

State Entity Pre-Application Webinar: *Developing a budget that aligns with and supports your proposed project*

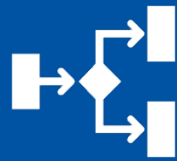
SPRING 2023



Session Objectives



Introduce applicants to the NIA requirements related to your project budget



Provide strategies for developing a project budget for a CSP grant application



Explain the components of the allowable cost framework within the context of the CSP



Agenda



Welcome and Introduction



Summary of 2023 SE Competition



Developing a Project Budget



Behind the Scenes: What ED Reviews



Closeout and Next Steps



Purpose of the Charter School Programs

1. Improve the United States education system and education opportunities for all people in the United States by supporting innovation in public education in public school settings that prepare students to compete and contribute to the global economy and a stronger Nation;
2. Provide financial assistance for the planning, program design, and initial implementation of charter schools;
3. Increase the number of high-quality charter schools available to students across the United States; and
4. Evaluate the impact of charter schools on student achievement, families, and communities, and share best practices between charter schools and other public schools;



Purpose of the Charter School Programs (*continued*)

5. Encourage States to provide support to charter schools for facilities financing in an amount more nearly commensurate to the amount States typically provide for traditional public schools;
6. Expand opportunities for children with disabilities, English learners, and other traditionally underserved students to attend charter schools and meet the challenging State academic standards;
7. Support efforts to strengthen the charter school authorizing process to improve performance management, including transparency, oversight and monitoring (including financial audits), and evaluation of such schools; and
8. Support quality, accountability, and transparency in the operational performance of all authorized public chartering agencies, including State educational agencies, local educational agencies, and other authorizing entities.



Purpose of the CSP SE Grant

Enables state entities to:

- Award subgrants to eligible applicants in their state to open and prepare for the operation of new charter schools and to replicate and expand high-quality charter schools, and
- Provide technical assistance to public chartering agencies.



Eligibility

Eligible applicants are state entities with a state statute authorizing the establishment of charter schools.

A State Entity means:



A State Education Agency



A State Charter School Board



A Governor of a State



A Charter School Support Organization



Subgrant Eligibility

Eligible Applicant means a developer that has:

- Applied to an authorized public chartering authority to operate a charter school; and
- Provided adequate and timely notice to that authority.

What do we mean by “developer”?

An individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community who will carry out a charter school project.



Competition Basics

Type of Award: Discretionary

Estimated Funds Available: \$173,000,000

Estimated Range of Awards: \$2,000,000 to \$20,000,000 per year

Average Estimated Size of Award: \$8,000,000 per year

Estimated Number of Awards: 8-10

Project Period: Up to 5 years

- Note: The Department will remove all costs and activities that exceed the 5-year limit, if recommended for funding.



An Important Note

The Federal Register notice contains important information. We recommend all applicants read the entire notice in the Federal Register. Applicants must follow the Application Procedures as described in the Federal Register notice announcing the grant competition.



Application Package Components

1

Required Forms

- ED Standard Forms
(including Form 524)
- Assurances and Certifications

2

Application Narrative

- Abstract Narrative Form
- Budget Narrative Form
- Project Narrative Form

3

Other Attachments



Budget Narrative Overview

What is a budget narrative?

- An itemized budget in narrative/descriptive form, broken down by project year, for each budget category listed in Section A of the ED 524 form.
- The budget narrative must describe the budget activities during all years of your grant but should not include an assumption of a no-cost extension.

What resources are available?


- [2 CFR Part 200 Uniform Guidance](#)
- Funding restrictions outlined in the NIA
- Use of subgrant funds outlined in the NIA



Be sure to include DETAILED information on how you estimated all costs. Include tables that show cost per item, quantity of items, total cost, and other details that may be relevant.



