

North Carolina Department of Health and Human Services (DHHS)

Division of Social Services/Economic and Family Services



Community Services Block Grant Program

Application Instructions

Fiscal Year 2017-18 Application for Funding

Due Date: February 13, 2017

Project Period: July 1, 2017 – June 30, 2018

Introduction

Purpose

The purpose of the CSBG is to provide a range of services and activities having a measurable impact on the causes of poverty in the community. The contents of the application serve as the agency's Community Anti-Poverty Plan and therefore should thoroughly identify the causes and conditions of poverty specific to the agency's service delivery area, outline a concerted strategy to address the identified barriers and define the process by which the agency will ensure effectiveness in mitigating the poverty conditions for the families served. The application process aligns with the elements of Results Oriented Management and Accountability (ROMA) which form a continuous cycle of Assessment, Planning, Implementation, Achievement of Results and Evaluation. The application process produces a framework for achieving the **National ROMA Goals**:

1. Low-income people become more self-sufficient
2. The conditions in which low-income people live are improved
3. Low-income people own a stake in their community
4. Partnerships among supporters and providers of services to low-income people are achieved
5. Agencies increase their capacity to achieve results
6. Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other support systems

Performance Management

As part of the National Performance Management Framework established through the Office of Community Services (OCS), agencies must now demonstrate compliance with the Organizational Standards effective during federal fiscal year 2017. Upon careful review, it can be noted that some aspects of the CSBG application support meeting some of the Organizational Standards. It is therefore suggested that as part of the application process, agencies review **Information Memorandum Transmittal No. 138** dated January 26, 2015.

Strategic Planning Process

Completing the CSBG grant application for funding requires the agency's Board of Directors to implement a strategic planning process as follows:

- Determination of planning period
- Develop and facilitate a process that allows for meaningful citizen participation
- Completion of a needs assessment
- Prioritization of identified needs
- Analysis of available and needed resources
- Development of service strategies
- Development of work plan with annual objectives and supporting activities
- Development of an annual program budget
- Development of monitoring, assessment and evaluation criteria

Submitting the Application

One original hard copy of the CSBG application must be received by 5PM on **February 13, 2017** at the Office of Economic Opportunity (OEO). Applicants must also send an electronic submission to Verna.Best@dhhs.nc.gov (excluding the appendices) by 5PM on **February 13, 2017**. Please submit only the information requested (no attachments such as annual reports or letters of support) and do not put the application in a binder; tabbed pages are not required. The grant application is a WORD document and the OEO 225 Budget form is an Excel document. Please email documents to OEO in their original format.

Applications are to be submitted to the following:

US Postal Service

North Carolina Department of Health and Human Services
Office of Economic Opportunity
Verna P. Best, Director
2420 Mail Service Center
Raleigh, North Carolina 27699-2420
verna.best@dhhs.nc.gov

FedEx, UPS or other Carriers

North Carolina Department of Health and Human Services
Dorothea Dix Campus
Hargrove Building
Office of Economic Opportunity
Verna P. Best, Director
820 South Boylan Avenue
Raleigh, North Carolina 27603
verna.best@dhhs.nc.gov

Checklist to Submit a Complete CSBG Application

Please complete the checklist and submit it with the application on page 2 of the application.

Header

Please type the agency's name into the header in the top right-hand corner on page 2 of the application.

Certifications and Assurances

Public Hearing on the Initial Plan

North Carolina Administrative Code 10A NCAC 97B .0401 requires the applicant to conduct at least one public hearing at the initial stages of the planning process. Enter the date of the initial public hearing. Multi-county providers enter the date that each county hearing was held.

County Commissioners' Review

North Carolina Administrative Code 10A NCAC 97C .0111(B) requires the agency to submit the application to its local board(s) of commissioners in each county served for their review and comment prior to submission to the Office of Economic Opportunity. County commissioners are given 30 days to comment on the application. For multi-county providers, the agency indicates the date that the application was submitted to each body of County Commissioners. The agency is required to submit a notarized document (on page 19 of the application template) from the county clerk in each county.

Board of Directors Approval of the Application

The application must be approved by the agency's board of directors. The signature of the Board Chairperson and the Finance Committee Chairperson are required in the application on page 4. All signatures are to be in **BLUE** ink.

