

## **CONTRACT MANUAL**

**(July 1, 2017 through June 30, 2018)**

# **Community Development Block Grant FY2018**

## ***Invoices & Budget Revisions***

This section describes OWD's fiscal monitoring system and provides details on how to prepare CDBG invoices and budget revisions.

The Program Management Division of the Office of Workforce Development (OWD) monitors all programs that receive funding through grants administered by OWD. Program monitoring is an overall effort to improve and/or guarantee:

- The quality of services to Boston residents;
- Adequate fiscal and administrative compliance to show funds are spent properly;
- Identification of programs in need of technical assistance, and;
- Verification of contractor's compliance with federal regulations, EDIC policies and procedures, and terms and conditions of the contract.

The program monitoring activities described in this manual are required of Community Development Block Grant recipients not only to keep OWD abreast of the progress of your program, but also to aid your evaluation of program design and the success of activities undertaken.

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## CONTACT INFORMATION FOR OWD PROGRAM MANAGEMENT STAFF

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## 1. INVOICE GUIDELINES

1. All CDBG contracts are cost reimbursement. Submit invoices by the **10th business day** of the month following the billing period. For example, a first quarter invoice from July 1, 2017 thru September 30, 2017 is due by October 16, 2017. Contact your Contract Administrator, *prior* to the invoice deadline if you need to request an extension.
  - a. OWD allows contractors to submit invoices, either **monthly or quarterly**, following the same pattern throughout the year. Contact your Contract Administrator to request any changes to your program's invoice pattern.
  - b. To begin invoicing, contractors need to wait to get the executed contract and the new contract number for FY18. The first invoice, therefore, will likely cover a longer billing period than the rest of the year. For example, if your contract gets executed in November, and you plan to invoice monthly, your first invoice will cover four (4) months (July thru October). Then, you can continue with a monthly invoice pattern for the remainder of the contract year.
  - c. Scan and e-mail invoices to:  
  
**Lee Fields [Lee.fields@boston.gov](mailto:Lee.fields@boston.gov) and Cindy Chow [Cindy.chow@boston.gov](mailto:Cindy.chow@boston.gov) in the Planning and Contracts Department. Please also make sure to carbon copy your Contract Administrator.**  
  
By submitting your invoices to Lee Fields and Cindy Chow, you help us ensure that your agency's invoices are tracked and processed in a timely manner.
  - d. At the end of each quarter, if your agency's quarterly report is pending, the Contract Administrator will hold your invoice until the quarterly report is submitted. To avoid delays, we suggest internal reminders between program and fiscal staff at your agency to ensure both the quarterly report and invoice are submitted on time.
2. The processing time for an accurate and complete invoice takes about **30** business days from the date received. Send all invoice inquiries and corrections to your Contract Administrator.
  - a. Contract Administrators will follow-up on invoices that have calculation errors or that are missing documentation (i.e. two signatures on timesheets, adequate back-up for purchases, copies of cancelled checks and/or check remittance). Please make and submit the necessary corrections as soon as possible; it should not take longer than two-week period.
  - b. Once reviewed by your Contract Administrator, the invoice goes to our Fiscal Department and then to the City's Auditing Department for approval. If either department finds problems with your invoice, they will return it to your Contract Administrator who will follow-up with your agency.

- c. Once approved for payment, within the next 7-14 days, depending on the volume of invoices received by noon on Fridays, City Hall's Auditing Department issues the reimbursement checks.
  - d. The Treasury Department then mails the reimbursement checks to the address on file for the agency. The Auditing Department requires official documentation to make any changes to the check mailing address on file.
  - e. Contractors are discouraged from contacting the Auditing Department directly concerning reimbursement. Address all communication regarding invoices to your Contract Administrator or to the OWD Program Manager.
3. The **Final Invoice** for FY18 must be submitted no later than 30 days from the expiration date of this contract year.
- a. **We strongly encourage you to submit the final invoice as soon as possible after the June 30, 2018** end of the fiscal year to allow for any last minute adjustments to the invoice within the 30-day period.
  - b. Please be advised that as indicated in your contract, under Article IV, "EDIC may unilaterally de-obligate any unexpended funds and terminate any further liability" to your agency for any invoices submitted after the final invoice deadline. Our office will strictly uphold this contract regulation.
  - c. As with quarterly reports, the final report is required to process the final invoice. OWD will not issue final payments until your agency submits its final program report.


## INVOICE REVIEW

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If you are already familiar with our invoicing process, these reminders will ensure you don't leave out important information. A well-prepared invoice will prevent reimbursement delays.

If you need step-by-step instructions on how to prepare your invoice refer to the 'Cost Reimbursement Invoice Preparation' section and review the sample invoice. You may also contact your Contract Administrator regarding questions specific to your agency.

To accurately prepare your invoice, you'll need:

- 
- *The FY18 contract budget or your most recent approved budget revision*
  - *Last month's invoice (except when preparing the first invoice for the fiscal year)*
  - *Legible copies of timesheets, payroll journals, receipts, bills, cancelled checks and any other back-up documentation of CDBG expenses*
  - *FY18 invoice forms*
  - *Patience!*

## COST REIMBURSEMENT INVOICE PREPARATION – **step-by-step process**

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Please take the time to read the instructions and familiarize your self with the proper invoicing procedures. The CDBG invoice consists of 4 invoice forms and additional back-up documentation prepared by each agency based on their specific budget and invoiced expenses.

### **Blank forms provided by OWD:**

1. COVER PAGE
2. SUMMARY PAGE
3. COST DETAIL PAGE
4. SALARY BACK-UP FORM
5. ITEMIZED EXPENSE LIST

### **On your agency letterhead:**

Indirect Cost Letter Request

### **Additional Back-Up Documentation:**

#### PERSONNEL Costs:

Copies of timesheets & payroll registers

#### OPERATIONAL Costs:

Copies of receipts, invoices, utility/phone bills with respective cancelled checks if necessary, as proof of payment for Travel, Supplies, Contractual, and Other expenses listed in the Cost Detail Page; and, if applicable, a signed original indirect cost request on agency letterhead.

## INVOICE COVER PAGE

The cover page contains basic information to identify your contract. Please fill in all information for each invoice. The cover page is the first page of each invoice.

ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION			
CONTRACTOR'S INVOICE - COVER PAGE			
Office of Workforce Development 43 Hawkins Street Boston, MA 02114			
TYPE OR PRINT ALL ENTRIES			
CONTRACT NO.: # _____		CONTRACT PERIOD: From: 7/1/16 To: 6/30/17	
CONTRACTOR NAME  Agency Name, Inc.		PROGRAM  Program Name	
STREET ADDRESS		CITY	STATE ZIP
		MA	
TOTAL CONTRACT AMOUNT  \$0.00	CURRENT INVOICE PERIOD From: _____ To: _____		CURRENT INVOICE AMOUNT  \$0.00
INVOICE FOR (check one)		CONTRACT FUNDING SOURCE (check one)	
<input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Enrollment Payment <input type="checkbox"/> Outcome Payment <input type="checkbox"/> Final Payment		<input type="checkbox"/> WIA YTH <input type="checkbox"/> YOG <input type="checkbox"/> AEI <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> EZ <input type="checkbox"/> CDBG <input type="checkbox"/> TAG (Specify) _____	
		<div style="border: 1px solid black; padding: 5px;">             OWD PROGRAM CONTACT               OWD DIVISION              CDBG           </div>	
I certify that to the best of my knowledge and belief the data reported above is correct, and all outlays were made in accordance with the contract conditions, and that payment is due and has not been previously requested.			
SIGNATURE: _____		DATE: _____	
PRINT NAME: _____		TITLE: _____	
PREPARED BY: _____		PHONE: _____	
PRINT NAME: _____		TITLE: _____	
EDIC USE ONLY			
_____		DATE: ____/____/____	
OWD/CONTRACT ADMINISTRATOR SIGNATURE			
_____		DATE: ____/____/____	
A&F/FISCAL SIGNATURE			
Invoice Page One			

- **Contract No.** (e.g. 28888). The *contract number is different every year*. It is handwritten at the top of the first page of your executed contract.
- **Contract Period** (7/1/17 to 6/30/18)
- **Contractor Name**
- **Program Name**
- **Address** (city, state, zip)
- **Total Contract Amount** (this refers to the total contracted amount for the entire fiscal year or the contracted period).
- **Current Invoice Period** (period covered by this invoice only). The "FROM" date should be the start date of the current invoice period or the start of your contract (if this is your first invoice). The "TO" date should be the interim period end date as shown on the payment schedule in the contract. Therefore, the "TO" date should not go beyond the contract end date of June 30, 2018.