Budget Summary: ED 524

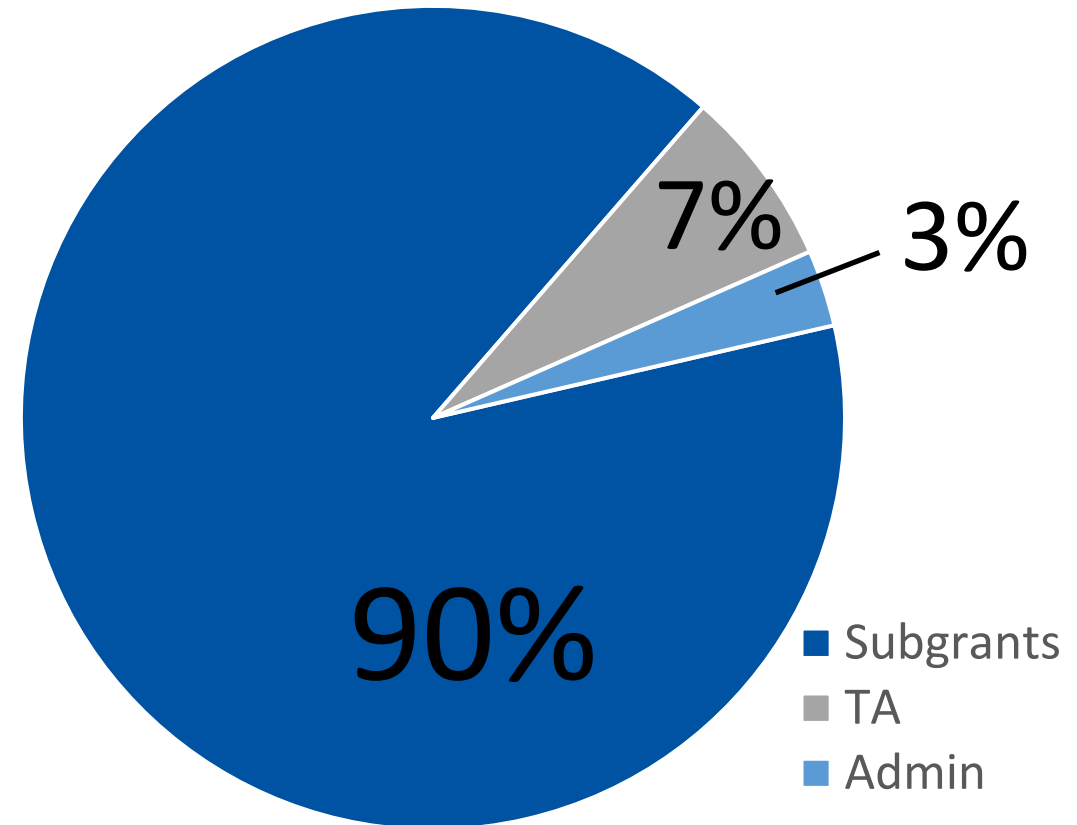
|  U.S. DEPARTMENT OF EDUCATION BUDGET INFORMATION NON-CONSTRUCTION PROGRAMS | | | | | | OMB Control Number: 1894-0008 Expiration Date: 09/30/2023 | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---|-----------------------|--------------|
| Name of Applicant Organization | | | | | | Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form. | | |
| SECTION A - BUDGET SUMMARY U.S. DEPARTMENT OF EDUCATION FUNDS | | | | | | | | |
| Budget Categories | Project Year 1 (a) | Project Year 2 (b) | Project Year 3 (c) | Project Year 4 (d) | Project Year 5 (e) | Project Year 6 (f) | Project Year 7 (g) | Total (h) |
| 1. Personnel | | | | | | | | |
| 2. Fringe Benefits | | | | | | | | |
| 3. Travel | | | | | | | | |
| 4. Equipment | | | | | | | | |
| 5. Supplies | | | | | | | | |
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| 10. Indirect Costs *Enter Rate Applied: | | | | | | | | |
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| <p>*Indirect Cost Information (To Be Completed by Your Business Office):</p> <p>If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:</p> <p>(1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? <input type="checkbox"/> Yes <input type="checkbox"/> No.</p> <p>(2) If yes, please provide the following information and provide a copy of your Indirect Cost Rate Agreement: Period Covered by the Indirect Cost Rate Agreement: From: ___/___/___ To: ___/___/___ (mm/dd/yyyy) Approving Federal agency: ___ED ___Other (please specify): _____ The Indirect Cost Rate is _____%</p> <p>(3) If this is your first Federal grant, and you do not have an approved indirect cost rate agreement, are not a State, Local government or Indian Tribe, and are not funded under a training rate program or a restricted rate program, do you want to use the de minimis rate of 10% of MTDC? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, you must comply with the requirements of 2 CFR § 200.414(f).</p> <p>(4) If you do not have an approved indirect cost rate agreement, do you want to use the temporary rate of 10% of budgeted salaries and wages? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, you must submit a proposed indirect cost rate agreement within 90 days after the date your grant is awarded, as required by 34 CFR § 75.560.</p> <p>(5) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that: ___Is included in your approved Indirect Cost Rate Agreement? Or ___Complies with 34 CFR 76.564(c)(2)? The Restricted Indirect Cost Rate is _____%</p> <p>(6) For Training Rate Programs (check one) -- Are you using a rate that: ___Is based on the training rate of 8 percent of MTDC (See EDGAR § 75.562(c)(4))? Or ___Is included in your approved Indirect Cost Rate Agreement, because it is lower than the training rate of 8 percent of MTDC (See EDGAR § 75.562(c)(4)).</p> | | | | | | | | |

