



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, 2019 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.

Trust Central: Services Activities Management Information System (SAMIS)

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

The 2019-20 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 SAMIS 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 - SAMIS online system. These resources are provided and available, on the Trust's website <https://www.thechildrenstrust.org/content/trust-central-support>

SAMIS Budgets:

As you begin to enter your budget in SAMIS, you are required to complete the Original Program Budget Column and the Original CSC Budget Column on the Budget Summary Screen. The Original Program Budget 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 SAMIS budget module does not provide for penny calculations.

When your budget is complete, the column labeled, "Original CSC Budget", plus the amount of the match dollars listed in the Program Funders Section of the Budget Summary Screen MUST equal the column labeled, "Original Program Budget".

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. Match funds must be entered in two sections of SAMIS:

- 1) By funder type, in the Program Funders section of SAMIS (this module establishes the match) and;
- 2) In the SAMIS Program 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.

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.

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.

SAMIS Positions:

The SAMIS Positions tab records 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 - SAMIS resources for instructions on how to use the Positions tab.

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.

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.

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 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 along with the calculation of salaries expense by position. 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. 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, The Trust recommends reviewing the following resources:

- <http://www.salary.com/>
- <http://www.payscale.com/>
- <http://www.bls.gov/bls/blswage.htm>
- <https://www.employflorida.com>

Salary adjustments since previous contract(s):

The Trust will allow up to a 5% increase to each position's salary for the contract year 19-20. However, each position that receives an adjustment must be reviewed and approved by the contract 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 program history.

Reimbursement for salaries must be reasonable, justifiable and align with market value as determined by The Trust, as well as consider the 5% increase limitation referenced above. Excessive administrative salaries will not be reimbursed by The Trust. See resources in section above.

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.

In accordance with the contracted scope of services, key organizational positions (i.e., certified teacher) cannot be hired on a volunteer basis. ALL key positions, deemed employees of an organization, must be "at will" paid positions. All rates paid to exempt and nonexempt employees must be in compliance with Fair Labor Standards Act regulations.

Funds allocated to salaries and wages cannot reimburse pay upon separation from employment or suspension, such as accrued vacation pay or accrued sick pay. Any costs relating to separation from employment must be reimbursed through the indirect costs budget line item. Bonuses will not be reimbursed by The Trust. 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 from the job, such as vacation and sick leave are allowable 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.

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 and a justification and calculation of fringe benefits

must be provided. 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. In SAMIS, you must review/create a position called "Fringe Benefits" to account for fringe benefits other than FICA/MICA.

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.

Fringe benefit categories and specific calculations are provided below:

- **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 \$132,900 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 \$132,900 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 \$132,900 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.

- **Retirement Contributions:** Retirement expense is typically calculated 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.
- **Life & Health Insurance:** Health insurance expense is typically calculated 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.
- **Worker's Compensation:** 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. 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.

- **Reemployment Tax (SUTA):** 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.

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).

In 2018, the minimum reemployment tax rate is 0.001 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.

- **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. Please be sure to show all calculations and thoroughly describe fringe benefits charged to this budget line item.

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 calculations provided in the SAMIS budget narrative must agree with 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.

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

Travel costs (other than participants) may include items such as 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). When calculating the cost per trip, you may include items such as airfare, mileage, car rental, ridesharing transportation (i.e. Uber, Lyft, etc.), shuttle service, hotel lodging and allowable per diem meal rates.

Justification of travel costs must include the number of nights, if overnight stay is necessary, the number of persons travelling, the business purpose and any related calculations. Whenever possible, The Trust encourages room sharing.

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):

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>

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 \$0.58 per mile, The Trust will reimburse a provider for \$0.69 for vehicles that transport eleven (11) to twenty (20) passengers and \$0.82 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.

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

Enter the requested funding costs associated with DIRECT transportation of participants. Participant travel may include items such as the use of Miami-Dade County Transit Easy Cards or the cost of renting a bus/van for specific field trips (i.e., the charge from a bus company). Bus rentals will be reimbursed at a maximum of \$48 per hour for up to 5 hours, which is consistent with market rates.

