|  |
| --- |
|  |
|  |
| FY 23 Continuation Grant applicationBudget Instructions |
|  |
|  |
|  |

**Budget**

**Spending Authority:** The grant period begins July 1, 2022. After the initial submission, the Adult Education Program Specialist must receive all requested documentation and revisions for final approval by the posted deadline to be determined (TBD). If a grantee has not complied, spending authority will cease and will not be reinstated until the first day of the month following the grantee’s receipt of written grant approval from MD Labor. Written approval is based on MD Labor’s receipt of all required grant components, including budget and/or other application revisions.

In order to receive a grant under this continuation award, MD Labor requires the recipient to provide a matching contribution **in an amount no less than 20% of the total amount of funds expended on the allowable activities under the grant**.

Calculate the matching contribution using the following formula:

**MD Labor requested amount x 25% (.25) = matching contribution**.

A minimum of 35% of the matching contribution must be in cash and the remaining amount, up to 65%, may be an in-kind contribution. Matching funds must not be other Federal funds, program revenue, or resources that support a separate project.

**Note that MD Labor will not finalize your initial budget workbook on the first submission, so you will not have to obtain the required signatures and dates until final budget numbers have been determined**. Until that time, upload your proposed budget workbook to your programs’s Google Team Drive as an Excel document. Upload your budget workbook using the following path: [Your program folder] -> FY2023 Files -> FY2023 Grant Documents folder.

**AFTER** all budget pages/numbers have been approved by MD Labor:

1. Print your approved budget workbook and have all budget pages signed and dated in blue ink. To print all the pages, click on **File/Print**. Then select **Print Entire Workbook** under **Settings**. The budget pages have been set to print at 94% scale so all columns will fit on a single page; do not alter the scale.
2. Scan to PDF file format only, in color, your signed and dated budget workbook pages.
3. Open your Google Team Drive and navigate to the FY 2023 Files > FY2023 Grant Documents folder. Upload your final, approved, scanned PDF budget workbook in this folder.

**Maintenance of Effort:** Programs must maintain **the full and actual dollar amount of matching resources, including in-kind resources**, for all remaining years of the FY 2021 Continuation Application Grant (FY21 – FY23). Programs must document these resources in an auditable form.

**In providing your match, be aware that the original amount pledged will be required in each subsequent year of the multi-year grant.**

Budget forms are included in the file titled *FY 23 MD Labor-AELS-ABE & ESL Budget,* which is a separateMicrosoft Excelworkbook document. The budgets for IELCE and NEDP are separate workbooks, titled *FY 23 MD Labor-AELS-IELCE Budget* and *FY 23 MD Labor-AELS-NEDP Budget*, respectively*.*

The workbooks contain a set of two budget sheets for each available funding line.

1. Budget Narrative
2. Budget Summary

First, *delete* any *set of two* budget sheets for which your program is not requesting funding. To delete a budget sheet, right click on the tab and click on delete. For example, if your program is not requesting Family Literacy funding, delete the Family Literacy budget summary and budget narrative worksheets from the budget workbook. Complete each set of two budget sheets for each funding line your program is requesting. The budget sheets will automatically paginate when printed as a workbook.

**Proposed Budget Narratives:** Develop budget narratives that indicate how your program will expend federal and/or state grant funds, program income (revenue), and matching funds. Budgets must reflect appropriate activities and allowable fund use at reasonable costs. “Reasonable cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award” (Factors which determine reasonableness can be found at 2 CFR 200.404).

Programs may not request funds to supplant other federal, state, local, or private funds. Include a ***detailed,*** itemized budget description for each line/category of funding requested. Describe all costs associated with the entire project. MD Labor will use this information to determine if the budget is reasonable. Include detailed calculations for salaries, supplies, materials, and professional development costs. Any projected mileage costs cannot exceed the current per mile state rate (As of 1/1/22 = $.585/mile).

Detail is important. See the Excel file titled *FY 23 MD Labor-AELS-Budget Workbook Examples* and the Word document titled *FY 23 MD Labor-AELS-Budget Workbook Examples Explanation*.

On the proposed Budget Narrative form:

1. When entering numbers, type only the dollar amounts. Do not enter cents. The formatting automatically adds commas to dollar amounts. Insert or delete rows as needed.
2. **Do not** delete any of the Line Items or Subtotal Rows. If your program adds rows, confirm that the formatting automatically added dollar amounts to the Totals.
3. A proposed expenditure must be classified correctly and included in the appropriate cell of the budget forms (see Budget Descriptions).
4. The **Subtotals and Grand Totals** have formulas provided. When you enter the amounts for the budgeted items in the cells, the subtotals and grand totals will appear automatically. Double-check the accuracy of the manual calculations; these will be used in the formulas that calculate the Totals.
5. ***Total Program Income (Revenue expenditures)***, if applicable, must be included in the budget narrative in accordance with 2 CFR 200.80, which states that *program income* must be added to the funds committed to the project. Include **revenue expenditure descriptions** in the Line Item for which the program will use the revenue. Programs must expend all program income on allowable activities and within the grant program year.
6. Enter the ***Total Program Revenue*** from all budget narrative lines on the Cover Page of the Grant Application. **Note:** Report the revenue expenditures *only* on the Budget Narratives, and *not* on Budget Summaries.

**Proposed Budget Summaries:** The budget summaries organize proposed expendituresin a line item format that complies with pertinent laws. Use this form for all proposed state and federal budgets and their local match.