- **Current Invoice Amount:** This refers to the total amount of money you are requesting as reimbursement for services provided during the interim period only.
- **Funding Source** (**COST REIMBURSEMENT** and **CDBG** has already been checked off).
- **OWD Program Contact** (write the name of your Contract Administrator; responsible for the invoice).
- Check the **FINAL INVOICE** box when submitting the last invoice for the contract year (this lets OWD know that any balance left on your grant will not be spent out).
- **Signatures/Certification:** OWD requires the *signature* of an authorized agency representative in order to validate the invoice. In the space provided, include the date, name and telephone number of the individual who prepared the invoice.

## COST REIMBURSEMENT SUMMARY PAGE

The cost reimbursement summary page is the second page of the invoice.

EDIC/BOSTON CONTRACTOR'S INVOICE					
COST REIMBURSEMENT - SUMMARY PAGE					
CONTRACTOR: Agency Name, Inc.		PROGRAM: Program Name			
CONTRACT NUMBER: #		INVOICE PERIOD: From: To:			
CONTRACT PERIOD: 7/1/17 - 6/30/18		FUNDING SOURCE: CDBG			
DESCRIPTION	a TOTAL DOLLAR BUDGET	b TOTAL PRIOR CUMULATIVE COSTS Date	c CASH DISBURSEMENTS, ACCRUALS & ADJUSTMENTS Date	d (b+c) TOTAL CUMULATIVE COSTS Date	e (a-d) TOTAL BALANCE Date
<b>CDBG PROGRAM</b>					
1. Personnel					
2. Fringe Benefits					
3. Travel					
4. Supplies					
5. Contractual					
6. Other					
6a. Indirect					
CDBG PROGRAM TOTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Invoice Page Two

**Column (a) Total Dollar Budget:** This should represent the total amount allocated to your agency through CDBG. The budget is broken down for each cost category by salary, fringe, and operating cost. This column should match your contract budget and will remain the same throughout the year, unless OWD approves a budget revision.

**Column (b) Total Prior Cumulative Costs and Date:** This amount should represent the contractor's total cumulative costs up to the current billing period (from all prior invoices). This column reflects all the invoices submitted to EDIC/OWD in the current fiscal year up to the current invoice period, but not including the current invoice period (listed in the next column). If this is the first invoice submitted by the agency, there should be a zero on each line.

**Column (c) Cash Disbursement Accruals & Adjustments:** These amounts should be the current invoice charges and match the amounts in your cost detail page.

**Column (d) Total Cumulative Costs to Date:** This amount should be the sum of the prior cumulative cost (column b), plus the current invoice charges (column c).

**Column (e) Total Balance to Date:** These amounts should be the contractor's total budget for the program (column a), minus the total cumulative costs to date (column d).

## COST DETAIL PAGE

The Cost Detail Page is the third page of the invoice. On this page you will “detail” specific information for each section listed on the form.

CDBG PROGRAM: Cost Detail					
CONTRACTOR: Agency Name, Inc.		Funding Source: CDBG			
PROGRAM: Program Name		CONTRACT PERIOD: 7/1/17 - 6/30/18			
1. PERSONNEL					
(a) #	Position Title / Staff name or initials	(b) Salary per Pay Period or hourly rate	(c) # of Pay Periods or hours	(d) % Charged to EDIC/Grant	(a)*(b)*(c)*(d) EDIC/Grant Total
1	Job Title / Staff name	\$0.00	0.00	0.0000%	\$0.00
1	Job Title / Staff name	\$0.00	0.00	0.0000%	\$0.00
1	Job Title / Staff name	\$0.00	0.00	0.0000%	\$0.00
1	Job Title / Staff name	\$0.00	0.00	0.0000%	\$0.00
TOTAL PERSONNEL					\$0.00
2. FRINGE BENEFITS			Rate	0.0000%	\$0.00
OPERATIONAL COSTS					
3. TRAVEL					\$0.00
4. SUPPLIES					\$0.00
5. CONTRACTUAL					\$0.00
6. OTHER					\$0.00
6A. INDIRECT Rate: 0.0000%					\$0.00
SUBTOTAL OPERATIONAL COSTS					\$0.00
TOTAL: CDBG PROGRAM					\$0.00

**Personnel:** In this section programs will provide specific information requested on the cost detail page for individuals whose salaries are paid through CDBG and who have been approved in your executed contract for the month that is being billed. Please note that OWD requires back-up documentation for all staff paid through CDBG. Back-up documentation includes payroll registers, timesheets with two signatures, and the Salary Back-up Documentation form (with signature, date and phone number).

It is okay to list some staff as salaried staff with pay periods and others as staff with an hourly rate and estimated total number of hours in a year if that is how your payroll registers will record their payment.

**Fringe Benefits:** In this section programs will list the calculated result of the fringe rate approved in your contract multiplied by the total salary amount.

**Expense Classification:** In this section programs will list the cost for each category approved in your executed contract for the month that is being billed.

For each of the expenses you have listed on your Cost Detail Page, you must provide documentation to show how your funds were spent. Please refer to each of the following sections for further details regarding required back-up documentation for personnel, contractual, supplies and other non-personnel costs.



## **PERSONNEL DOCUMENTATION REQUIREMENTS**

To ensure your invoice is complete, submit **all** of the following:

- **Payroll registers** or payroll journals (indicating payroll periods and pay dates).
- **Timesheets** with dates, number of hours worked and two signatures (employee's and supervisor's); Electronic/Online timesheets should also be signed by an authorized staff.
- **Salary Back-Up Documentation form** should correspond directly to the personnel section in the cost detail page of the invoice (with the signature of supervisor or agency representative vouching staff worked those hours for the CDBG-funded program).
- **Resume** of any new employees hired/billed, if applicable. (This will only accompany the invoice if the new employee is being paid the same amount as the former employee; otherwise a formal budget revision will be needed as well as the resume.)

Salary Back-Up Documentation Form				
You must complete this form if you have any expenses in the <b>personnel</b> section of your Cost Detail Page.				
Program Name:	<u>Program Name</u>			
Contract Number:	<u>#</u>			
Invoice Period:	<u>Date</u>			
Name and Job Title	Date of Service	Hours of Service	Description of Service	Total Paid from Award
Job Title / Staff name			describe CDBG-funded services provided	
Job Title / Staff name			describe CDBG-funded services provided	
Job Title / Staff name			describe CDBG-funded services provided	
Job Title / Staff name			describe CDBG-funded services provided	
<hr/>				
<i>Signature of Program Director or Supervisor</i>			Date	Contact Phone

## REQUIRED BACK-UP PROCEDURES

In all cases, we ask that you provide photocopies of this documentation, which might include payroll registers, signed timesheets, receipts, invoices, etc. Please ensure that your copies are readable and copy receipts or small invoices onto 8 ½ x 11 paper. **Photocopies that are not legible are not considered proper documentation.**

For *every* back-up document you provide, please follow these four steps:

### SAMPLE RECEIPT:

**Dollar Tree Stores, Inc.**  
Store# 4577 (617) 323-2373  
950 American Legion Hwy.  
Boston MA 021314701

DESCRIPTION	QTY	PRICE	TOTAL
STICKERS	1	1.00	1.00T
ANIMAL BOWL W/LID	1	1.00	1.00N
BABY SNACK/CUPS	1	1.00	1.00N
SPIDERMN CONTAINER	1	1.00	1.00T
FLASH CARDS	1	1.00	1.00T
PROJ PAPER LTR BLK	1	1.00	1.00T
ICEBREAKER	1	1.00	1.00N
Sub Total		\$7.00	
CLOTHING TA		\$0.00	
FOOD TAX		\$0.00	
SALES TAX		\$0.25	
Total		\$7.25	
Debit Card		\$7.25	
*****5743			

Thank You for Shopping at Dollar Tree  
Where Everything's \$1.00  
Now Shop On-Line at Dollartree.com

002806 4577 03 00033 4239  
Sales Associate:Margaret

9/12/17

*CDBG: \$2.00  
Program Supplies*

**1.** Write the specific amount you are charging to CDBG and the budget line item for which the documentation provides verification (i.e. *travel, supplies, contractual* or *other*). Do this even when the entire amount is charged to CDBG.