ED 524



Funding Restrictions

- 90% of funds **must** be used to provide subgrants
- At least 7% of funds must be used to provide TA to subgrantees **and** authorizers
- Up to 3% of funds can be used for administrative costs



Subgrants

90%

At least 90% of CSP funds must be awarded as subgrants to eligible applicants within the state. These subgrants may be used for two primary purposes:

- (1) Planning, program design, and initial implementation of new charter schools; or
- (2) Replication or expansion of high-quality charter schools.

A few things to note:

- Subgrantee maximum: \$2,000,000
- Subgrants are no more than 5 years, including no more than 18 months for planning
- The number of subgrants you budget should be clearly delineated and justified



Technical Assistance Costs 7%



Avoid using specific contractor names in your application for TA support.

Grantees under this program must provide technical assistance to:

- Eligible applicants and authorized public chartering agencies in opening and preparing for the operation of new charter schools, or replicating or expanding high-quality charter schools; and
- Authorized public chartering agencies in the state to improve authorizing quality, including developing capacity for, and conducting, fiscal oversight and auditing of charter schools.

A total of 7% of grant funds must be spent on this TA over the course of your grant, but you have flexibility in when the funds are spent. For example, you may spend more in years one and two and less in years three through five.

Any contract work for administrative purposes cannot be covered with TA funds. TA may be provided in preparation for or as a result of monitoring, but not for actual monitoring.



Administrative Costs

Administrative costs include any cost associated with administering the grant, including:

- Personnel
- Monitoring
- Peer Review
- Project Directors' Meeting and Participation in Other TA Offerings
- Reviewing Reports



Determining Funding Requests: Subgrants



When determining subgrants, set realistic pipeline goals based on your state context.

Estimation Tip:

Step 1: How many subgrants will we have?

- How many subgrants have been awarded in previous years (if applicable)?
- What types of subgrants were awarded (new school, replication, expansion)?
- What has enrollment data looked like over the past several years in our state?
- What information do authorizers, support organizations, incubators, or others have regarding potential new school developers?



