



## Budget Guidelines

The Budget Guidelines (the Guidelines) must be used when creating a budget to request funds from The Children's Trust (The Trust). The Guidelines are 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 Guidelines are effective for contracts with a commencement date of July 1, 2018 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, complete, and free of calculation errors; narratives must also include the frequency of an activity, the cost of each occurrence, the percentage of cost allocated to The Trust, match amount, and source of match (if applicable). As amounts are created for salaries, fringe benefits and operating expenses, in the narrative field of the Budget Expense Detail screen, the provider must insert a thorough narrative description, including a calculation to substantiate the final budget amount. Bear in mind that the narrative field may not exceed 8,000 characters, which is equivalent to approximately 4 pages of text; though, unless absolutely necessary The Trust discourages using lengthy explanations in favor of concise and reasonable explanations. 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.

## ATTACHMENT I: ALLOWABLE/UNALLOWABLE COSTS:

**Allowable costs** include: (the following are examples of costs that may be allowable if reasonable and necessary for the type of program proposed):

- Program materials, resources and equipment.
- 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 not reimburse for more than one (1) field trip per week.
- 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.
- For providers entering the first year of the funding cycle, certain limited capital equipment items directly supporting program activities will be allowed. All equipment requests are subject to review, negotiation and final approval by The Trust.
- Computer technology equipment and other costs that will ensure that programs are high quality, easily accessible, and able to meet electronic reporting requirements. All technology requests are subject to review, negotiation and final approval by The Trust.
- 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. A stipend may not be paid to a participant of the program if the purpose of the program is to enable/ aid the participant to enter the workforce.
- Non-monetary gift incentives and 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 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).
  - 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.

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.

### **Unallowable costs include:**

- Food and beverage for parties, celebrations, end-of-program events and the like are not allowable.
- For in-town conferences, conventions and meetings food and beverage costs are prohibited for adults.
- Food and beverage costs for staff are not an allowable cost unless incurred in connection with attending an out-of-town training/conference as listed above under "Travel – Other than Participants." The negotiated price for the rental of a room must not include the cost of food and beverages.
- Meal costs; when program is subsidized by Department of Health funds (DOH). The Trust will not reimburse any fees associated with DOH subsidized meal plans.
- Cash and monetary incentives may never be used. Non-monetary gift incentives and gift cards should not be included in the budget for purposes of simply rewarding participation. See instances of allowable non-monetary gift incentives and gift cards in previous section.
- Fuel for any vehicle (refer to "Travel – other than participants" section below for mileage reimbursement).
- For providers not entering the first year of a funding cycle, capital equipment will be considered an unallowable cost.
- Purchase of buildings, construction costs, mortgage costs, leasehold or capital improvements.
- The Trust will not reimburse providers for rent agreements made with related parties whom are the mortgage holders of the leased property.
- 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.
- Field trips outside of the tri-county area (Miami-Dade, Broward and Monroe counties) unless pre-approved by The Trust.
- Overnight fieldtrips.
- Tips.
- Property, property tax, mortgage or depreciation 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.
- The Trust will not reimburse for pay upon separation from employment or suspension, such as accrued vacation pay or accrued sick pay. Overtime pay and bonuses will also not be reimbursed by The Trust. Scholarships for program attendance by program participants.
- Overnight shipping postage.