Board of Directors' Membership Roster

10A NCAC 97C.0109(a) requires each eligible private grant recipient to have a board of directors consisting of at least 15 members and not more than 51 members. Agencies that do not meet this requirement at the time of the application will have a contract containing "special conditions." The agency has 90 days from the contract execution date to comply with the board membership requirement. Failure to comply may result in: removal from the Advance Payment Program; delay in processing reimbursements; and/or contract suspension/termination. The Board of Directors' chairperson must sign the completed form. All signatures are to be in **BLUE** ink.

Board of Directors' Officers and Committees

All committees of the board should fairly reflect the tripartite and geographic composition of the board (10A NCAC 97C .0109(c)). Identify the chairperson and other committee positions. Add or delete rows as needed.

Instructions for Completing the Planning Process Narrative

The Planning Process Narrative is an integral and long-standing component of the annual CSBG application for funding. It is required by 10A NCAC 97C.0201 and 10A NCAC 97C.0203.

Instructions for Completing OEO Form 210: Agency Strategy for Eliminating Poverty

Planning Period: Enter the planning period for the project. A planning period may be one to three years. If a multi-year period is indicated, the Agency Strategy does not need to be revised each year, only at the beginning of a new planning period. However, the strategy may be amended if necessary during the multi-year period at the point of annual application.

Section I: Identification of the Problem

Poverty Cause Name: Enter the name of the cause(s). Rank the poverty cause(s) and identify which one(s) the agency will address. The priority number should denote the importance of the problem in comparison to other problems identified in the planning process as determined by the Board of Directors.

Poverty Cause Description: It is critically important that this element of the Community Anti-Poverty Plan be thoroughly examined through the community needs assessment. Provide a detailed description of the poverty cause which clearly identifies the problem; why the problem exists; the segment of the population experiencing the problem; how many are experiencing the problem (percentages must be supported by actual numbers); and how they are adversely affected. Provide source data to support numerical and statistical data as well as methodologies used to obtain the data.

Demographic Information of Those Adversely Affected: Including current data specific to poverty and its prevalence related to gender, age, and race/ ethnicity for the agency service area within OEO Form 210 supports Organizational Standard 3.2 being met.

Section II: Resource Analysis

Resource Analysis: This analysis should detail both resources available and resources essential for effective elimination of identified poverty conditions and/or to have a major impact on reducing them. Include available community and agency resources. The Resource Analysis will help guide mobilization of your agency's resources in conjunction with identifying potential community partner resources to strengthen service delivery and produce a greater impact on solving the identified problem(s).

Section III: Objective and Strategy

Objective: The objective must be a measurable and attainable statement of what will be achieved within the program year. The objective must match what is indicated in the One-Year Work Program (OEO Form 212, page 11).

Strategies for the Objective: These are the various approaches or ways of achieving the objective that can be implemented by your agency.

Instructions for Completing OEO Form 212: One-Year Work Program
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Section I:

Item 1 Project Name should give a brief descriptive title of the project.

Items 2, 3, and 4 (Poverty Cause Name, Objective and Selected Strategy) should be stated exactly as they appear on the corresponding OEO Form 210 (Agency Strategy for Eliminating Poverty).

Item 5 Project Period is the one-year period in which the project will be carried out. The Plan Year should show the current year if you have a multi-year planning period (not to exceed 3 years).

Item 6 OEO Funds Requested must indicate the amount of CSBG funds to be used in carrying out the project. The amount must correspond with the total project amount on the first page of the Grantee Budget Information (OEO Form 225).

Item 7 Number Expected to be Served must indicate the total number of participants (all) the agency plans to serve during the program year. The expected number of new participants must be indicated in Item 7(a) and the number of participants expected to carryover from the previous fiscal year must be indicated in Item 7(b).

Section II:

The Project One-Year Objective must be a measurable statement of what will be achieved during the project year and must be related to the goal statement. The Project One-Year Objective must be stated in the designated area.

Detailed Project Activities must be listed to clearly describe how the project will be carried out to ensure the objective will be accomplished. Please address all the critical activities of the program.