**2.** Indicate which items on the receipt are allocated to CDBG (in this sample, 'stickers' and 'project paper letter black').

**3.** **Don't include** any tax, late fees, or food expenses; CDBG does not reimburse these costs.

**4.** Make sure the purchase date falls within this contract period (7/1/17 – 6/30/18).

By labeling every receipt in this way, you greatly assist us in reviewing your invoice and allow us to pay you more quickly.

## SAMPLE INVOICE BACK-UP FOR 'OTHER' EXPENSES:



Manage Your Account at:  
[Netrise.com/businessbillview](http://Netrise.com/businessbillview)  
 Phone: 617-999-9999  
 Account: 617-999-9999 123 456 7

Billing Period: July 1 – July 31, 2017

**Quick Bill Summary For  
Agency Name, Inc.**

Previous Balance \$256.67  
 Received June 30 \$256.67  
 Balance Forward \$0.00

**New Charges**

Voice Services **\$100.30**  
 Internet Services **\$156.37**

Total Amount Due  
 by August 8, 2016 **\$256.67**

Check #1134 on 8/3/17

CDBG amount **\$25.67**

OTHER (phone/internet)

NewsRise @ 'NetRise Communications'

**Account Review**

We have introduced innovative new bundle services and products that will give you more value and allow you to save money. Call us today to hear about exciting new plans -1800-NetRise.

**High Speed Bundle**

Fast High Speed Internet

Unlimited nationwide calls and unlimited calls to the US Virgin Islands, Canada and Puerto Rico. New and exciting Website features to help you better manage your account. -Call us today- 1800-NetRise or visit us online at: [www.netrise.com/easybusinesssolutions](http://www.netrise.com/easybusinesssolutions). Existing customers only \*Other terms and conditions apply.

Direct Payment Option  
[netrise.com/businessbillpay](http://netrise.com/businessbillpay)

Online Billing & Payment  
[netrise.com/businessbillview](http://netrise.com/businessbillview)

Questions about your bill?  
[netrise.com](http://netrise.com) or see pg 2 How to Reach Us


Just like with receipts, please write the specific **amount charged to CDBG** and the budget line item **category**.

**INVOICE**

Date: 9/30/17

Invoice #: 00911

**Rent!Sdue Realtors, LLC**



Phone: 617-PayRent  
 99 Rent Street Ste. 500  
 Boston, MA 02108  
 Fax: 617-999-9999

Please make checks Payable to:  
 99 Rent Street, Suite 500  
 Boston, MA 02108

Bill To: AGENCY NAME, INC.  
 One Main Street  
 Boston, MA 02114

Check # 1131 paid on 10/1/17

CDBG amount **\$105.00**

OTHER (rent)

Description:	Date:	Amount:
Monthly <b>Rent Charges for:</b>	September 2017	\$875.00
Occupancy at One Main Street	Current Charges:	\$875.00
Boston, MA 02114	TOTAL BALANCE	\$875.00

The amount allocated to CDBG each month should be **consistent** with your **contract budget narrative** (see sample narrative on page 27 'OTHER' section).

In situations where multiple invoices, receipts, etc., are used to back-up a line item, create an **ITEMIZED EXPENSE LIST** indicating all the items in each category. The totals for each category should match the totals on your invoice cost detail page.

**SAMPLE ITEMIZED EXPENSE LIST:**

CDBG ITEMIZED EXPENSE LIST

TRAVEL				
	Date	Expense amount	CDBG amount	Destination/Purpose
	Total Travel CDBG:		\$0.00	
SUPPLIES				
	Purchase Date	Expense amount	CDBG amount	Vendor
	9/12/17	\$7.25	\$2.00	Dollar Tree Stores
	9/10/17	\$40.99	\$29.50	Office Mix
	9/18/17	\$235.86	\$125.00	Smart Mart
	8/25/17	\$28.99	\$15.00	Staples
	8/28/17	\$9.88	\$5.30	Staples
	7/31/17	\$225.99	\$36.35	Staples
	Total Supplies CDBG:		\$213.15	
CONTRACTUAL				
	Service Date	Expense amount	CDBG amount	Contractor
	Total Contractual CDBG:		\$0.00	
OTHER				
RENT				
	Date	Monthly Rent	CDBG amount	paid with check number
	July 2017	\$875.00	\$105.00	1125
	August 2017	\$875.00	\$105.00	1128
	September 2017	\$875.00	\$105.00	1131
			\$315.00	
PHONE				
	Date	Monthly Bill	CDBG amount	paid with check number
	July 2017	\$256.67	\$25.67	1134
	August 2017	\$256.67	\$25.67	1145
	September 2017	\$256.67	\$25.67	1157
			\$77.01	
	TOTAL Other CDBG:		\$392.01	

## CONTRACTUAL

- For contractual expense reimbursements, OWD requires copies of invoices with dates and a description of services performed for your organization. Invoices for professional services provided by consultants and/or contractors must be signed and must show contact information.
- Proof of payment or payment approval. An organizational check request, by itself, is not sufficient documentation.
- OWD may require a copy of a cancelled check, if other types of documentation are not readily available or if we determine they are unacceptable.

## INDIRECT COST

Indirect cost only applies to those agencies that have **approved rates** in their executed contract.

<b>PRINT ON AGENCY LETTERHEAD</b>	
<b>Indirect Cost Letter Request</b>	
Date:	_____
Program Name:	_____
Contract Number:	_____
Invoice Period:	_____
The <i>Agency Name, Inc.</i> , requests indirect costs for the month(s) of: _____	
in the amount of: \$ _____	
<b>Staff Signature (original signature required)</b>	
Print Name _____	
Job Title _____	
Address _____	
Phone _____	
Email _____	

- Each agency approved for indirect cost must submit a brief note on agency letterhead indicating the amount and services that the indirect cost covers. In other words, if you have a 10% indirect cost rate and your total amount for **direct costs** in July is \$5,680.00, you can only charge \$568.00 for that month. Indirect cost rates may decrease or increase depending on the total amount of direct costs in staff, fringe and operational expenses being charged to CDBG for any given invoice period.

- All invoices requesting reimbursement for indirect costs must include a copy of the federally approved letter of agreement regarding your agency's indirect cost rate (the same letter that is submitted for the contract).

## PROGRAM REVIEWS

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As part of the process to assess agencies' administrative performance, each quarter, Contract Administrators will conduct reviews. A satisfactory rating indicates your invoice was complete, accurate, and on time.

OWD relies on agencies submitting invoices in a timely manner to efficiently track overall expenses for all CDBG-funded programs and reduce the likelihood of lag money left on this grant.

OWD takes program reviews into consideration when evaluating agencies' overall performance for future funding.

You can access your program reviews electronically by viewing them as a shared Google document with your Contract Administrator.

### **Reviews will indicate needed revisions in any of the following areas:**

- Late submission of reports or invoices, without prior approval for an extension from OWD staff
- Invoices missing original signatures or adequate back-up documentation
- Invoices with invalid expenses or worksheets that are mathematically inaccurate

OWD encourages contractors to maintain communication with Contract Administrators; not only to keep them abreast of any issues, but also as an available source of technical assistance. Most importantly, failure to respond/correct mistakes in a timely manner may lead to the program being subjected to further corrective action.

