenced by submitting their triennial System Review Report with a passing score to The Trust;
- b. Documentation, as solely determined by The Trust, that a Certified Public Accounting firm, or one of its associates, has adequate experience in governmental accounting and/or nonprofit accounting with the application of *Government Auditing Standards*; and
- c. Completion of a two-hour training session sponsored by The Trust's finance department.

UNALLOWABLE COSTS INCLUDE:

- Direct costs associated with the delivery of program services during an unlicensed timeframe and site by the Florida Department of Children and Families.
- Food and beverage for parties, celebrations, end-of-program events and the like are not allowable.
- Direct medical care unless part of a Trust approved program.
- Expenditures for lobbying; however, exclusive of costs for advocacy for the purposes of educating, informing or developing public awareness and support for public policy to improve the lives of children and families.
- Fines and penalties, including any bank charges, interest charges, late fees and traffic offenses.
- Florida sales tax (applies to both exempt agencies and nonexempt agencies).
- Purchase of vehicles.
- Overnight fieldtrips.
- Tips.
- Property, property tax or depreciation costs
- Unless it is in connection with a Family Stabilization request for clients enrolled in a FNSP program, the Trust will not reimburse providers for non-commercial mortgage costs.
- Staff entertainment costs.
- Alcoholic beverages.
- Contributions or donations by the organization to other organizations, including the donation of goods and services purchased with The Trust's funds.
- Scholarships for program attendance by program participants.
- Overnight shipping postage.

Match

Match Instructions:

For purposes of the budget, The Trust considers leveraged resources that are not provided by The Trust, whether directly or indirectly, to be a match. These additional resources must be received during the contract term and must directly relate to the operation of the program rather than to the overall costs of the organization.

Cash match contributions require that actual cash is received that directly supports the program.

Acceptable cash match contributions include: cash from another source or third party payments. For example: Registration or other parent/program fees collected

Program Fees -For providers that charge program/parent/registration fees, the use of these fees must be identified and included as a match in the budget.

In-kind match contributions include items or services for which the organization does not have to pay, such as non-monetary donations of equipment, supplies, space, staff time, etc. and must be used to support the program.

Acceptable in-kind match contributions include: equipment, supplies, other tangible resource(s), staff, volunteer hours, administrative overhead and the use of space that would otherwise have to be purchased.

Match that is required:

When a specific solicitation or procurement require partial match funding, said funds should be reasonable, necessary, and/or required for the program. Matching funds must be another funding source other than The Children's Trust.

Required match funds must be entered in two sections:

- 1) By funder type, in the Program Funders section of Participant module (this module establishes the match to be used in a budget) and;
- 2) In the Funder section of the Fiscal budget with an explanation of the match (i.e., nature, source and frequency) in the corresponding narrative box (this module provides justification for the match).

In all cases, documentation of match funding (i.e., a receipt that includes the item contributed and the related value) must be kept on file for audit purposes.

Match that is not required:

- 1) By funder type, in the Program Funders section of Participant module (this module establishes the match to be used in a budget)

Supporting Documentation

Supporting Documentation (if requested):

In the event that The Trust requires supporting documentation to substantiate a reimbursement, please refer to the Supporting Back-up Documentation Checklist, which is available on The Trust's website:

<https://www.thechildrenstrust.org/content/financial>

This document provides examples of allowable supporting documentation for transactions included within each budget line item. Cash, cashier's checks and money orders are considered unallowable supporting documentation since they cannot be specifically identified within a provider's operating bank account or provide assurance that the notes were transferred to the appropriate recipient.