The Position Title column must show the title of the position(s) responsible for carrying out each project activity. Position titles listed as "all staff" or "CSBG Staff" are not acceptable. All positions paid with CSBG funds must be included and responsibility level should be consistent with salary in OEO Form 225.

The Implementation Schedule must indicate the number of participants to be served each quarter or dates when the activity will be completed. In projects such as self-sufficiency in which the same participants will be served more than one quarter, the number of new participants served must be listed for each quarter in parenthesis as well as the cumulative number of participants served. If activities listed in the Implementation Schedule do not directly involve participants, the dates that the activities will be completed or will occur must be listed.

Examples:

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
55	105 (50)	130 (25)	150 (20)

Ongoing activities

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
07/1/17-09/30/17	10/1/17 – 12/31/17	01/1/18 – 03/31/18	04/1/18 – 06/30/18

Activities to be provided on specific dates/ timeframes

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
08/17		02/18	

Instructions for Completing OEO Form 212: One-Year Work Program (continued)

Item 8. Outcome reporting is required for all CSBG projects. Use the Outcome Measures table(s) to enter your agency's targeted outcome results for July 1, 2017-June 30, 2018. If your agency operates more than one project, please add tables as needed. Each project must have a corresponding outcome measures table which includes the required measures indicated in the Performance Measures and Definitions Table.

The Performance Measures and Definitions table can be used as a resource for targeting and reporting outcomes associated with your CSBG project model(s). There are eight eligible project models (Self-Sufficiency, Employment, Education, Nutrition, Housing, Income Management, Information & Referral and Emergency Assistance). Your assigned Program Analyst will work with you to select and/or craft measures as deemed appropriate to comprehensively reflect the impact of your agency's project(s).

In addition to outcomes achieved as a result of your agency's direct service provision through CSBG, outcomes should also be targeted and reported on participant family achievement as a result of a successful referral to partnering service providers in the local community. A successful referral is one which has been documented and verifies that the participant family used the agency's referral to receive a service and as a result, achieved an outcome. Once a referral is made, follow-up is necessary with the participant family and/or the partnering agency in order to track and verify the referred participant family's achievement of an outcome.

<u>Performance Measures and Definitions</u>	
Measure	Definition
1. The number of participant families served.	Total number of participant families enrolled to participate in agency's CSBG program(s).
2. The number of low-income participant families rising above the poverty level.	Total number of low-income participant families whose income rose above the poverty level in accordance with family size and was maintained for a minimum of 90 consecutive days.
3. The average change in the annual income per participant family experiencing a change.	<u>This measure does not require a target but must reported.</u> The average change is the positive or negative (increase or decrease) change in the annual income of all participant families served as documented with initial income as of July 1, 2017 for carryover participant families and at enrollment for new participant families and ending June 30, 2018 or at date of program exit if prior to June 30, 2018. This dollar amount is obtained by computing the change in income for each participant family served who experienced a change in income, adding those figures together for a sum total and dividing the sum total by the number of participant families with a change in annual income. (Participant families experiencing no change should not be included.)
4. The number of participant families obtaining employment.*	Total number of participant families entering the program unemployed and obtaining.
5. The number of participant families who are employed and obtain better employment.	Total number of participant families obtaining better employment. Better employment considers increase in wages as a result of promotion (salary increase), increase in hourly wage, an increase in work hours, or obtaining another job resulting in increased wages.
6. The average wage rate of employed participant	<u>This measure does not require a target but must reported.</u> The average of wage of participant families earning