# SAMPLE INVOICE

## ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION

### CONTRACTOR'S INVOICE - COVER PAGE

Office of Workforce Development  
43 Hawkins Street  
Boston, MA 02114

TYPE OR PRINT ALL ENTRIES

the contract # **CHANGES** every year

CONTRACT NO.: 28888 CONTRACT PERIOD: From: 7/1/17 To: 6/30/18

CONTRACTOR NAME  Agency Name, Inc.		PROGRAM  The Best Program	
STREET ADDRESS  1 Main Street		CITY  Boston	STATE  MA
ZIP  02114			
TOTAL CONTRACT AMOUNT  <b>\$20,000.00</b>	CURRENT INVOICE PERIOD  7/1/17 - 9/30/18	CURRENT INVOICE AMOUNT  \$3,389.42	

INVOICE FOR (check one)		CONTRACT FUNDING SOURCE (check one)	
Cost Reimbursement <input checked="" type="checkbox"/>	WIA YTH <input type="checkbox"/>	DTA <input type="checkbox"/>	<div style="border: 2px solid green; padding: 5px;"> <b>OWD PROGRAM CONTACT</b>  Sammy Tse  OWD Division  CDBG </div>
Enrollment Payment <input type="checkbox"/>	YOG <input type="checkbox"/>	<input type="checkbox"/>	
Outcome Payment <input type="checkbox"/>	AEI <input type="checkbox"/>	<input type="checkbox"/>	
Final Payment <input type="checkbox"/>	OTHER <input type="checkbox"/>	<input type="checkbox"/>	
	EZ <input type="checkbox"/>	<input type="checkbox"/>	
	CDBG <input checked="" type="checkbox"/>	<input type="checkbox"/>	
TAG <input type="checkbox"/> (Specify) _____			

I certify that to the best of my knowledge and belief the data reported above is correct, and all outlays were made in accordance with the contract conditions, and that payment is due and has not been previously requested.

SIGNATURE: Jennifer Smith (original signature required) DATE 08-Oct-17

PRINT NAME: Jennifer Smith TITLE Program Director

PREPARED BY: Mary Guru (original signature required) PHONE (617) 911-1234

PRINT NAME: Mary Guru TITLE Fiscal Manager

#### EDIC USE ONLY

#### Cover page reminders:

- Does it have the invoice preparer's original signature and date?
- Does it indicate your Contract Administrator's name in the OWD Program Contact box for Lee Fields to know who to send it to for review?
- Does the total amount listed on the cover page match the total on the cost detail page?

DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

#### Also...

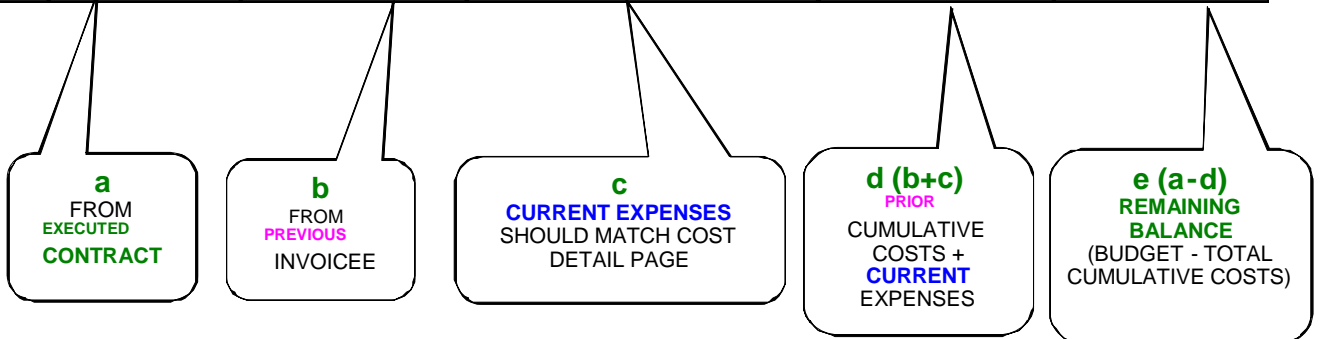
- Did you check with program staff to make sure the quarterly report is also being submitted on time?

**EDIC/BOSTON  
CONTRACTOR'S INVOICE  
COST REIMBURSEMENT - SUMMARY PAGE**

**CONTRACTOR:** Agency Name, Inc.  
**CONTRACT NUMBER:** 28888  
**CONTRACT PERIOD:** 7/1/17 – 6/30/18

**PROGRAM:** The Best Program  
**INVOICE PERIOD:** 7/1/17 – 9/30/17  
**FUNDING SOURCE:** CDBG

DESCRIPTION	<b>a</b> TOTAL DOLLAR BUDGET	<b>b</b> TOTAL PRIOR CUMULATIVE COSTS  DATE: ---	<b>c</b> CASH DISBURSEMENTS, ACCRUALS & ADJUSTMENTS  DATE: 9/30/17	<b>d (b+c)</b> TOTAL CUMULATIVE COSTS  DATE: 9/30/17	<b>e (a-d)</b> TOTAL BALANCE  DATE: 9/30/17
<b>CDBG PROGRAM</b>					
1. Personnel	\$14,500.00	\$0.00	\$2,287.10	\$2,287.10	\$12,212.90
2. Fringe Benefits	\$1,198.43	\$0.00	\$189.03	\$189.03	\$1,009.40
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Supplies	\$900.39	\$0.00	\$213.15	\$213.15	\$687.24
5. Contractual	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Other	\$1,583.00	\$0.00	\$392.01	\$392.01	\$1,190.99
6a. Indirect	\$1,818.18	\$0.00	\$308.13	\$308.13	\$1,510.05
<b>CDBG PROGRAM TOTAL</b>	<b>\$20,000.00</b>	<b>\$0.00</b>	<b>\$3,389.42</b>	<b>\$3,389.42</b>	<b>\$16,610.58</b>



**Summary Page reminders:**

- Column (a): Does it reflect the contract budget or the most recent approved budget revision?
- Column (b): Does it match column (d) from your previous invoice?
- Column (c): Does it match totals in the Cost Detail Page?
- Column (d): Does it add columns b + c?



## I. CDBG PROGRAM: Cost Detail

Contractor's Invoice

Invoice Page Three

**CONTRACTOR:** Agency Name, Inc.

**PROGRAM:** The Best Program

**INVOICE PERIOD:** 7/1/17 – 9/30/16

### 1. PERSONNEL

(a) #	(b) Position Title / Staff Name or Initials	(c) Salary Per Pay Period / hour	(d) # of Pay Periods / hrs	(e) % Charged to EDIC/Grant	(f) (a)*(b)*(c)*(d) EDIC/Grant Total
1	Program Coordinator (RL)	\$1,200.00	5.00	25.00%	\$1,500.00
1	Program Coordinator (RL)	\$1,000.00	1.00	25.00%	\$250.00
1	Group Leader (TJ) - salary per hr.	\$13.10	41.00	100.00%	\$537.10
<b>TOTAL PERSONNEL</b>					<b>\$2,287.10</b>

<b>2. FRINGE BENEFITS</b>	Rate	8.265%	\$189.03
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<b>OPERATIONAL COSTS</b>	
<b>3. TRAVEL</b>	\$0.00
<b>4. SUPPLIES</b>	\$213.15
<b>5. CONTRACTUAL</b>	\$0.00
<b>6. OTHER</b>	\$392.01
<b>6A. INDIRECT</b> Rate: 10.00%	\$308.13
<b>SUBTOTAL OPERATIONAL COSTS</b>	\$913.29
<b>TOTAL: CDBG PROGRAM</b>	\$3,389.42

### Cost Detail Page reminders:

- Are staff's salary rates equal to the payroll journal rates, but not higher than rates listed in the contract budget? (OWD reimburses what the agency paid staff, but not above what was indicated as their rate in the contract).

For example: When the CDBG contract budget indicates a salary rate of \$1200; if the payroll journal shows a higher rate, you still charge CDBG only \$1200. However, if the payroll journal shows a lower rate you can only ask CDBG to reimburse you at that lower rate you paid the staff.

- Use the percentage allocated to CDBG on your contract budget or most recent approved budget revision. You cannot increase the percentage without an approved budget revision from OWB.

## Salary Back-Up Documentation Form

You must complete this form if you have any expenses in the **personnel** section of your Cost Detail Page.

