

## 21<sup>st</sup> CCLC Budget Session Question/Answer

- 1) *Do modifications carry over to year 2? Or does your originally submitted budget revert back on July 1?*
  - a. Program Modifications remain in place throughout the award period (Round 8/8A through 6/30/2027) unless they were a temporary modification with a specific end date.
  - b. Budget Amendments are effective for the budget year (July 1- June 30) for which they were approved. A new FS10 should be submitted each year (before May 15) with the budget written with expected expenses for that upcoming year, regardless of changes made to the previous year's budget.
  
- 2) *Never mind – I realized what the answer would be.*
  - a. We left this on the FAQ from the session as we found it humorous, and anything that can make forms, deadlines, and budgets humorous is ok with us.
  
- 3) *Why isn't a phone number provided to the NYSED Office to answer our budgetary questions as opposed to email?*
  - a. The 21<sup>st</sup> CCLC office manages the [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) email box as a courtesy to allow programs to ask questions and get a response from the appropriate staff member.
  - b. We use the email box as a recordkeeping method for the questions asked and responses given, complete with responding staff names and dates/times.
  - c. The staff of 21<sup>st</sup> CCLC manage the myriad aspects of managing 152 programs and \$105,000,000 annually. In other words, we have many responsibility areas, and email provides a method to be available for your questions regardless of when your questions are posed and what other topic areas we are involved in managing.
  
- 4) *Can you do a webinar I'm so lost.*
  - a. We delivered the session at the School's Out conference to provide basic information related to 21<sup>st</sup> CCLC budgeting.
  - b. Please follow the handout that was provided at the conference as it captures much of what you need to know to submit a 21<sup>st</sup> CCLC budget packet.
  - c. Please send specific questions to [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) so your issues can be addressed.
  
- 5) *I'm still waiting on my 20% advance. Are there any organizations that can provide us with a loan? It's commonly called accounts receivable factoring.*
  - a. We are not aware of any organizations that provide loans.
  
- 6) *When will we be notified about our FS-10A?*
  - a. When the 21<sup>st</sup> CCLC budget processing staff receive an FS10A, it is reviewed to determine if a program modification request is also needed/has already been submitted. If one is required, we notify the program and the Technical Assistance Resource Center to aid the program in the development of the program modification. Program modifications must be approved before the budget amendment can be reviewed.
  - b. If a program modification is 1) already approved, or 2) not required, the FS10A budget packet is reviewed for completeness and then for calculation.
  - c. Once the budget amendment is reviewed, the program will be notified that either 1) additional revisions/information is required or 2) the amendment is approved and any next steps.

- d. If a program has not received notification of additional information or approval, then the amendment is still in the review stage.
- 7) *Is there an indirect cost calculation form?*
- a. This is an excellent suggestion, and we have developed an Indirect Cost tip sheet below.
- 8) *We are in the process of dissolving a partnership agreement. This is going to impact completing the MWBE form referring to fringe benefit forms. As of now we do not have the new partner in place.*
- a. Dissolving a partnership will involve more than the budget and MWBE. Please reach out to your Technical Assistance Resource Center AND [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) so we can provide critical guidance related to the process of removing a partner.
- 9) *Do we supply the budget in our RFP or after?*
- a. We are not sure what you are referring to as your “RFP”. Please reach out to us as [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) with more information.
- 10) *If we started mid-year how would that affect our budget? Do we spend the entire amount that was awarded even though we started late?*
- a. You will need to adjust your budget because your spending was not what you originally planned for a full year. You will need to submit a budget amendment at minimum and may also need a Program Modification. Please reach out to your Technical Assistance Resource Center and [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) for guidance.
- 11) *How do you complete the fringe benefit form for the MWBE if you are in the middle of obtaining a new partner?*
- a. Partnerships were formed at the application for an award stage. Any change in partnerships must be approved by 21<sup>st</sup> CCLC. Please reach out to your Technical Assistance Resource Center and [emsc21stcclc@nysed.gov](mailto:emsc21stcclc@nysed.gov) for guidance.
  - b. Regarding the MWBE form Partnership Salary and Fringe Benefit Breakdown, this is submitted with the FS10 for the annual budget. The only costs that can be included are for currently approved partners.
- 12) *If we miss our MWBE goal, are there consequences?*
- a. If it is recognized during the year that the goal is not going to be met, then a partial waiver should be submitted and filed to the M/WBE office for review/approval. The M/WBE goal is for the life of the grant cycle, so there is the opportunity to meet or exceed the M/WBE goal in a subsequent year making up for any missed or reduced M/WBE spending.
- Please note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, and/or breach of contract, leading to the withholding of funds or such other actions or enforcement proceedings as allowed by the contract and/or Article 15-A.
- 13) *Can we change a vendor in the middle of the year if they are part of our MWBE spending? What do we have to do- submit a new MWBE packet?*
- a. If the vendor being replaced is a straight ‘swap’ then only a Utilization Plan and Notice of Intent Form is needed to submit to the M/WBE Office. Send updated forms to [MWBEgrants@nysed.gov](mailto:MWBEgrants@nysed.gov) and be sure to provide the Project Number (0187-xx-xxxx).
- 14) *Can the MWBE vendor list be updated? It's horrible.*

- a. The NYS Certified MWBE list is maintained by the Division of Minority and Women's Business Development (DMWBD) (<https://esd.ny.gov/doing-business-ny/mwbe>)
- b. Here is a link to the searchable MWBE database:  
<https://ny.newnycontracts.com/FrontEnd/searchcertifieddirectory.asp>

15) *What happens if we got our money so late, we can't even spend our 20% advance? Do we need to give it back?*

- a. You would only need to return any of the funds that you did not use for your program.