Participant travel may also 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.

As it relates to the 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):

Enter the cost of meals that will be provided to participants as part of the program. Meals for program participants may include snacks and/or full meals, if directly related to the program. 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 to 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. 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.

The cost of meals/snacks should be detailed, providing the unit cost per participant, the number of participants, the frequency that the meal/snack will be provided, and the type of meal provided, i.e. snack or supper.

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

Facility rental will not be reimbursed by The Trust for more than a reasonable and prudent percentage of the program's use of the space. The Trust will reimburse facility rental costs up to the average rate as indicated in the Miami-Dade County real estate market briefing (<http://www.miamidade.gov/business/reports-real-estate.asp>).

A reasonable method for the allocation of rental costs may be based on square footage used or number of participants served. An explanation to substantiate the allocation of space must be provided in the SAMIS narrative.

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 whom are the mortgage holders of the leased property.

Office space used in connection with the administrative functions must be budgeted under Administrative/Indirect costs and a copy of the lease agreement is required at time of contract negotiation. If an organization rents a meeting room, then a justification must include the rental rate, the term of the rental (i.e., hourly, daily, monthly or quarterly) the frequency of use and the business purpose of the rental (i.e., quarterly participant training workshops).

Account # 535: Utilities:

Enter the budgeted cost of utilities that will be used by the program. Utilities charges include items such as electricity, water, phone, equipment repairs and maintenance, equipment operating lease, waste management, pest control and alarm services. A descriptive budget narrative, including detailed calculations must be provided for each type of utility expense and should refrain from using "etc." Items included within utilities should qualify as a repair or maintenance expense as stipulated by IRS regulations. Utilities costs should be calculated based on the percentage of space allocated to The Trust.

Account # 536: Office Supplies:

Enter the amount of funding, which may not be greater than 2% of The Trust's contract value. If excess amount is needed further Trust approval is required. Office supplies include charges for paper, printing, postage, toner, cleaning supplies etc. A budget narrative is NOT required for this line item.

Account # 537: Program Supplies:

Enter the amount of funding, which may not be greater than 5% of The Trust's contract value. Program supplies include charges for curricula, books, educational software, recreational supplies and standardized testing. A descriptive budget narrative, including detailed calculations must be provided for each type of program supply and should refrain from using "etc."

Summer camp programs funded by The Children's Trust can budget for T-shirts for participants to help identify children during field trips to popular attractions and large public places. Request per t-shirt may not exceed \$5 and must include The Children's Trust logo.

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.

Account #540: Non-Capital Equipment-costing less than \$1,000:

Non-Capital Equipment of less than \$1,000 includes items such as furniture, computers, printers, audio equipment, telephones, sports equipment such as basketball hoops and equipment rentals. A descriptive budget narrative, including detailed calculations must be provided for each type of non-capital equipment and should refrain from using "etc."

Non-capital equipment should include items such as 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.

If the total cost of equipment is greater than \$1,000, it should be budgeted within the "Capital Equipment Costs" line item.

Account # 550: Capital Equipment Costs of \$1,000 or more:

The Children's Trust will allow for certain limited purchases of capital equipment for providers beginning the first year of a funding cycle. For all providers who are not entering the first year of their contract, capital equipment requests will be deemed unallowable.

Capital equipment represents individual items purchased at a cost of \$1,000 or more with a life expectancy of more than one year. Related individual items such as component units of the capital equipment, which constitute a single functional system, are considered as an individual item. Examples of related individual items include, but are not limited to, modular furniture, computer components, and similar types of items. 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).

Capital equipment purchases are allowable only to the extent that the equipment purchased is for the direct and immediate benefit of the program funded by The Trust. The nature and purpose of Trust funding is not to excessively fund 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

(Accounting, auditing, payroll administration costs, insurance and general administration costs):

Administrative/Indirect costs represent the general overhead expenses necessary to operate a program and typically relate to the organizations general executive and administrative functions. For example, a receptionist that answers incoming calls of an organization and general liability insurance are considered administrative/indirect costs.