**Program Name:** The Best Program

**Contract Number:** 28888

**Invoice Period:** 7/1/17 - 9/30/17

Name and Job Title	Date of Service	Pay Periods or Hours of Service	Description of Service	Total Paid from Award
Rebecca Lee, Program Coordinator	7/1/17 - 9/30/17	6 pay periods	The Program Coordinator is responsible for outreach and recruitment of participants; curriculum development as well as staff supervision and hiring of contracted specialists.	\$1,750.00
Thomas Jones, Group Leader	7/1/17 - 9/30/17	41 hours	The Group Leader is responsible for chaperoning participants during special events and monthly field trips.	\$537.10
				\$2,287.10

*Jennifer Smith*

(signature required)

10/8/2017

(617) 911-1234

Signature of Program Director or Supervisor

Date

Contact Phone

### Salary Back-Up Documentation Form:

- Do names, hours and salaries match the information in the Cost Detail Page?
- Does it have the original signature of the program supervisor or an agency representative vouching staff worked those hours for the CDBG program?

### Personnel Timesheets:

- Are all copies of manual timesheets signed by the employee and supervisor?
- Are all copies of electronic timesheets printed out and signed by a supervisor?
- Do timesheets match the payroll registers' pay periods?

### Payroll Registers:

- Do copies of payroll registers or summaries indicate staff names, salary rates and pay periods, as well as tax deductions for each staff?

### Back-up reminders:

- Did you create an itemized expense list for travel, supplies, contractual and/or other that will match every receipt and invoice submitted as back-up for operational expenses?

### CDBG ITEMIZED EXPENSE LIST

#### TRAVEL

Date	Expense amount	CDBG amount	Destination/Purpose
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Total Travel CDBG:		<b>\$0.00</b>	
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#### SUPPLIES

Purchase Date	Expense amount	CDBG amount	Vendor
9/12/17	\$7.25	\$2.00	Dollar Tree Stores
9/10/17	\$40.99	\$29.50	Office Mix
9/18/17	\$235.86	\$125.00	Smart Mart
8/25/17	\$28.99	\$15.00	Staples
8/28/17	\$9.88	\$5.30	Staples
7/31/17	\$225.99	\$36.35	Staples

Total Supplies CDBG:		<b>\$213.15</b>	
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#### CONTRACTUAL

Service Date	Expense amount	CDBG amount	Contractor
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Total Contractual CDBG:		<b>\$0.00</b>	
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#### OTHER

##### RENT

Date	Monthly Rent	CDBG amount	paid with check number
July 2017	\$875.00	\$105.00	1125
August 2017	\$875.00	\$105.00	1128
September 2017	\$875.00	\$105.00	1131
		<b>\$315.00</b>	

##### PHONE

Date	Monthly Bill	CDBG amount	paid with check number
July 2017	\$256.67	\$25.67	1134
August 2017	\$256.67	\$25.67	1145
September 2017	\$256.67	\$25.67	1157
		<b>\$77.01</b>	

TOTAL Other CDBG:		<b>\$392.01</b>	
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### Dollar Tree Stores, Inc.®

Store# 4577 (617) 323-2373  
950 American Legion Hwy.  
Boston MA 021314701

DESCRIPTION	QTY	PRICE	TOTAL
STICKERS	1	1.00	1.00T
ANIMAL BOWL W/LID	1	1.00	1.00N
BABY SNACK/CUPS	1	1.00	1.00N
SPIDERMAN CONTAINER	1	1.00	1.00T
FLASH CARDS	1	1.00	1.00T
PROJ PAPER LTR BLK	1	1.00	1.00T
ICEBREAKER	1	1.00	1.00N

Sub Total	\$7.00
CLOTHING TA	\$0.00
FOOD TAX	\$0.25
SALES TAX	\$7.25
Total	

Debit Card  
\*\*\*\*\*5743

Thank You for Shopping at Dollar Tree  
Where Everything's \$1.00  
Now Shop On-Line at DollarTree.com

002806 4577 03 00033 4239  
Sales Associate:Margaret

9/12/17

CDBG: \$ 2.00  
Program Supplies

- Are copies of each receipt legible?
- Is the purchase date within this contract year?
- Did you indicate what amount out of the invoice/receipt is allocated to CDBG? (Subtract any tax amount charged on the receipt.)



# AGENCY NAME, INC.

ONE MAIN ST. BOSTON, MA 02114

*DOING WHAT WE DO BEST... EVERYDAY!*

## Indirect Cost Letter Request

Date: 10/8/2017

Program Name: The Best Program

Contract Number: 28888

Invoice Period: 7/1/17 - 9/30/17

Agency Name, Inc., requests indirect costs for the months of: *July-September 2017* in the amount of: \$308.13.

*Mary Guru*

**Staff Signature**(original signature required)

Mary Guru

Financial Manager

One Main Street, Boston, MA 02114

617-911-1234

Mary.Guru@agencynameinc.org

- Did you submit a signed indirect cost letter request, if applicable?
- If you are including a consultant's invoice, does the invoice clearly describe the services they rendered, the dates/hours of service, their rate, as well as indicate their contact information and signature? The consultant's invoice should also have the signature of an agency representative authorizing the consultant's services provided to the CDBG-funded program.

## 2. BUDGET REVISIONS

Budget Revisions are submitted to your Contract Administrator.

OWD allows CDBG contractors to request **two formal budget revisions** during the contract year, up until June 1<sup>st</sup>, and a **10% leeway** in the final invoice. **Both require approval** from CDBG Program Management staff and from the Fiscal Department. Please read the following guidelines carefully and contact your Contract Administrator for assistance with the budget revision process.

### BUDGET REVISION CHECKLIST:

Have a copy of the budget in your executed contract or of the most recently approved budget revision at hand. You will use it as a reference to explain where you are requesting changes to the budget.

- ☐ 1. Cover letter – explain the reason for the budget amendment request (clearly indicating effective date of all budget changes and specific dates when staff left or were hired)
- ☐ 2. Contractor's Program Budget Page – indicate the Current Budget Amount, Revised Budget Amount, Increase/Decrease Amount; and Monthly Expenditure Plan (signed and dated under 'Prepared by' section only).
- ☐ 3. Cost Detail Page – ensure the total adds up to the total grant award without rounding up numbers
- ☐ 4. Budget Narrative – describe all line items in the revised budget (including those line items that did not change from the original budget)
- ☐ Submit any additional job descriptions or resumes
- ☐ E-mail the budget revision forms to **Your Contract Administrator**. Once OWD approves the budget revision, your Contract Administrator will e-mail a stamped copy for your file.

## **GUIDELINES TO PREPARE YOUR BUDGET REVISION**

### **1. COVER LETTER**

On agency letterhead, prepare a cover letter that explains what *programmatic changes* are taking place that result in your request for changes to the budget. Indicate the dates when the changes took place. A detailed cover letter will facilitate the review and approval of your revised budget.

#### ***SAMPLE Budget Revision COVER LETTER***

***(USE AGENCY LETTERHEAD)***



**AGENCY NAME, INC.**

ONE MAIN ST. BOSTON, MA 02114

*DOING WHAT WE DO BEST... EVERYDAY!*

**Date: 10/15/17**

**Program Name: The Best Program**

**Contract Number: 22888**

**Effective Date: October 2017**

The Agency Name, Inc., requests a budget revision due to staff turnover that will impact the personnel line item in our CDBG FY18 budget.

The Program Coordinator, Rebecca Lee, will be leaving the program. Her last day on this grant was October 2, 2016. We have hired a new Program Coordinator, Sam Johnson, who will start on November 30, 2017. The new Program Coordinator was hired at a salary rate of \$950 per pay period and will be charged at 25% to EDIC/CDBG.

During this interim period, the Program Director will take over the responsibilities of the Program Coordinator. We are requesting to reimburse the Program Director position at 10% of her salary of \$1,325 per pay period for her time spent on this program. Due to this staff turnover, the personnel and fringe line items have a total of \$677.20 remaining in funds that we are requesting to transfer to the contractual line item. We are also requesting to move \$322.80 from the supplies line item into the contractual line item. This will allow the program a \$1,000 contractual line item to fund two prevention education family workshops.