Performance Measures and Definitions

Measure	Definition
families.	employment wages. This dollar amount is obtained by adding the hourly wage rates of all participant families earning employment wages and dividing the sum total by the number of participant families earning wages. (Participant families who do not receive employment wages should not be included.)
7. The number of jobs with medical benefits obtained.	Total number of participant families securing jobs that offer medical benefits. Note for this outcome documentation must be available that the employer offers (provides) the benefit as part of the employment compensation package; however, the family does not have to participate in/receive the benefit.
8. The number of participant families completing education/training programs.	Total number of participant families completing educational/training programs. Note for this outcome, completion should result in a diploma, certification, credential or license.
9. The number of participant families securing standard housing.	Total number of participant families obtaining standard housing (moving from a sub-standard housing situation). Sub-standard housing is defined as a structure that lacks adequate indoor plumbing (running water or toilet), is overcrowded, has structural deficiencies, infestations and/or other uninhabitable conditions. Conversely, standard housing is defined as a structure with adequate indoor plumbing (running water or toilet), is not overcrowded, is free of structural deficiencies, infestations and/or other conditions that would make it uninhabitable. Participant families who are homeless and obtain standard housing as defined should be counted in this measure.
10. The number of participant families provided emergency assistance.	Total number of participant families provided emergency assistance. Emergency Assistance is defined as an immediate, short-term service provided to meet an urgent need relative to stabilization which may not initially be related to employment or education/training to prevent or mitigate crisis typically associated with food, shelter, fuel, utility cut-off, medicine, basic clothing and household items.
11. The number of participant families provided employment supports.	Total number of participant families provided direct assistance to support employability such as child care, transportation, uniforms, supplies and other assistance specific to employment. These supporting services often make the difference between success and failure in participant family's efforts to obtain a job or to retain a job once it is acquired.
12. The number of participant families provided educational supports.	Total number of participant families provided direct assistance to support education activities such as tuition child care, transportation, uniforms, supplies, books and other assistance specific to education. These supporting services often make the difference between success and failure in a participant's efforts to complete training or education resulting in a certification, diploma or degree.
13. The number of participant families provided with food to counteract conditions of starvation	The number of participant families provided with food to prevent medical conditions resulting from lack of nutrients

<u>Performance Measures and Definitions</u>	
Measure	Definition
and malnutrition.	needed for the maintenance of life.
14. The average dollar value of nutrition assistance received per participant family.	<u>This measure does not require a target.</u> The average dollar value of nutrition assistance received. This dollar amount is obtained by dividing the sum total of value of nutrition assistance provided by the number of participant families receiving nutrition assistance.
15. The total amount of community resources mobilized for emergency assistance.	<u>This measure does not require a target.</u> This dollar amount represents the sum total of dollars expended on participant families receiving emergency assistance from all sources inclusive of non-CSBG funding from community partners in addition to other inter-agency funding streams.
16. The number of participant families who become homeowners.	Total of participant families who become homeowners.
17. The number of homeless persons placed in a shelter.	Total number of homeless participant families obtaining shelter.
18. The number of participant families maintaining housing.	Total number of participant families who through receipt of services provided by the agency's CSBG program(s) were able to maintain housing and/or were not evicted or subject to foreclosure.
19. Number of participant families demonstrating the ability to complete and maintain a budget for a minimum 90 days.	Total number of participant families that complete a budget and are able to maintain the income and expenditures established for 90 consecutive days.
20. Number of participants that increase savings through an IDA or other savings account.	Total number of participant families who increase savings through an Individual Development Account or other savings account within a financial institution.
21. Aggregate amount of participant families' savings through IDA or other savings accounts.	<u>This measure does not require a target.</u> The dollar amount represents the sum total of dollars saved by participant families through an Individual Development Account or other savings account within a financial institution.

Item 9. For Community Action Agencies that serve multiple counties, provide a breakdown of the expected *number of persons served* in each designated county in the table titled “**Number of Families to be Served Per County.**” Show the total number of persons served in the table.

Instructions for Completing the Plan for Monitoring, Assessment and Evaluation

The Monitoring, Assessment and Evaluation Plan is required by 10A NCAC 97C.0207. It consists of five self-explanatory topic areas for which each grantee is required to provide a narrative description.

Instructions for Completing OEO Form 212A: CSBG Administrative Support Worksheet

Eligible grant recipients may expend CSBG funds for the administration of other agency programs. These programs must have purposes consistent with those of CSBG. The maximum amount of CSBG funds that may be used for agency programs is limited to ten percent (10%) of the total CSBG budget.

To apply for Administrative Support for other programs, the agency must obtain prior approval from OEO. A separate OEO Form 212-A must be completed for each grant for which administrative support is requested.

Item 1 must show the name of the grant for which CSBG administrative support is being requested such as S.O.S., Weatherization, etc.