Estimated Subgrants

New School Subgrants:

- 2 each year, 10 total
- \$20,000,000.
- 5-year grant length

Replication Subgrants:

- 1 each year, 5 total
- \$10,000,000.
- 5-year grant length

Expansion Subgrants:

- 2 each for first 3 years, 6 total
- \$9,000,000
- 3-year grant length

| Type of Subgrant | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28* |
|------------------|-------------|-------------|-------------|-------------|--------------|
| New School | \$800,000 | \$1,600,000 | \$2,400,000 | \$3,200,000 | \$12,000,000 |
| Replication | \$400,000 | \$800,000 | \$1,200,000 | \$1,600,000 | \$6,000,000 |
| Expansion | \$1,000,000 | \$2,000,000 | \$3,000,000 | \$2,000,000 | \$1,000,000 |

*Note: In the fifth year of this project period, the total subgrant estimate includes the total subgrant amount for those awarded after 2023-24



Estimated Subgrants: Planned Budget Request

New School Subgrants:

- 2 each year, 10 total
- \$20,000,000
- 5-year grant length

Replication Subgrants:

- 1 each year, 5 total
- \$10,000,000
- 5-year grant length

Expansion Subgrants:

- 2 each year, 6 total
- \$9,000,000
- 3-year grant length

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total |
|----------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Subgrants (90%) | \$2,200,000 | \$4,400,000 | \$6,600,000 | \$6,800,000 | \$19,000,000 | \$39,000,000 |
| Administrative (<3%) | \$73,333 | \$146,666 | \$219,999 | \$226,666 | \$633,333 | \$1,299,999 |
| Technical Assistance (≥7%) | \$171,111 | \$342,222 | \$513,334 | \$528,889 | \$1,477,778 | \$3,033,334 |
| Total | \$2,444,444 | \$4,888,888 | \$7,333,333 | \$7,555,556 | \$21,111,111 | \$43,333,333 |



Determining Funding Requests

Calculation Tip:

Step 1: How many subgrants will we have?

- Add total subgrants per year, based on amount budgeted for each award type

Step 2: Divide total subgrant amount by 90% (.90)

Step 3: Multiply total possible grant amount by 7% (.07) = minimum amount of funds for TA

Step 4: Subtract that minimum for TA and total subgrant amount from possible grant to determine the maximum amount of funds for administrative expenses (3%)



Funding Request Scenario

End Goal: In my state, we estimate that 25 new charter schools will be awarded by the end of the 5-year project period. This would average to 5 schools per year.

5 schools per year x \$2,000,000 max = \$10,000,000 annually

\$10,000,000 x 5 years = \$50,000,000

\$50,000,000 subgrants must be not less than 90% of grant

$\$50,000,000 / .9 = \$55,555,555$ total grant amount

$\$55,555,555 \times .07 = \$3,888,888$ for TA costs

$\$55,000,000 - \$50,000,000 - \$3,888,888 = \$1,111,112$ for Admin costs

| Planned Budget Request | | |
|------------------------|--------------|-------------------|
| Subgrants | \$50,000,000 | Not LESS than 90% |
| Administrative | \$1,111,112 | Not MORE than 3% |
| TA | \$3,888,888 | Not LESS than 7% |
| Grant Total | \$55,000,000 | |



Be sure to include DETAILED information on how you estimated the number of subgrants you plan to award, including subgrant type, length of subgrant, and amount of each subgrant.



Estimating Subgrants Overview

- Set realistic goals when estimating subgrants for each year of your grant.
- Subgrant goals should align to the charter pipeline and context of charter school growth in your state.
- Your subgrant estimations must align to the budget in your application.
- You will be accountable for what is listed in your original, approved application, if funded.



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Budget Summary: Form ED 524

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ED 524



Cost Category #1: Personnel

- Only staff working directly on grant objectives, not including contractors
- Describe staff roles by position in budget narrative
- Positions should be identified as percent of salaried time
- If salaries increase over years of the grant, include that information
- Personnel costs can be split between administrative and technical assistance categories if staff are performing both roles



Personnel Cost Example for One Staff Member

1 FTE Federal Charter School Grant Manager

- Salary = \$80,000 per year with a 2% increase annually

Budget Narrative:

- The Federal Charter School Grant Manager oversees the CSP award including reviewing expenditure report reimbursement submissions, organizing the competitive subgrant competition, approving budget modification requests, conducting monitoring visits, providing technical assistance to subgrant recipients, and coordinating training for all charter school authorizers.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|----------|----------|----------|----------|----------|
| Federal Charter Schools Grant Manager | \$80,000 | \$81,600 | \$83,232 | \$84,896 | \$86,593 |
| 50% to Administrative (up to 3%) | \$40,000 | \$40,800 | \$41,616 | \$42,448 | \$43,296 |
| 50% to Technical Assistance (at least 7%) | \$40,000 | \$40,800 | \$41,606 | \$42,448 | \$43,296 |



Cost Category #2: Fringe Benefits

- Fringe benefits are extra benefits supplementing an employee's salary, such as health insurance
- If applicable, provide the rate and base on which fringe benefits are calculated and the staff who are receiving the benefits
- Leave this line blank if not applicable or if benefits are part of indirect costs
- If staff are splitting responsibilities between administrative and technical assistance duties as in the last example, the associated fringe benefits should be allocated in the same manner within the budget narrative (e.g., 50-50)



Fringe Benefits Cost Example

Budget Narrative:

- The Federal Charter School Grant Manager will receive fringe benefits to cover health, dental, and retirement benefits. The benefits are calculated at 25% of the salary each year.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------------------|----------|----------|----------|----------|----------|
| Federal Charter Schools Grant Manager | \$20,000 | \$20,400 | \$20,808 | \$21,224 | \$21,648 |
| 50% to Administrative | \$10,000 | \$10,200 | \$10,404 | \$10,612 | \$10,824 |
| 50% to Technical Assistance | \$10,000 | \$10,200 | \$10,404 | \$10,612 | \$10,824 |



Cost Category #3: Travel

- Include the positions traveling, number of staff, number of nights, per diem rate, hotel, airfare or car mileage
- Administrative Travel:
 - CSP Project Directors' Meeting – Attendance required for Project Directors
 - On Site Technical Assistance Gatherings – Attendance required for Project Directors
 - Subgrant Monitoring
- Technical Assistance:
 - Bringing authorizers to conferences
 - Travel to put on trainings



Justification – Ensure that you include enough information to justify how you determined costs for travel.



Travel Cost Example

Administrative:

- Travel to CSP Project Directors' Meeting: \$1,000 each year: \$500 for the plane ride to DC, \$200 per night in hotel for 2 nights = \$400, \$50 per diem for 2 days = \$100
- Travel to additional on-site required TA gatherings: \$1000 each year: \$500 for plane ride to DC, \$200 per night in hotel = \$400, \$50 per diem for 2 days = \$100

Technical Assistance:

- Travel for SE staff to present at regional TA meetings for subgrantees.
- \$200 each year for one staff member's travel based on rental car of \$25/day for two days = \$50, hotel for 1 night = \$100 and per diem for two days = \$100

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------------|---------|---------|---------|---------|---------|
| Administrative Travel | \$1,150 | \$1,150 | \$1,150 | \$1,150 | \$1,150 |
| Travel to PD Meeting | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Travel to on-site TA Gatherings | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Technical Assistance | \$250 | \$250 | \$250 | \$250 | \$250 |
| Travel to Conferences | \$250 | \$250 | \$250 | \$250 | \$250 |

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



Cost Category #4 & #5: Equipment and Supplies

Equipment

- Costs over \$5,000
- Justify why items need to be purchased vs. rented

Supplies

- Costs under \$5,000
- Costs can be grouped, such as office supplies

*Note: If costs are administrative or technical assistance and provide clear reasoning.