Please see attached resumes and job descriptions for the new Program Coordinator and for the Program Director.

No changes are requested in the other operational cost line items in our budget.

Please contact me at (617) 911-1234 if you have any questions.

Sincerely,

*Mary Guru*

**Mary Guru, Fiscal Manager**

Below are some examples of common programmatic changes that result in budget revision requests:

**Staff turnover resulting in some unpaid pay periods in the CDBG budget**

For example:

An agency's original budget includes a Youth Worker paid bi-weekly for 26 pay periods in the year. If the Youth Worker left in September and the new Youth Worker was not hired until November, there will be pay periods between September and November that were not paid and unspent funds will be left on the budget under that line item.

A budget revision could request a variety of changes:

- To include another staff member that took over the responsibilities of that youth worker while the position was vacant.
- To increase the percentage of someone else already on the budget because their responsibilities on the CDBG grant increased once the Youth Worker left.
- To reduce the pay periods for that position from 26 to 22 and move the remaining funds to another category (such as supplies, travel, contractual, other).

**Staff salary decreases from original CDBG budget**

For example:

An agency submitted its budget with the contract documents expecting to hire and pay a new Program Director a bi-weekly salary of \$1,500 over 26 pay periods at 50% to EDIC/CDBG for a total of \$19,500. Due to unforeseen cuts in general agency funds, the Program Director was hired at a bi-weekly salary of \$1,200. This will result in \$3,900 dollars left on the current budget under that personnel line item.

A budget revision could request a variety of changes:

- To increase the percentage charged to EDIC/CDBG for the Program Director from 50% to 62.5% also reflecting an increase in the Program Director's time spent under this grant.
- To move the \$3,900 left from the personnel line item to another category (such as supplies, travel, contractual, other).

**Reduced expenditures in non-personnel costs (Supplies, Travel, Contractual or Other)**

For example:

In its original budget, an agency indicated \$3,360 for Contractual expenses to be used for two Contracted Specialists to provide 12 monthly two-hour art workshops at \$35.00/hour. It turns out that the agency hired only one Specialist and will get the other workshops provided by community volunteers. This will reduce their Contractual expenses in half and the agency will have \$1,680 left on the current budget under the Contractual line item.

A budget revision could request a variety of changes:

- To request reimbursement for Supplies that will be used by the volunteers providing the art workshops.
- To request reimbursement for any other Operational Costs related to the program that were not part of the original budget.
- To include an additional staff under the personnel line item that carries out program responsibilities but that had not been included in the original budget.
- To increase the percentage, hours or pay periods of staff already in the budget if it correlates with an increase in their time spent on this grant or program responsibilities.

DISCUSS ALL PROPOSED BUDGET CHANGES WITH YOUR CONTRACT ADMINISTRATOR, particularly when changes involve any amount shifted between personnel costs and non-personnel costs, changes to the percentage of time charged to the CDBG program for staff, and salary increases not planned for in the original budget. While OWD understands that due to the nature of services program budgets may change, we may decide NOT TO APPROVE ALL CHANGES, depending on the nature and timing of the proposed changes.

## 2. CONTRACTOR'S PROGRAM BUDGET PAGE

This page is exactly the same page as the first page in your contract budget.

However, in a budget revision you will also complete the columns that indicate 'Revised Budget Amount' and 'Increase/Decrease Amount'.

Your revised Contract Budget Page will then indicate:

- **Current Budget Amount** – the amounts in your executed contract budget or in your most recently approved budget revision.
- **Revised Budget Amount** – the new totals you want in each category.
- **Increase/Decrease Amount** – the difference in the total for each category between the original budget and the revised budget.

Note: If this is your second budget revision, then you will not use the original budget in the executed contract but rather the budget that was approved in your first budget revision.

SAMPLE BUDGET REVISION - PROGRAM BUDGET PAGE			
EDIC / BOSTON			
CONTRACTOR'S PROGRAM BUDGET			
CONTRACTOR: Agency Name, Inc.		FUNDING SOURCE: CDBG	
PROGRAM: The Best Program		CONTRACT PERIOD: 7/1/17-6/30/18	
TOTAL NUMBER OF PARTICIPANTS TO BE SERVED: 250			
DESCRIPTION	CURRENT BUDGET AMOUNT	REVISED BUDGET AMOUNT	INCREASE / DECREASE AMOUNT
<b>I. CDBG PROGRAM</b>			
1. Personnel	\$14,500.00	\$13,874.50	(\$625.50)
2. Fringe Benefits	\$1,198.43	\$1,146.73	(\$51.70)
3. Travel	\$0.00	\$0.00	\$0.00
4. Supplies	\$900.39	\$577.59	(\$322.80)
5. Contractual	\$0.00	\$1,000.00	\$1,000.00
6. Other	\$1,583.00	\$1,583.00	\$0.00
6a. Indirect	\$1,818.18	\$1,818.18	\$0.00
<b>TOTAL</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$0.00</b>
MONTHLY EXPENDITURE PLAN			
MONTH	CDBG PROGRAM		
JULY 2017	\$1,500.00		
AUGUST	\$1,500.00		
SEPTEMBER	\$1,500.00		
OCTOBER	\$1,500.00		
NOVEMBER	\$1,750.00		
DECEMBER	\$1,750.00		
JANUARY 2018	\$1,750.00		
FEBRUARY	\$1,750.00		
MARCH	\$1,750.00		
APRIL	\$1,750.00		
MAY	\$1,750.00		
JUNE	\$1,750.00		
<b>TOTAL</b>	<b>\$20,000.00</b>		



### 3. COST DETAIL PAGE

This page is exactly the same page as the second page in your contract budget and the third page in your invoice forms. In a budget revision, you will list all the expenses that have already been reimbursed so far in the fiscal year and add the new expenses that you are requesting to spend out your budget. The **GRAND TOTAL** at the bottom of the page should match your grant award.

SAMPLE BUDGET REVISION - PROGRAM COST DETAIL PAGE					
I. CDBG PROGRAM: Cost Detail					
<b>CONTRACTOR:</b>		Agency name, Inc.		<b>PROGRAM:</b> The Best Program	
<b>1. PERSONNEL</b>					
(a) #	(b) Position Title / Staff Name or Initials	(b) Salary per Pay Period or salary per Hour	(c) # of Pay Periods or Hours/year	(d) % Charged to EDIC/Grant	(a)*(b)*(c)*(d) EDIC/Grant Total
1	Program Coordinator - RL	\$1,200.00	5.00	25.00%	\$1,500.00
1	Program Coordinator - RL	\$1,000.00	1.00	25.00%	\$250.00
1	Program Director - BB	\$1,325.00	4.00	10.00%	\$530.00
1	Program Coordinator - SJ	\$950.00	16.00	25.00%	\$3,800.00
1	Group Leader - TJ (salary per hr)	\$13.10	595.00	100.00%	\$7,794.50
<b>TOTAL PERSONNEL</b>					\$13,874.50
<b>2. FRINGE BENEFITS</b>			Rate	8.265%	\$1,146.73
<b>OPERATIONAL COSTS</b>					
<b>3. TRAVEL</b>			\$0.00		
<b>4. SUPPLIES</b>			\$577.59		
<b>5. CONTRACTUAL</b>			\$1,000.00		
<b>6. OTHER</b>			\$1,583.00		
<b>6A. INDIRECT</b>			Rate: 10.00%	\$1,818.18	
<b>SUBTOTAL OPERATIONAL COSTS</b>			\$4,978.77		
<b>TOTAL: CDBG PROGRAM</b>			\$20,000.00		

### 4. BUDGET NARRATIVE

You must submit a budget narrative / justification for all planned expenditures for each of the budget items. It is perhaps the single most important element of your budget. You may find the following guidelines useful when preparing the narrative. The more detail you provide, the easier it will be for the fiscal reviewers.

**1. Personnel** - For every position listed under this section, please attach a job description, resume, a brief description of his/her role in the proposed program, salary rate, number of pay periods (hourly, weekly, bi-weekly, bi-monthly, etc.) the position requires, and the percentage charged to this funding

source. The type of pay period listed must match your agency's payroll system and supporting documentation. It is OK to list some staff as salaried staff with pay periods and others as hourly staff with estimated total number of hours in a year if that is how your payroll registers will record their payment.