Item 2 is the total amount of Administrative Support requested.

Item 3 should briefly describe the purpose of the grant named in Item 1 and the name of the grant's funding source.

Item 4 must show the total amount for grant which is requesting administrative support.

Item 5 must state the reason that CSBG administrative support is needed. The reason must be confirmed by supporting documentation such as a copy of the grant, and regulations or correspondence (on letterhead) from the funding source. **Attach supporting documentation to the application package as an appendix.**

In Item 6, explain how the agency will track the CSBG funds used for Administrative Support.

Item 7 must show the basis for determining the amount of Administrative Support needed. Please indicate either the Indirect Cost basis or Cost Allocation basis and fill in the spaces provided. You must pick one or the other; do not use both.

Item 8 must show the numerical calculation used to determine the Administrative Support amount needed (e.g. Indirect Cost base amount x Indirect Cost Rate = \$XXX)

Item 9, indicate if the support is to be applied monthly, quarterly or annually.

Instructions for Completing OEO Form 225: Agency Budget Information

Note: The OEO Form 225 is available to you at the OEO Website (<https://www2.ncdhhs.gov/o eo/>) as an Excel spreadsheet. Complete only the highlighted sections. This will maintain the formulas already embedded in the document. Each tab is for one sheet of the budget. **Budget Form 225N is required.** The instructions follow the Budget Form 225 instructions.

Section I. Identification: Self-explanatory.

Instructions for Completing OEO Form 225: Agency Budget Information (*continued*)

Section II. Contract Summary:

The only entries required in Section II are for Administrative Support. Enter the name of the program(s) being supported with CSBG funds and the amount(s) budgeted. Entries must be consistent with information entered into the CSBG Administrative Support Worksheet (OEO Form 212A). Support documentation is required which must include a copy of the grant that the administrative funds support.

Section III. Budget Summary:

Project Names: Agencies budgeting more than one CSBG project should identify each project by name at the top of the indicated columns. Once CSBG projects are identified in Section III, those titles will appear in the same locations on each tab of the form, so that this information will populate.

Indirect Costs: Agencies charging indirect costs (pursuant to an approved Indirect Cost Rate Agreement), should enter the Indirect Cost Rate, the **base** and the amount charged in the indicated spaces on the 225 cover page.

Section IV. Salaries and Fringe:

All Fringe Benefits must be itemized and entered for each employee compensated with CSBG funds. (This is required for all employees regardless of whether the agency has a **cognizant-approved indirect cost rate inclusive of fringe benefits. Fringe benefits are to be reported at actual costs for each employee**). Four pages for Salaries & Fringe are included in the Form 225. Should additional pages be needed, please e-mail your request for assistance to your assigned fiscal analyst.

Position Titles must be stated exactly as they appear on the OEO Form 212 and only those positions may be listed which have been assigned to project activities on the corresponding OEO Forms 212 and which are charged directly to the grant. Staff paid with any portion of CSBG funds must be listed.

The actual Annual Salary for each position must be listed; **combined salaries of positions with the same title are not acceptable in this column.**

When reporting FTE's in the 225, only a full time employee should be listed at 1 FTE. Any part-time employees must be reported with a part-time FTE, for example an individual only works 25 hours (a true part time position) the FTE would be reported at .63 FTE.

Enter each Position Title, Annual Salary, Number of Months and CSBG Share and the CSBG Salary will automatically populate.

Under the Fringe Type column use the pull down tab to select the first type of fringe being reported (i.e. FICA.) Under Benefit Amount enter the salary amount or the cost rate per month for each reported benefit (such as health insurance at \$600).

Under the Months or % column enter the number of months or the rate % (such as FICA at 7.65, do not enter .0765). The column without a title is a drop down and you must select month or %. The calculations will be reported in the Total Fringes column for each benefit.

Repeat this process for each fringe type reported. The paste function is available to copy all fringe benefits for each position.

NOTE: make sure the rates are reviewed for each employee as health insurance and other rates may vary. **Important:** The only fringe that will need to be prorated or adjusted and entered in the Benefit Amount is the unemployment insurance when staff are not 100% charged to the program.

The amount of salary and every itemized fringe benefit charged to each Position Title will populate automatically to the first program at 100%.