Equipment and Supplies Cost Example

Software Licenses: \$500/year

Budget Narrative:

- The ABC Department of Education is going to pay for a software license for the life of the grant that will allow it to host interactive TA webinars for applicants and subgrantees. The platform allows for polling and will store the recording for the life of the grant. The ABC Department of Education does not currently have a platform with that capability.
- The webinars will provide trainings to the subgrantees on allowable costs and best practices.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|--------|--------|--------|--------|--------|
| Administrative Total | \$0 | \$0 | \$0 | \$0 | \$0 |
| Technical Assistance | \$500 | \$500 | \$500 | \$500 | \$500 |
| Webinar License Program | \$500 | \$500 | \$500 | \$500 | \$500 |



Cost Category #6: Contractual

- Any contracts for services to be performed by entities other than the grantee organization
- Any contracts for providing technical assistance activities
- Review Uniform Guidance on procurement standards
 - Title 2 of the Code of Federal Regulations, Part 200 (2CFR Part 200, §200.317 – 326)
 - Resources are available at <https://www2.ed.gov/policy/fund/guid/uniform-guidance/procurement.html>
- Note: If costs are administrative or related to technical assistance with clear reasoning.

**Peer review costs are administrative*



Contractual Cost Example

Administrative: Peer Review Honorarium

- The grantee will provide an honorarium to reviewers of \$200 for up to 3 reviewers per subgrant competition. We will hold two subgrant competitions a year, for a total of \$1200 year.

Technical Assistance: Authorizer Evaluation

- The grantee will contract with an organization to conduct evaluations of all 9 authorizers in the State. This will be contracted during the first 3 years of the grant at \$2,000 per evaluation, evaluating 3 authorizers per year.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------------|---------|---------|---------|---------|---------|
| Administrative Total | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 |
| Peer Review Honorarium | \$1,200 | \$1,200 | \$1,200 | \$1,200 | \$1,200 |
| Technical Assistance | \$6,000 | \$6,000 | \$6,000 | \$0 | \$0 |
| Authorizer Evaluations | \$6,000 | \$6,000 | \$6,000 | \$0 | \$0 |



Cost Category #7: Construction

This budget category should not include construction costs because this is a non–construction grant



Cost Category #8: Other

- This category can be used for anything that does not fit into the previous categories or indirect costs
- Include all subgrant amounts in this section
- Other: Indicate all direct costs not covered on lines 1-6. For example, include costs such as space rental, required fees, honoraria and travel (where a contract is not in place for services), training, and communication and printing costs. Do not include costs that are included in the indirect cost rate.



Other Cost Example

New School Subgrants:

- 2 each year, 10 total
- \$20,000,000

Replication Subgrants:

- 1 each year, 5 total
- \$10,000,000

Expansion Subgrants:

- 2 each year for first 3 years, 6 total
- \$9,000,000

| Subgrant Funding By Year | | | | | | |
|--------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Subgrant Type | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total |
| New School | \$800,000 | \$1,600,000 | \$2,400,000 | \$3,200,000 | \$12,000,000 | \$20,000,000 |
| Replication | \$400,000 | \$800,000 | \$1,200,000 | \$1,600,000 | \$6,000,000 | \$10,000,000 |
| Expansion | \$1,000,000 | \$2,000,000 | \$3,000,000 | \$2,000,000 | \$1,000,000 | \$9,000,000 |
| Total | \$2,200,000 | \$4,400,000 | \$6,600,000 | \$6,800,000 | \$19,000,000 | \$39,000,000 |



Cost Category #10: Indirect Costs

Indirect costs are costs which are frequently referred to as overhead expenses

Indirect costs are part of your administrative costs

- Reminder: Indirect costs should be included as part of your 3% administrative costs

Include an up-to-date indirect cost rate agreement

If your organization does not have a current indirect cost rate agreement, the Department's Indirect Cost Group will negotiate indirect costs with organizations who have received federal funding, and receive the majority of their federal funds directly from the Department

- An organization may estimate its indirect cost rate using the most recent financial data. Include this cost estimate in your grant application.
- If a grant is awarded, an indirect cost proposal must be submitted to CSP within 90 days to claim indirect costs.
- A temporary indirect cost rate of 10% of direct salaries and wages may be allowed until an indirect cost rate is approved.