Administrative/ indirect costs cannot exceed ten percent (10%) of The Trust's contract value. The 10% threshold also includes administrative/indirect costs paid to subcontractors and partner agencies. It is not necessary to include cost calculations or justification for indirect costs; however, costs identified as unallowable must not to be included in this category.

Please note that for annual contracts The Trust will reimburse for indirect costs at a rate equivalent to approximately 1/12 of the total amount budgeted each month; indirect costs charged to The Trust's program, which are greater than 1/12 MUST be accompanied by a detailed explanation and justification. Payment is subject to approval by The Trust.

Account # 611: Subcontractor(s):

For the purpose of direct service programs budget, a subcontractor is defined as an independent agency or

1. A description of the services performed and the related cost for each service. Rates paid for subcontractor services must be consistent with that paid for similar work within the applicant's organization as well as the Miami-Dade County job market;
2. A description of the frequency of services and the number of days/hours where a subcontractor's service will be provided;
3. A description of deliverables to be produced, if applicable; and
4. A description of the method of payment (i.e. hourly rate, daily rates and/or price per deliverable etc.). Note that staffing costs of subcontracted agencies must include the type of position, the number of staff and length of time devoted to the program.

A separate subcontractor budget must be entered in Trust Central - Contracts module.

Preparation of subcontractor budgets must adhere to the budget guidelines contained herein, unless otherwise noted; and each subcontracted service requires a separate subcontractor budget.

If more than one subcontractor is included in this line item, the cost cannot be reimbursed in excess of the allocated amount per subcontractor, even if funds are available in the overall line item.

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

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

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.

The budget justification must include a description of the services, frequency of services (i.e., the number of days/hours) specific deliverables (i.e. work products to be produced) and the method of payment (i.e. hourly rate, daily rates, price per deliverable). 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>

Professional Services for Evaluation:

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. In general, evaluation costs for a direct service contract should not exceed 5% of the total contract, and may be considerably less. 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>.

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, conference registration 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.

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. Special events are limited to the lesser of 2% of The Trust's contract value or \$10,000. Food and beverages for parties, celebrations, end-of-program events and the like are NOT allowable.

Admission to field trips: Participant field trips may be included in this category, but must correlate 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. The Trust will reimburse for the admissions cost of field trips for chaperons provided the costs are reasonable and justifiable. For all costs, a thorough justification includes a general event description and how many participants and/or staff attended the fieldtrip.

Required Staff Training: Registration costs for staff training may be included in this line item, though costs must relate directly to the program/curriculum being funded by The Trust. Registration costs for staff training and conferences must include a description of the nature of the event and how it relates directly to the program/curriculum being funded by The Trust. In addition, the justification must include the number of positions/staff attending the training, the cost of each training session, the frequency of training and the type of seminar/conference.

Required staff training should include training expenses related to the implementation of Evidence Based Programs (EBP) and should be justified in the budget line item. 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.

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. However, funds can only be obtained through this account if the corresponding budget line item of the expense billed within "Other-Discretionary Funds" has an insufficient remaining balance. This account may only be used for operational expenses, and may NOT be used to adjust salaries and wages. Expenses must agree with the purpose of the program and be approved by the contract manager in advance of submitting the reimbursement request. The SAMIS invoice must contain extensive support within the narrative and include all associated transaction details (i.e. substituted budget line item and any explanation as to why discretionary funds were needed).

Discretionary funds are limited to the lesser of 2% of The Trust's contract value or \$10,000.

Other: Certain limited uses of gift cards should be budgeted within "Other-other." Please refer to the allowable/unallowable costs section of these Guidelines for further guidance regarding when budgeting gift cards.

Temporary family stabilization funds may be used to address individual needs such as the threat of eviction, threat of child endangerment, termination of utility services, food and clothing. Temporary family stabilization funds can be budgeted in the "Other-other" budget line item. Expenses must agree with the purpose of the program and be approved by the contract manager in advance of submitting the reimbursement request. To maximize the effectiveness of temporary family stabilization funds usage, providers should work collaboratively with families to assess their needs. These funds are to be used as a last resort measure and providers must ensure that individual needs cannot be met through other dedicated resources. Documentation supporting the provider's efforts to utilize resources elsewhere must be provided to The Trust.