If the agency operates a second program that staff persons are split between, enter the percentage (%) for the first program and the second program will automatically populate the remaining % to the second program columns.

Total Salaries and Total Fringes for the program columns are automatically captured on the Cover Page.

Budget Support Data: All line items must be explained/ reported as 12 month expenditures. For example: facility insurance reported as 12 months x \$255 = \$3,060. Important to note: If any expenditure is allocated based on shared costs the allocation methodology must be clear and included in the calculation. i.e. facility costs shared plan states FTEs and the calculation in the 225 should read 10 FTEs/ 30 FTEs=33.33 x \$2,000 monthly x 12 months= \$7,999. Calculations for allocation percentages can be included in the 225N if not enough room on the 225.

Remember to provide documentation to support any health insurance over \$8,000 (annual) per the employee even if only a % is charged the grant. Include the Insurance invoice with the charges (redact names) and the policy options sheet employees receive showing costs for each option.

The 20% rule is fringe 20% or higher when compared to salary (remember to remove the health insurance costs).

This must be documented by providing fringe policies and rate sheets for each benefit.

Section IV.

Justification and/or allocations for total costs must be provided in the appropriate spaces for Communications, Space Costs, Travel, Supplies/Materials, Contractual, Client Services, and Other.

Section IVa

A detailed description of Equipment to be purchased is required along with the number of items to be purchased, the actual cost per item and the total cost of the item(s). In the Form 225N provide justification on the need for new equipment. Include planned office equipment with a useful life of one or more years in this area even if it does not exceed the capitalization threshold of \$500.00.

Section IVb

The Space Costs category should include facilities rent, utilities, maintenance costs, etc. Please list each facility with the associated costs per facility separately. These costs must be supported by a current lease/agreement etc.

The Travel category should include local mileage by the number of employees. **NOTE:** NEW TAB is added called the Travel Detail that has 10 boxed sections to report planned training. At the top of each box is a dropdown to select the conference type. Five conferences are listed with an "Other" to report any training not listed (which must be explained in the 225N). In first column select staff or Board from dropdown and only report the staff travel expenses or Board travel expenses do not combine staff and board. Lines right below staff or Board title is a drop down provided with different types of travel costs. You can select the order you choose to report. For each cost category you must state the number of staff and/or board, the rate, and number of days or quarters, which will be calculated under the Total Column. Each Conference or Training event should be listed separately in a box section per travel event on the Travel Detail TAB. Report all Board training in a separate box. Be as specific as possible and include the number of staff, mileage traveled, mileage reimbursement rate, daily hotel rate, etc. Once all trainings are entered on the Travel Detail a formula is included to report the total travel related to training under the Travel Category of Section IVb as separate lines for Board and Staff trainings.

The Supplies/Materials category should include such items as office supplies, brochures, or training materials.

Section IVc

The Contractual category should include, in addition to audit costs and equipment leases, a detailed description of any goods or services to be provided through a professional or personal consultant services contract and detailed on

the Budget Narrative 225N. Agencies utilizing the Accountable Results for Community Action (AR4CA) database system should include related expenses under contractual. Please note that CSBG funds can only be contractually obligated during the contract period and Grantees should not enter into subcontract agreements prior to OEO's confirmation of an executed contract. These costs must be supported by a current contract.

Section IVd

The Client Services category should include a detailed description of services to be provided to clients in each project. Budgeted services should be consistent with the services identified in OEO Form 212, the One Year Work plan.

The Other category should include a detailed description of any items not covered in previous cost categories. Support documents may be required. If Advertisement expenses are budgeted, please break out the expenses and label them appropriately (i.e. Recruitment). Do not report Miscellaneous as a category, detail must be provided.

Per County Budget:

The County Budget is required for CAA's administering CSBG in a multi-county service area. The FY 2017-18 CSBG Allocation Spreadsheet indicates the total agency allocation as well as the county allocations which are based on the percentage of poor residents by county. Enter these figures into the Per County Allocation Line (Line 9) provided within the County Budget Tab. If Agencies report variances of 10% higher or lower under the County allocation, justification should be included on a separate word document for OEO records.