Resource: NCSRC Webinar – [Indirect Costs Decoded](#), April 2020



Cost Category #11: Training Stipends

- In general, not seen in this program
- Do not include subgrant funds in this category




Align Your Budget Narrative & Budget Summary

Application Narrative

- Abstract Narrative Form
- Budget Narrative Form
- Project Narrative Form



 Aligning your budget in these categories will help with monitoring of your grant down the line!

U.S. DEPARTMENT OF EDUCATION
BUDGET INFORMATION NON-CONSTRUCTION PROGRAMS

OMB Control Number: 1894-0008
Expiration Date: 09/30/2023

Name of Applicant Organization: _____

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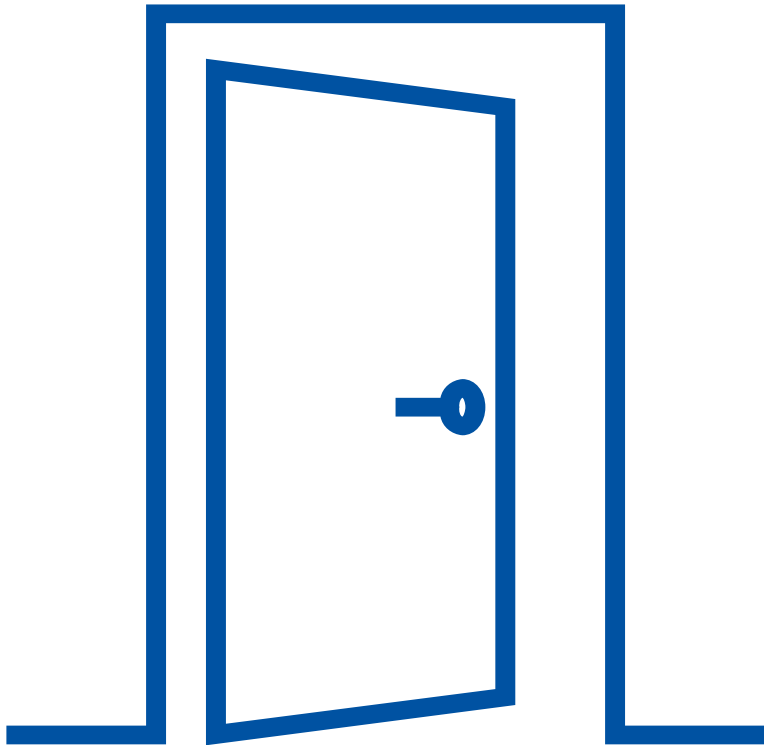
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***Indirect Cost Information (To Be Completed by Your Business Office):**
If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:
 (1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? Yes No.
 (2) If yes, please provide the following information and provide a copy of your Indirect Cost Rate Agreement:
 Period Covered by the Indirect Cost Rate Agreement: From: ___/___/___ To: ___/___/___ (mm/dd/yyyy)
 Approving Federal agency: ED Other (please specify): _____. The Indirect Cost Rate is _____%.
 (3) If this is your first Federal grant, and you do not have an approved indirect cost rate agreement, are not a State, Local government or Indian Tribe, and are not funded under a training rate program or a restricted rate program, do you want to use the de minimis rate of 10% of MITDC? Yes No. If yes, you must comply with the requirements of 2 CFR § 200.414(f).
 (4) If you do not have an approved indirect cost rate agreement, do you want to use the temporary rate of 10% of budgeted salaries and wages? Yes No. If yes, you must submit a proposed indirect cost rate agreement within 90 days after the date your grant is awarded, as required by 34 CFR § 75.560.
 (5) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that: Is included in your approved Indirect Cost Rate Agreement?
 Or Complies with 34 CFR 76.564(c)(2)? The Restricted Indirect Cost Rate is _____%.
 (6) For Training Rate Programs (check one) -- Are you using a rate that: Is based on the training rate of 8 percent of MITDC (See EDGAR § 75.562(c)(4))? Or Is included in your approved Indirect Cost Rate Agreement, because it is lower than the training rate of 8 percent of MITDC (See EDGAR § 75.562(c)(4)).