Individual reimbursement requests made for temporary family stabilization cases may only be approved and reimbursed if supporting documentation (reconciliations and receipts) for the request(s) is provided within the document repository. Total budgeted temporary family stabilization funds are limited to the lesser of 2% of The Trust's contract value or \$10,000. Individual requests for temporary family stabilization funds may not exceed \$500 per family per program period and should not be requested on a re-occurring monthly basis.

For more information please see the Temporary Family Stabilization guide at:

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. There is no contractual threshold amount exempt from this requirement. The cost of Program-Specific Audits must be included in this section, including any match dollars. 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.

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:

- **NEW:** Direct costs associated with the delivery of program services during a 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.
- 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.

ATTACHMENT II: Budget Narrative Guideline

General

The purpose of this document is to provide a basis of understanding the various ways to justify each budget account using the narratives within your contract budget. The Trust funds various initiatives that each have their own services and requirements, therefore, those considerations should be incorporated into the narratives. All narratives must also consider the standards set forth in the "Budget Guidelines." There are various methods to justify a budget line item, therefore, the provided examples below are the most common types or narratives but are not the only method of presentation.

The Trust's most distinct initiatives with various narrative requirements is the Youth After-School Summer program (YAS) and Youth Employment programs (YEN). This guideline provides examples for YAS and YEN programs, which primarily requires the separate disclosure of after-school and summer activities. If your contract is not a YAS or YEN program, please do not separately disclose your program into after-school and summer allocations.

Budget Accounts & Narratives

Regular Salaries & Wages

Position	Orig Salary	Amend Salary	Orig FICA	Amend FICA	Orig Retire	Amend Retire	Orig Insur	Amend Insur	Orig WC	Amend WC	Orig Unemp	Amend Unemp
Director (30123)												
Staff:	Jane Doe											
Gross:	56,800.00	56,800.00	4,345.00	4,345.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Program:	36,377.00	36,377.00	2,782.00	2,782.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSC:	36,377.00	36,377.00	2,782.00	2,782.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Original Distribution												
Program Allocation				CSC Allocation				Match Allocation				
Time Period	# Of People	Rate	Wks Funded	Hrs/Week	Amt	Hrs/Week	Amt				Amt	
Summer	1.00	27.31	6.80	0.00	0.00	30.00	5,571.00					
School Year	1.00	27.31	36.00	0.00	0.00	30.00	29,495.00					
School Year Full Day	1.00	27.31	1.60	0.00	0.00	30.00	1,311.00					
Summer	1.00	27.31	6.80	30.00	5,571.00	0.00	0.00					
School Year	1.00	27.31	36.00	30.00	29,495.00	0.00	0.00					
School Year Full Day	1.00	27.31	1.60	30.00	1,311.00	0.00	0.00					
Total Distribution to Program Salary				64%	36,377.00	100%	36,377.00	0%				0
Percentage of Distribution to Gross Salary				64%		64%		0%				

Original Budget Narratives:

Work Status: Full Time
 Payroll Frequency: Bi-weekly
 CSC Allocation: \$36377
 Source? Frequency of match: N/A

As seen in the example above, a YAS position should be justified by using three time periods: Summer, School Year, and School Year Full Day (with an additional option of Training days). School Year days are limited to 180 days. Summer and School Year Full Day varies depending upon services offered. Positions within other types of programs can be justified by using the "Regular" time period.

The narrative should also indicate three items: Work Status (Full or part-time), Payroll Frequency and any Sources of Match that may exist. In the example above, there is no match allocation; therefore this item should indicate N/A.

Fringe Benefits & Fringe Benefits (other)

For purposes of the example, assume total program salaries and CSC (Trust funded) salaries is \$212,273.