**2. Fringe Benefits** - List all components of the fringe benefits rate, breaking it down by components, percentage rates and amounts. Examples of components are FICA, Medicare, Unemployment, Health Insurance, Retirement, etc.

**3. Travel** - Examples of local travel justifications include the number/types of MBTA passes, number of trips/cost per trip and trip destinations. The IRS approved business mileage rate for Calendar Year 2016 is 54 cents per mile. For other travel, particularly if outside the program service area, you must clearly describe the need and cost detail.

**4. Supplies** - Supplies are those items considered tangible, expendable, and personal property. Examples include general office supplies, postage costs, meeting costs/supplies, copies, printing costs and materials. Purchased materials and supplies shall be charged at their actual prices, net of applicable credits. Withdrawals from existing inventory should be charged at their actual net cost under any recognized method of pricing inventory. Care should be taken to identify those supplies directly tied to the program.

- Program Supplies: What will be purchased, total estimated cost, unit price, quantity? How does it relate to the program?
- General Supplies: What will be purchased, total estimated cost, unit price and quantity?
- Printing: What will be printed? How many and for what cost?
- Postage: What and how many will be mailed at what cost?
- Office Supplies: What items will be purchased, why? Total estimated cost, unit cost, quantity, connection to the program?

**A NOTE ON EQUIPMENT:** The Federal definition of equipment is tangible, non-expendable, personal property having a useful life of over one year and an acquisition cost of \$5,000 or more per unit. AS DEFINED, EQUIPMENT IS NOT ALLOWED UNDER THIS GRANT. If you propose purchasing ANY item of equipment under \$5,000, include it in this category and clearly explain how it will be necessary for the proposed program. It must be used for project related functions, and must not otherwise be available to the applicant. A plan for the use or disposal of the equipment after the project ends must also be included in the justification.

**5. Contractual** - Generally, this category is for all non-employees for services or products, and consultants who provide advice and expertise in a specific program area. Your justification should include the total cost, the name of the individuals/organizations, the services or goods being provided, the rate or per diem, etc., and the relation to the program. If your proposal includes a subcontractor providing a substantial amount of the program services, then detailed supporting information and justification must be provided.

**6. Other** - Any expenses not covered in any of the previous budget categories should be included here. Examples of items include occupancy costs, the lease or rental of equipment, maintenance costs, security costs, telephone costs, dues, subscriptions, utilities, insurance costs not included in the fringe benefits, and where applicable, indirect costs. Justification examples include:

- Rent: How was the rent cost determined, i.e., square footage, proportionate to the amount of space occupied by program, etc.?
- Utilities: How were the utility costs estimated, i.e., square footage, proportionate to the amount of space used by the program, etc.?
- Security: What type of security is being purchased, for how long, for what program activities?
- Maintenance: How was the maintenance cost determined, i.e., square footage, proportionate to the amount of space used by the program, etc.?
- Insurance: What kind of insurance, at what cost, for what period, covering what activities?
- Miscellaneous: What, why, and at what cost?

## SAMPLE BUDGET NARRATIVE for a Budget Revision:

BUDGET NARRATIVE	
FUNDING SOURCE: CDBG	CONTRACT PERIOD: 7/1/17 - 6/30/18
CONTRACTOR: <b>Agency Name, Inc.</b>	
PROGRAM: <b>The Best Program</b>	
<b>PERSONNEL</b>	
<b>Program Coordinator - Rebecca Lee</b> 5 pay periods at \$1,200.00 per pay period @ 25% to EDIC/CDBG 1 pay period at \$1,000.00 per pay period @ 25% to EDIC/CDBG The Program Coordinator is budgeted to the project at 20 hours/week. The Program Coordinator is responsible for outreach and recruitment of participants; curriculum development as well as staff supervision and hiring of contracted specialists.	\$1,750.00
<b>Program Director - Barbara Brooks</b> 4 pay periods at \$1,325.00 per pay period @ 10% to EDIC/CDBG The Program Director will dedicate 10 hours a week to oversee outreach and recruitment of participants; curriculum development as well as staff supervision and hiring of contracted specialists.	\$530.00
<b>Program Coordinator - Sam Johnson</b> 16 pay periods at \$950.00 per pay period @ 25% to EDIC/CDBG The Program Coordinator is budgeted to the project at 20 hours/week. The Program Coordinator is responsible for outreach and recruitment of participants; curriculum development as well as staff supervision and hiring of contracted specialists.	\$3,800.00
<b>Group Leader - Thomas Jones</b> 595 total hours at \$13.10 per hour @ 100% to EDIC/CDBG The Group Leader is paid on an hourly basis and works between 10-15 hours a week. A total of 595 hours will be budgeted to this funding source. The Group Leader is responsible for chaperoning participants during special events and monthly field trips.	\$7,794.50
<b>FRINGE BENEFITS</b> The fringe benefit rate is 8.265%. The rate includes: FICA (7.65%), health insurance (.6%), and workmen's compensation insurance (.015%).	\$1,146.73
<b>SUPPLIES</b> Program supplies for participants to use for homework and school projects throughout the year include: notebooks, computer disks, binders, printing paper, pencils, pens, markers, poster boards, etc., and t-shirts for special events. Office supplies include printer cartridges, paper, file folders, staples, etc.	\$577.59
<b>CONTRACTUAL</b> \$500.00 per x 2 sessions Workshop leaders will provide two full day interactive family workshops at the program retreats scheduled in December and June for families to learn effective strategies for discipline, violence prevention, study habits, healthy eating, college resources, etc.	\$1,000.00
<b>OTHER</b> Printing: 300 copies @ \$.05 each = <b>\$15</b> Telephone: 10% of annual telephone cost of \$3,080 = <b>\$308</b> (\$25.67/month paid by CDBG) Rent: 350 square feet x \$30 square feet x 12% CDBG allocation = <b>\$1,260</b> (\$105/month paid by CDBG)	\$1,583.00
<b>INDIRECT COSTS</b> Federally approved rate at 10% (letter attached).	\$1,818.18
<b>TOTAL</b>	<b>\$20,000.00</b>

## BRA / EDIC / OWD BUDGET REVISION POLICY

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1. Submit budget revisions to your OWD Contract Administrator no later than 30 days after the effective date of change. Budget revisions need to be received by the Fiscal Department no later than 45 days after the effective date of change. ***All budget revisions should be submitted no later than June 1<sup>st</sup>, 2018.***
2. Indicate the **effective date** of the budget revision on your cover letter and note it in the budget narrative.
3. Send your budget revision request directly to your Contract Administrator.
4. The Contract Administrator will review the revision to ensure that it meets the Budget Revision policy guidelines.
5. OWD allows ***two (2) formal budget revisions*** per contract per year. Please note that the final invoice serves as an **informal** budget revision if over-expenditures occur. (Refer to 'Additional Guidelines for Final Invoice FY18' at the end of this section). This is a total of three (3) budget revisions per year per contract.
6. Review expenses regularly against your program budget to ensure that all spending is in line with budget line items. Doing this will allow timely submission and approval of budget revision requests.
7. Plan and budget for salary increases in the original contract budget. Anticipated increases may include COLAs, merit raises, and incentive payments.
8. OWD does not allow retroactive salary increases.
9. OWD does not allow budget revisions after the end date of the contract.
10. Budget revisions must be accompanied by a clear, detailed and comprehensive budget narrative which explains the necessity for the requested changes and which matches line item by line item the proposed changes and the Cost Detail page of the revised budget.
11. All changes affecting the equipment purchased sub-line item must have prior approval. (Not all funding sources allow the purchase of equipment).
12. Formal budget revisions should include all necessary pages: cover letter, program budget page, program cost detail page, budget narrative, as well as any additional job descriptions and resumes.
13. Submit budget revisions with a **signature and date of submission** on the program budget page.
14. Please call your Contract Administrator to guide you through the process.