Specifications for the Budget Summary form are as follows:

1. A proposed expenditure must be classified correctly and included in the appropriate cell of the budget form.
2. *Total Expenditures by Object*, and *Requested and Match* *Totals*, and *Grand Total* include the calculation formulas. After entering the amounts in the cells, these totals will appear automatically.

**To Print Budget Pages:** The budget pages have been set to print at 94% scale so all columns will fit on a single page; do not alter the scale. To print all the pages, click on **File/Print**. Then select **Print Entire Workbook** under **Settings**.

**Budget Descriptions**

This list includes the more common expenditures but is not all inclusive.

**Expenditure:** Budget categories - Administrative and Instructional

Administrative Expenditures: The administrative cost cap is 5%. However, the MIS and data entry clerk salary and benefits, and staff professional development under AGE and Literacy Works budgets **do not** count towards the administrative cost cap.

* Salaries and benefits for administrative/non-instruction/non-direct service positions or the appropriate percentage of coordinator positions, if applicable
* MIS and data entry clerks whose sole responsibility is LACES data entry
* Professional development
* Office supplies
* Printing and promotional materials
* Indirect Business Support

Instructional Expenditures: Costs associated with direct instruction and/or student contact.

* Salaries and benefits for Instructional Specialist, Intake/Assessment Specialist, instructors, instructional assistants, computer lab aide, etc.
* Instructional materials
* Instructional supplies – notebooks, dry erase markers, pencils, etc.
* Instructional software programs
* Technology for instructional purposes **NOTE:** must have written MD Labor approval
* Printing and postage for instructional purposes
* Childcare and public transportation

**Revenue Source:** Federal or State and a specific funding line on the grant award notice (e.g., Federal ABE/ESL; State Literacy Works, etc.)

**Line Item:** Budget objects (e.g., Salaries & Wages; Employee benefits; Contracted Services, etc.) listed on both the Instructional Expenditures and the Administrative Expenditures

**Program Income (Revenue):** Gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in 2 CFR 200.307(f)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **BUDGET OBJECTS** | | | | | | |
| **01-Salaries & Wages** | **02-Employee Benefits** | **03-Contracted Services** | **04-Supplies & Materials** | **05-Equipment** | **06-Other Charges** | **07-Indirect** |
| * Amounts paid to employees (excluding benefits) | * FICA, Unemploy-ment,   Worker’s  Comp., Retirement, Health, and Life Insurance   * Other Employee Benefit Costs | * Consultant or a service for a fee * Personal services for a fee | * Office supplies (admin) * Instructional supplies, textbooks, software, etc.   (instructional)   * Training materials | * Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. | * Travel (only in-state allowed) * Conference registrations (only in-state allowed) * Personnel tuition reimburse-ment * Printing of promotional or instruction-al materials * Student support services (public transportation, childcare) | * Expenses charged to the grant but not used for Direct Costs   (Ex: classroom space, use of college owned copier)   * Administrative Indirect Costs   (Ex: payroll services)  . |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Examples of what is NOT allowable** | | | | | | |
| **01-Salaries & Wages** | **02-Employee Benefits** | **03-Contracted Services** | **04-** **Supplies & Materials** | **05-Equipment** | **06-Other Charges** | **07-Indirect** |
| * Administra-tive salaries that exceed the 5% Admin cap | * FICA, Unemploy-ment,   Worker’s  Comp., Retirement, Health and Life Insurance for the administra- tive salaries that exceed the 5% Admin cap | * Subcontrac-tors not approved by MD Labor * Leasing of equipment * Offsite cleaning services | * Paper plates, cups, napkins, etc. * Food * Office supply company contract | * Computers, unless for instructional purposes AND with MD Labor Adult Education Program Specialist approval or for MIS data entry duties. | * Out-of-state travel * Out-of-state conference registrations * GED® Testing | * Rent * Membership dues for organizations that participate in advocacy activities |

| **BUDGET CATEGORIES** | |
| --- | --- |
| **Category/Program** | **Description** |
| **Administration Categories** | |
| Instructional Administration & Supervision | Activities that enhance instruction and assist instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. |
| **Instruction Categories** | |
| Instructional Staff Development | Activities that contribute to the professional or occupational growth and competence of the instructional staff. Included are workshops, demonstrations, teacher mentoring programs, and salaries for substitutes while teachers attend staff development activities. |
| Support Services | Activities of counseling adult learners, consultation with other staff members on learning problems and other student needs, assisting learners in personal social development, assessing the abilities of learners, assist learners with educational and career plans, and providing referrals. |
| Adult Education | Instructional programs offered for adults who are pursuing their basic or secondary level education objectives. |
| **Plant Operation** | |
| Operating Services | Activities concerned with keeping the physical plant clean and ready for daily use, maintaining the condition of the grounds and facilities, and maintaining order and safety in buildings where classes are held, on the grounds, and in the vicinity. |

**NOTE: MD Labor will not approve the expenditure of grant funds for computers EXCEPT as necessary to meet the requirements of LACES, for the administration of approved computer-based assessments, or for instructional purposes without prior written MD Labor approval.**

**COMMUNITY- BASED ORGANIZATION FUND DISTRIBUTION SCHEDULE**The following fund distribution schedule applies to Adult Education and Literacy Services programs provided by Community Based Organizations (CBOs).

For STATE FUNDING LINES ONLY (National External Diploma Program® [NEDP] and Literacy Works)

**MD Labor will automatically release the state source funds on the schedule that follows**; however, monthly expenditure/cash requisition forms will continue to be required for federal source funds.

August 1, 2022 30%  
November 15, 2022 30%  
February 15, 2023 30%  
June 1, 2023 10%