16) *What if we spend some of our advance funds to get the program going, but can't spend it the way we had planned (and listed in the FS10)?*

- a. You would submit an FS-10A to move funds. If you are past the deadline to submit a budget amendment (March 15), you could ask the Program Office to accept and process a late submission. It is not guaranteed that the Program Office would agree to any requests for late submissions.

17) *Will Grants Finance accept an FS10 with a 'to be determined' for activities? If we are allowing the option for students to choose their desired activities, we can't know that until we ask the students when they begin it the fall.*

- a. You must include some- at minimum- generic detail. The initial program application for you 21<sup>st</sup> CCLC award had some description (e.g., arts programming). Student choice could be painting, computer art, dance, theatre, comic stripping, etc., each of which could be considered 'arts programming'. You should include that generic description and an estimate of per students cost. If the actual cost is different than the estimate, you will need to submit an FS10A (Budget Amendment).

18) *How should programs create the FS10 with specifics if they aren't sure exactly what they are going to need to purchase based on 'student choice'?*

- a. To estimate for supplies and materials, you can list them under a generic statement, "art supplies for the arts program". You would again list an estimate based on per student cost (e.g., \$22/ student x 125 students). If this actual costs for supplies and materials turns out to be significantly different, then you would need to submit an FS10A (Budget Amendment).

## INDIRECT COST CALCULATION TIP SHEET

### What is Indirect Cost?

Indirect costs are costs of activities that benefit more than one program or objective and, therefore, cannot be readily assigned to only one specific program or objective. They are generally classified under functional categories such as general maintenance and operation expenses, general office and administration expenses, general overhead expenses, and other allowable general expenses.

Indirect costs can be broadly defined as central administrative costs and certain other organization-wide costs that are incurred in connection with a grant, but that cannot readily be identified with the grant (e.g., payroll preparation, central purchasing).

### How are Indirect Costs calculated?

Indirect costs generated for a grant are calculated by applying the local agency's indirect cost rate to the modified direct cost base of the grant (MDCB). These funds are used to support the central administrative costs.

### What is the Indirect cost rate?

A notification letter is sent annually to each school district and BOCES when the rates are calculated. In addition, a letter is sent to other types of agencies that had a grant/grant-contract in the prior year notifying them of their annual indirect cost rate. You may contact Grants Finance at [grantsweb@nysed.gov](mailto:grantsweb@nysed.gov) or (518) 474-4815 if you are unsure of your rate.

This rate must be used with the initial FS10. After a request is approved to increase the rate, an FS10A must be submitted to show the adjustment in the budget.

### The indirect cost rate for my agency is very low. Is it possible to receive a higher rate?

Agencies that are not a school district, BOCES, or included in the category of colleges and universities can request a higher rate by completing and submitting an application to appeal form (FS-87-R). Presently, the maximum rate is 8%. To request a form, [contact Grants Finance](#).

### What is the modified direct cost base (MDCB)?

The MDCB is the total direct costs of a grant less equipment, minor remodeling, purchased services with a BOCES, the portion of each subcontract exceeding \$25,000, and any flow through funds.

#### STEP #1

Calculate the MDCB by adding the following together.

+ Professional Salaries	\$100,000
+ Support Staff Salaries	\$12,000
+ Supplies and Materials	\$7,000
+ Travel	\$2,000
+ Employee Benefits	\$30,000

**SUBTOTAL #1**                                **\$151,000**

#### STEP #2

In the next step, review the proposed expenditures in Purchased Services category. Add in each vendor cost in this category **UP TO \$25,000**.

Example:

ITEM	PROVIDER	CALCULATION	PROPOSED	How much to include for Indirect
Food club classes (400 students)	Boys and Girls Club	\$416.66/week (48 weeks)	\$20,000	\$20,000
Drama class (200 students)	Boys and Girls Club	\$1,000/mo x 12 mo	\$12,000	\$5,000
Dance class (150 students)	On Pointe	\$20/ student x 500 students	\$10,000	\$10,000
Cell service	TMobile	\$60 mo x 12 mo	\$720	\$720
Evaluation services	ABC Evaluator	6% of award (\$1,200,000)	\$72,000	\$25,000
<b>SUBTOTAL #2 (TO INCLUDE FOR PURCHASED SERVICES)</b>				<b>\$60,720</b>

In this example, you would include a maximum of \$25,000 for these two lines in yellow highlight toward the amount for Purchased Services because they are both for the same vendor (Boys and Girls Club).

In this example, you would include a maximum of \$25,000 for the line in green highlight toward the amount for Purchased Services.

### STEP #3

Add the **SUBTOTAL #1** (\$151,000) and **SUBTOTAL #2** (\$60,720) = **\$211,720**.

This is the *Modified Direct Cost Base (MDCB)*. This is the amount that is multiplied against the Indirect Cost Rate.

In this example, if the Indirect Cost Rate was 2.5%, the Indirect Cost would be **\$211,720 x 2.5% = \$5,293**.

- Programs are **not required** to calculate Indirect Cost. This code can be zero on an FS10.
- Programs are **not required** to include the maximum Indirect Cost. This code can be less than the maximum available as calculated.
- Programs **cannot** use a higher percentage than approved rate.

Note that when adjustments are made to the FS10 (after the initial modified direct cost base is calculated), the Indirect Rate *may* be affected. If changes are made to the FS10, **RECALCULATE** the modified direct cost base to ensure it is still correct as initially calculated.