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CSP's Grant Budget Review



Are all costs allowable, allocable, and reasonable for the grant?

Is 90% of the budget allocated to subgrants, at least 7% allocated to TA, and no more than 3% for admin costs?



SE Grantee Readiness



An Important Note:

- You are accountable for what you put into your application.
- There is no planning period for SE grantees.
 - Day 1 = first day of your grant.
- A note for CSSOs: Ensure that infrastructure and staffing is in place to support the work related to implementing a federal grant—particularly the financial systems and data collection infrastructure.



Allowable Cost Framework

Is it necessary to complete the project?



Is it reasonable?



Is it allocable?



Is it allowable?



Allowable Costs

Generally, this means funds should be spent on items necessary to achieve the subgrant objectives, are aligned with grant requirements, and are reasonable for the expenditure.

| Allowable | Not Allowable |
|------------------------------|----------------------------|
| Travel expenses | Ongoing license fees |
| Technology | Food, beverages, alcohol |
| Professional development | Promotional items and swag |
| Conference registration fees | Capital improvements |



Allowable Costs for Subgrantees

SE grantees are also responsible for ensuring all subgrantee expenses are allowable, allocable, reasonable, and necessary.

| Allowable | Not Allowable |
|--------------------------------|----------------------------|
| Desks and chairs | Ongoing license fees |
| Textbooks and curriculum | Clothing and uniforms |
| Student and teacher technology | Promotional items and swag |
| First year audit | Capital improvements |
| Professional development | Food, beverages, alcohol |



Allocable Costs

A cost is allocable to a CSP award if it is treated consistently with other costs incurred for the same purpose.

Example: A subgrantee wants to buy 100 laptops six months before the school opens its doors and plans to pay using grant funds.

Is this allocable?

Yes – The laptops are needed to operate the school, can't be paid for with other funding, and are not prohibited under the grant.

For more specific guidance about the definitions of allowable, allocable, and reasonable see [2 CFR § 200.405 - Allocable Costs](#)



Reasonable Costs

Reasonable costs do not exceed that which would be incurred by a prudent person.

For more specific guidance about the definitions of allowable, allocable, and reasonable see [2 CFR 200 Subpart E – Cost Principles](#)



If you are unsure if a cost is allowable, allocable, or reasonable – reach out to CSP!



Planning Costs vs. Implementation Costs

All costs should be one-time, startup expenses for the project being funded and not recurring costs. Some costs are allowed during subgrant planning year(s), while others are allowed during implementation.

| Item | Allowable During Planning Year(s) | Allowable During Implementation |
|--|-----------------------------------|---------------------------------|
| Communication – radio spots, TV ads, website design, outreach consultant | Allowable | Allowable |
| Consulting Fees | Allowable | Allowable |
| Furniture | | Allowable |
| Professional Development | Allowable | Allowable |
| Rent/Facility Payments | Allowable | |



Looking Ahead: Budget Revisions

- If funded, you will be held accountable to what is written in your grant application (including the budget).
- Changes to your project's budget over the project period require CSP approval.
- Need to make changes?
 - Must submit required information to your Program Officer
 - Wait for approval

Your Budget = Budget CSP Has on Record



Spending time providing sufficient detail in the budget in your application may mean less work in the future.



Resources

Federal Register NIA

Nonregulatory Guidance: The [CSP NRG handbook](#) includes applicable information to the CSP program that addresses additional issues and provides clarification for components specific to CSP grants

- Section D: Allowable Expenses

Uniform Guidance:

[Subpart D – Post Federal Award Requirements](#)

[Subpart E – Cost Principles](#)

[Subpart F – Audit Requirements](#)

[Title 2 CFR Part 3474](#)

[Part 180: OMB Guidelines for Debarment and Suspension](#)

[Part 3484: Nonprocurement Debarment and Suspension](#)





THANK YOU!