15. You will receive a signed copy of your budget revision, once it's approved by our fiscal department. All subsequent invoices should reflect the new budget amounts indicated in the approved budget revision.

DISCUSS ALL PROPOSED BUDGET CHANGES WITH YOUR CONTRACT ADMINISTRATOR, particularly when changes involve any amount shifted between personnel costs and non-personnel costs, changes to the percentage of time charged to the CDBG program for staff, and salary increases not planned for in the original budget. While OWD understands that due to the nature of services program budgets may change, NOT ALL CHANGES MAY BE APPROVED, depending on the nature and timing of the proposed changes.

### Additional Guidelines for Final Invoice FY18:

On Final Invoices Only, OWD allows contractors to overspend each line item by no more than **10%**, as long as there are sufficient funds in another line item to absorb the over-expenditure. Please note, the Total Contract Budget amount cannot be overspent at all.

While these are overall guidelines for allowances of over-expenditures, OWD requires formal budget revisions when overspending of a line item will exceed 10%.

### NOTES TO BUDGET OVER-EXPENDITURE ALLOWANCES POLICY

1. Over-expenditures on the final invoice can only occur in existing budget line items, travel, supplies, contractual, and other.
2. Sub-line items such as the Position Title under 'Personnel' and the items in the 'Other' category listed in the Budget Narrative can be overspent on the final invoice by more than 10% only if the total line item is not overspent by more than 10%. However, chronic over/under-spending should be addressed in a formal budget revision prior to the final invoice.
3. Salary over-expenditures on the final invoice can only occur by increasing the number of pay periods not to exceed the total number of pay periods in the contract period. The budgeted salary amount and percentage charged to the grant **cannot be changed** under any circumstance.

### **Example 1: It is possible to use the 10% leeway in PERSONNEL as long as:**

- There are **remaining funds** in another line item in the budget
- Program staff worked additional pay periods or hours **for the CDBG program**
- The pay periods/hours billed so far are **not maxed out**\* for the contract year

\*Maxed out weekly pay periods = **52** in a contract year

\*Maxed out bi-weekly pay periods = **26** in a contract year

\*Maxed out hourly rate = **2080** hours (calculated as 40 hrs/week x 52 weeks/year)

In the example below, without increasing the salary rates or the percentage charged to the grant, the PERSONNEL line item could have up to 10% over-expenditures by increasing the Program Coordinator's pay periods or the Group Leader's hours as long as the pay periods are within this contract year and work was performed for the CDBG-funded program.

#	Position Title / Staff Name or Initials	Salary per Pay Period or salary per Hour	# of Pay Periods or Hours/year	% charged to EDIC/Grant	EDIC/Grant Total
1	Program Coordinator - AB	\$1,200.00	20.00	25.00%	\$6,000.00
1	Group Leader - CD (salary per hr)	\$13.10	850.00	100.00%	\$11,135.00

**Example 2: NOT possible to use the 10% leeway in PERSONNEL:**


In the example below, you cannot use the 10% leeway in the Final Invoice in Personnel because the pay periods and hours for staff have already been maxed out and you cannot increase the salary rate or the percentage charged to the grant.

#	Position Title / Staff Name or Initials	Salary per Pay Period or salary per Hour	# of Pay Periods or Hours/year	% charged to EDIC/Grant	EDIC/Grant Total
1	Program Coordinator - AB	\$1,200.00	26.00	25.00%	\$7,800.00
1	Group Leader - CD (salary per hr)	\$13.10	2080.00	100.00%	\$27,248.00

- Submit a letter explaining the 10% over-expenditures in your final invoice. Our fiscal department needs to approve the over-expenditures before the final invoice is paid.

**SAMPLE COVER LETTER for use of 10% LEEWAY in Final Invoice**

(USE AGENCY LETTERHEAD)



## AGENCY NAME, INC.

ONE MAIN ST. BOSTON, MA 02114

DOING WHAT WE DO BEST... EVERYDAY!

**Date:** 7/15/18

**Program Name:** The Best Program

**Contract Number:** 28888

Due to a reduced number of hours billed to the Group Leader position in June 2018, Agency Name, Inc., requests to move the remaining PERSONNEL line item balance of \$150.49 to operational costs in our budget. This final invoice reflects an increase in SUPPLIES and OTHER (postage) expenses within the 10% leeway allowed by OWD

Please contact me at (617) 911-1234 if you have any questions.

Sincerely,

*Mary Guru*

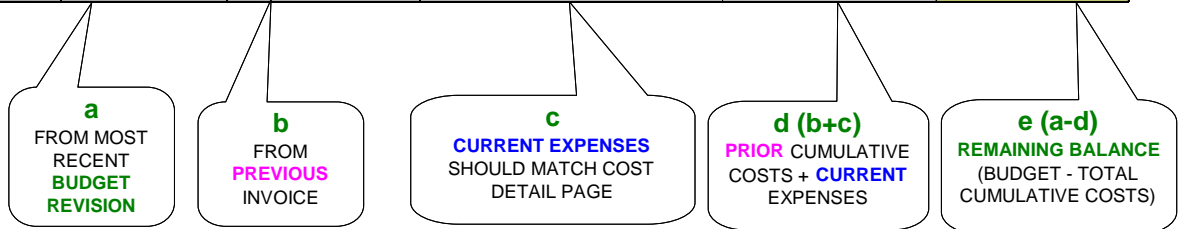
**Mary Guru, Fiscal Manager**

EDIC/BOSTON  
CONTRACTOR'S INVOICE  
COST REIMBURSEMENT - SUMMARY PAGE

CONTRACTOR: Agency Name, Inc.  
CONTRACT NUMBER: 28888  
CONTRACT PERIOD: 7/1/17 - 6/30/18

PROGRAM: The Best Program  
INVOICE PERIOD: 6/1/18 - 6/30/18  
FUNDING SOURCE: CDBG

DESCRIPTION	<b>a</b> TOTAL DOLLAR BUDGET	<b>b</b> TOTAL PRIOR CUMULATIVE COSTS DATE: 5/31/18	<b>c</b> CASH DISBURSEMENTS, ACCRUALS & ADJUSTMENTS DATE: 6/30/18	<b>d (b+c)</b> TOTAL CUMULATIVE COSTS DATE: 6/30/18	<b>e (a-d)</b> TOTAL BALANCE DATE: 6/30/18
<b>CDBG PROGRAM</b>					
1. Personnel	\$13,874.50	\$12,564.50	\$1,171.00	\$13,735.50	<b>\$139.00</b>
2. Fringe Benefits	\$1,146.73	\$1,038.46	\$96.78	\$1,135.24	<b>\$11.49</b>
3. Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4. Supplies	<b>\$577.59</b>	\$510.34	\$125.00	\$635.34	<b>(\$57.75)</b>
5. Contractual	\$1,000.00	\$1,000.00	\$0.00	\$1,000.00	\$0.00
6. Other	<b>\$1,583.00</b>	\$1,448.83	\$226.91	\$1,675.74	<b>(\$92.74)</b>
6a. Indirect	\$1,818.18	\$1,656.21	\$161.97	\$1,818.18	\$0.00
<b>CDBG PROGRAM TOTAL</b>	<b>\$20,000.00</b>	<b>\$18,218.34</b>	<b>\$1,781.66</b>	<b>\$20,000.00</b>	<b>\$0.00</b>



In the final June 2018 invoice above, the program had a small leftover balance of \$139 in Personnel and \$11.49 in Fringe. Instead of leaving \$150.49 of unspent funds on the CDBG grant, the program made use of the 10% leeway in the final invoice.

The 10% leeway allows programs to increase the line items *already in the budget* (in this case, *Supplies*, *Contractual* or *Other*) as long as the expenses billed are related to CDBG and made within the contract period. The example above shows the leftover \$150.49 being added to the 'Supplies' and to the 'Other' categories by no more than 10% each. This allowed the program to close out their contract budget with a \$0.00 balance.

**Before submitting your final invoice with a leftover balance**, contact your Contract Administrator to discuss whether your program can make use of the 10% leeway allowance. Your Contract Administrator will discuss the specifics of your program's budget with our fiscal department and determine whether any changes in your final invoice will be approved.