FICA/MICA – FICA rate is limited to 7.65% of Salaries.

Total Program & CSC Allocation: \$16,239 (7.65% of total Salaries \$212,273)

Source of Match: N/A

Workers Compensation – Rates for workers compensation are set by the state.

Total Program & CSC Allocation: \$2,760 (1.30% of CSC Salaries \$212,273)

Source of Match: N/A

Reemployment – For employee salaries greater than or equal to \$7,000 allocated to the Trust, apply total FTE of all employees that meet this rule * \$7,000 maximum reemployment threshold * agency's reemployment tax rate.

Total Program & CSC Allocation: 14.64 FTE x \$7,000 x 1.84% + (4,440 x 2 x 1.84%) = \$2,049.04

Source of Match: N/A

Retirement – Can be calculated by applying contribution rate of each position's CSC salary or apply average contribution rate to total salaries.

Total Program & CSC Allocation: \$6,368 (3% of total CSC salaries \$212,273)

Source of Match: N/A

Life and Health Insurance – FTE or allocation * Apply monthly premium * 12 months

Total Program & CSC Allocation: 14.64 FTE x \$100 per employee (premium) x 12 months = \$17,568

Source of Match: N/A

Travel (Other than participants)

After School: 250 miles (traveled by each staff per month) * 5 staff (needs to align with description of positions in scope) * 10 months * \$0.545 (**reimbursable mileage rate**) = \$6,813

Summer Staff Travel: 250 miles (traveled by each staff per month) * 5 staff (needs to align with description of positions in scope) * 2 months * \$0.545 (**reimbursable mileage rate**) = \$1,363

Program & CSC allocation: \$8,176

Source of match: N/A

Travel (Participants)

After-School: 2 buses x \$240 (**subject to hourly rate threshold in budget guidelines**) = \$480 round trip transportation for 150 children.

3 company-owned vans per field trip; each van seats 15 children. 250 miles/month x 3 vans x 10 months x \$0.545 reimbursable mileage rate = \$4,088.

After-school total: \$4,568

Summer: 8 buses x \$240 (**subject to hourly rate threshold in budget guidelines**) = \$1,920 round trip transportation for 200 children.

2 company-owned vans per field trip; each van seats 15 children. 250 miles/month x 2 vans x 2 months x \$0.545 reimbursable mileage rate = \$545.

Summer total: \$2,465

Program & CSC allocation: \$7,033

Source of match: N/A

Meals (Participants) – If snacks are not provided through meal sponsor, see allowable rates in budget guidelines.

After-school: All participants will receive a daily snack during the after school days and lunch & snacks during full days procured and delivered by the contracted meal sponsor.

Summer: All participants receive daily lunch and snacks during the summer period procured and delivered by the contracted meal sponsor.

Program & CSC allocation: \$0

Source of match: N/A

Space

After-School: (Site address) 7,345 Sq. Ft. used for program for 10 months and 50% is allocated to The Trust, \$4,600 monthly rent = \$23,000

Summer: (Site address) 7,345 Sq. Ft. used for program for 2 months and 50% is allocated to The Trust, \$4,600 monthly rent = \$4,600

Program allocation: \$55,200

CSC allocation: \$27,600

Source of match: Agency Funds

Utilities – Should share similar allocation method to Space

After-School: Communications \$300/month * 50% (**space allocation**) * 10 months = \$1,500

Security System: \$53/month * 50% * 10 months = \$265

Electric: \$500/month * 50% * 10 months = \$2,500

Total After-school: \$4,265

Summer: Communications \$300/month * 50% (**space allocation**) * 2 months = \$300

Security System: \$53/month * 50% * 2 months = \$53

Electric: \$500/month * 50% * 2 months = \$500

Total Summer: \$853

Program allocation: \$10,236

CSC allocation: \$5,118

Source of match: Agency Funds

Supplies (Office) – Office supplies requires no justification within budget justification. Refer to the “Budget Guidelines” for an understanding of allowable items.

