Building a Grant Budget

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- Co-Owners of HayDay Services – speaking, coaching, and training
- Co-Creators & Co-hosts of Fundraising HayDay, a podcast about grants & such
- Combined 50+ years of grant & fundraising experience
- Grant Professional Certified (GPC)
- International Grant Trainers – more than 20,000 students
- Leadership at board levels: Grant Professionals Association (GPA), Grant Professionals Certification Institute (GPCI), Grant Professionals Foundation (GPF), and Georgia GPA chapter

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HOUSE RULES

- Use chat for connecting with your fellow attendees
- Use Q & A for questions you'd like Kimberly and Amanda to answer
- GMA will make all slides and handouts available to attendees
- This is being recording, and you will receive access to the recording via GMA

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Building Your Budget

PROGRAM

- All elements needed to implement a program
- Typically includes staff, equipment, supplies, etc.
- Pay close attention to what you need to implement program & what elements grantor will fund

PROJECT

- Often a construction project or other large capital item
- Staff costs are not typically common elements, but consultants/contractors often are
- Consider design, ROW, and construction elements

EQUIPMENT

- Simplest one
- List of all equipment needed
- Typically shows price per item & quantities of each

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COST ELEMENTS

- Categories typically created by funder – in budget template, RFP/NOFO, or budget example
- Typical categories include:
  - Staffing – may be separated between personnel and fringe benefits
  - Equipment – typically $5,000+ per item
  - Supplies – typically less than $5,000 per item
  - Travel
  - Contractual
  - Construction
  - Other
  - In-Direct

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LINE ITEM	TOTAL	FUNDING REQUEST	OTHER FUNDERS	IN-KIND
I. Personnel				
New Staff				
Existing Staff				
Volunteers				
Contract Labor				
Sub-Total				
II. Direct Costs				
Equipment				
Training				
Travel				
Technology				
Sub-Total				
III. In-Direct Costs				
Sub-Total				
TOTALS				

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Costs Included in Your Budget Must Be:

- **Allowable** – By grant rules & legislation
- **Allocable** – Incurred for this grant program
- **Reasonable** – Consistent with policies and going rates in area
- **Necessary** – Helps accomplish goals of program

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MATCH vs. COST-SHARE

The portion of a project's cost that is not paid by the grantor.

Terms are often used interchangeably, but some funders treat them differently. According to the Department of Health and Human Services, "…the matching amount is based on a percentage of either the Federal funding or total approved budget, adjusted as necessary based on actual allowable costs, and cost sharing is a negotiated amount that may or may not be adjusted after the fact."

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Requirements for Match/Cost-Share for Federal Awards

- Verifiable – Have records (invoices, receipts, checks, etc.)
- Only counted once
- Necessary for success of program
- Allowable
- If a federal grant award, match cannot be from another federal source (with some exceptions by legislation)
- Included in approved budget
- Follow federal requirements in CFR 200.306
- Costs must occur during grant period
- Match available at time of application submission (typically)

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IN-KIND According to the Ford Family Foundation, the definition of in-kind funding is "services, material, equipment or labor committed or received at a conservative value that would otherwise be paid from the project budget. Both the donor and the services received should be identified."

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Examples of In-Kind Contributions

Professional Services – Services provided pro bono by attorneys, accountants, engineers, medical professionals, and others
Volunteer Time – For a variety of purposes, individuals who help with your program or project. May use hourly wage found at Independent Sector website (value of volunteer time).
Equipment – Donations of pieces of equipment, such as a copier.
Other Items – Things like food, plants, and other supplies.
Building – Entire building or space within a facility.
Vehicles
Land

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In-Direct vs Direct Program Expenses

According to the Mott Foundation, "**Direct costs** are those for activities or services that benefit specific projects, e.g., salaries for project staff and materials required for a particular project. Because these activities are easily traced to projects, their costs are usually charged to projects on an item-by-item basis.

Indirect costs are those for activities or services that benefit more than one project. Their precise benefits to a specific project are often difficult or impossible to trace. For example, it may be difficult to determine precisely how the activities of the director of an organization benefit a specific project."

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TYPICAL EXAMPLES

DIRECT COSTS
- Project staff
- Travel
- Training
- Equipment, supplies
- Consultants

IN-DIRECT COSTS
- Rent/Mortgage
- Utilities
- Administrative staff
- Audit
- Legal Services

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But it's not always that clear

Mott Foundation goes on to say, "It is possible to justify the handling of almost any kind of cost as either direct or indirect. Labor costs, for example, can be indirect, as in the case of maintenance personnel and executive officers; or they can be direct, as in the case of project staff members. Similarly, materials such as miscellaneous supplies purchased in bulk – pencils, pens, paper – are typically handled as indirect costs, while materials required for specific projects are charged as direct costs."

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MOST COMMON BUDGET MISTAKES

- Not including necessary costs
- Not building out entire project budget (only thinking of grant budget limitations)
- Match is not in-hand
- Budget does not match program description
- Your organization budget and project budget are not the same
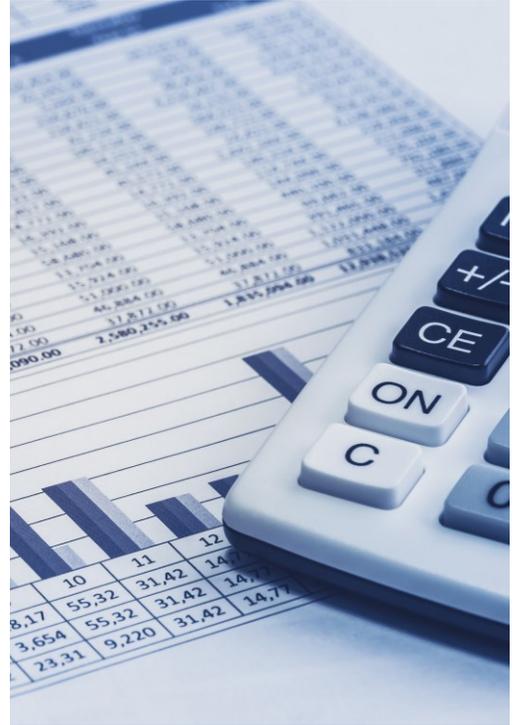
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Fundraising HayDay Podcast Episodes

- S1, E11 – It's not ALL About the Writing: Budgets
- S4, E6 – Better Budgets Win More Grants
- S6, E12 – A Direct Approach to In-Direct Costs

Find episodes on Apple Podcasts, Spotify, or our website: www.haydayservices.com/podcast/

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