Supplies (Program)

After-School: Art supplies, STEM supplies, educational computer software, DVDs, CDs

\$38/participant x 150 children materials = \$5,700

Literacy computer-based software/web access for middle and high school students: \$4,000

Summer: Curriculum/books @ \$100/participant x 50 participants = \$5,000

Routine supplies for 200 children x \$37 = \$7,400

Program & CSC allocation: \$22,100

Source of match: N/A

Non-Capital Equipment

Tablets: \$300 per tablet x 30 = \$9,000

\$500 per laptop x 30 = \$15,000

Tablets and laptops will be used by participants to engage in core components “literacy” to improve & enhance reading/language art skills including Math and STEM activities

Printers: \$550 per printer x 2 = \$1,100

Program & CSC allocation: \$25,100

Source of match: N/A

Capital Equipment

Tablets: \$500 per laptop (Trust allowable limit) will cover the Trust portion of the total cost, \$1,100. (Equipment is to be considered capital if total cost of unit is in excess of \$1,000)

Program allocation: \$1,100

CSC allocation: \$500

Source of match: Agency Funds

Indirect Cost – Providers may budget up to 10% of contract amount, and budget narrative should provide the calculation.

Subcontractor – Budget narrative should include the name of the subcontractor agency(ies), total program allocation, CSC allocation and matching funds (when applicable). The amount allocated under the Subcontractor(s) line item in the lead agency's budget must equal to the total amount of the individual Subcontractor budget entered in Trust Central Contracts module.

Professional Services (Instructors, Certified Teachers, Tutors, Consultants, Other, Evaluation) – The same type of narrative can be applied for all professional services accounts. Information disclosed in the narrative should reflect the billing method of the contracted service. Please consider hours of professional services should be within reasonable limits (40 hrs/wk).

After-School: 2 Teachers x \$22/hr x 5 hrs/week x 36 weeks for literacy instruction = \$7,920

Summer: 2 Teachers x \$22/hr * 20 hrs/week x 6.8 weeks for literacy instruction = \$5,984

Program & CSC Allocation: \$13,904

Source of match: N/A

Other (Advertising, Background Screening, Admission to Field Trips, Other, Volunteers, Special Events, Required Staff Training, Discretionary Funds, Conference Registration)

Advertising

Printing & distribution of newsletters: 2,000 x \$1.50 = \$3,000

Program and CSC allocation: \$3,000

Source of Match: N/A

Background Screening

After-school: Screening & fingerprinting: (\$83.50 + \$12.50) x 5 facilitators & teachers = \$480

Summer: Screening & Fingerprinting: (\$83.50+\$12.50) x 5 summer facilitators = \$480

Program allocation: \$960

CSC allocation: \$300

Source of Match: Agency funds

Admission to Field Trips

After-school: \$30/participant x (60 participants + 10 staff) x 3 field trips = \$6,300

Summer: \$30/participant x (60 participants + 10 staff) x 6 field trips = \$12,600

Program allocation: \$18,900

CSC allocation: \$10,000

Source of Match: Agency funds

Volunteers

After-school: \$15/hr x 36 weeks x 10hrs/week x 2 volunteers = \$10,800

Summer: \$15/hr x 9 weeks x 10hrs/week x 2 volunteers = \$2,700

Program allocation: \$13,500

CSC allocation: \$0

Source of Match: In-kind donated time

Required Staff Training/Conference Registration

After-school: \$100/hr x 4hr/session x 2 sessions = \$800

Summer: \$100/hr x 4hr/session x 1 session = \$400

Program allocation: \$1,200

CSC allocation: \$1,200

Source of Match: N/A

Discretionary Funds

Requires no justification for budget. Should include calculation verifying adherence to Budget Guideline requirements.
Lesser of \$10,000 or 2% of contract amount.

Program-Specific Audit

Program-Specific audit fee is estimated at \$6,000, or the lesser of 3% of total agency contracts or \$6,000. Agency plans to use XYZ audit firm, which is currently included in the pre-qualified Program Specific Auditing Services.

Program allocation: \$6,000

CSC allocation: \$6,000

Source of match: N/A