The County Totals entered in the County Budget will populate on the Cover under the County Totals column. The figures on the County Totals column and the Program Totals column on the Cover should agree.

Total Agency Budget:

The Total Agency Budget (TAB) is included for informational purposes and is required. The TAB is a two-page form, numbered separately from the OEO Form 225. Budget figures entered for OEO-funded programs should be consistent with amounts on the cover sheet of this form. Information should also be entered for all agency programs. All program budgeted amounts should reflect the actual or anticipated amount for the current funding cycle. Please do not abbreviate program names.

Instructions for Completing OEO Form 225N: The Budget Narrative
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Note: The OEO Form 225N is available to you on the OEO Website (<https://www2.ncdhhs.gov/o eo/>) within the grant application. Agencies must complete the OEO Form 225N to supplement the OEO Form 225. Further details should provide clarity to the reviewer as it relates to significant increases in line items as compared to the previous year's budget as well as explain (calculations or narrative) items that could not fit in the OEO Form 225. The narrative asks for explanations for specific sections of the OEO Form 225. The requested information for each Section is listed below:

SECTION III

Budget Summary- If your agency does not have a final indirect cost rate, provide the date the indirect cost rate application was submitted.

SECTION IV-

Salaries and Fringes - Please provide staff names, position titles and percentage of CSBG funds charged to each program. If the employee is less than 100%, include the other programs and percentages which the employee works in. Provide explanation of changes in benefits to address significant increases/decreases from the previous year's budget.

SECTION IVa-

Equipment - Provide justification on the need for new equipment. Include planned office equipment with a useful life of one or more years in this area even if it does not exceed the capitalization threshold of \$500.00.

Communication- Any information you may deem necessary to support planned expenses.

SECTION IVb-

Space Cost - Provide addresses of rental property used for the CSBG program, detail if the locations are shared.

Travel- Provide detail information on any planned travel, i.e. cost of hotels, cost of training/conferences, mode of travel (ground or air).

Supplies/Materials- Any information you may deem necessary to support planned expenses.

SECTION IVc-

Contractual - Please provide the following information on all planned FY 2017-18 subcontract agreements. Answer all questions listed for each sub-contractor. The request includes the following information:

Subcontractor agency name [DBA if applicable] Contact:

Location Telephone Number

What is the anticipated duration of the subcontractor contract?

Description of the services to be provided

What is the payment arrangement for services delivered?

NOTE- Audit agreements and Equipment leases are to be included in the contractual section.

Section IVd-

Client Services- Any information you deem necessary to support planned expenses in addition to the 225 detail.

Other- - Provide detail if you have any items not covered in previous cost categories. Support documentation may be required.

SAMPLE OEO Form 225N-The Budget Narrative

Item	Description		
Section III-Budget Summary			
Indirect Cost Rate Information	The Best Community Action Agency [BCAA] applied for a new indirect cost rate January 1, 2016. We are awaiting final rate approval.		
Section IV-Salary and Wages			
Staff Names and Positions	Jary Mones-Program Director [50% CSBG; 10% WAP; 40% Head Start] Hart Smith-Intake Specialist [25% CSBG; 25% WAP; 25% Head Start; 25% Admin]; Martha Grace-Community Specialist [100% CSBG]		
Fringe Benefits	BCAA has experienced a 10% increase in health insurance coverage due to staff allocation changes and we changed dental/vision companies.		
Section IVa-Budget Support Data			
Equipment	BCAA needs to purchase two new computers to replace two that are outdated [1992]. The expense is cost shared with the Head Start program. Our budget reflects 50% charged to CSBG.		
Communications	Telephone costs increased due to the need for cell phones for staff that work primarily off-site.		
Section IVb-Budget Support Data			
Space Cost	BCAA provides CSBG services at three sites. All sites are cost shared with other programs. -The Great Office Building-333 Client Street-Raleigh 27699 [CSBG 25%; WAP 75%] -Blanch Suites Building-111 Assist Road-Cary 25879 [CSBG 10%; Head Start 80%] -The Venue Building-444 Cardinal Avenue-Apex 27599 [CSBG 50%; WAP 50%]		
Travel	All calculations are provided in OEO Form 225.		
Supplies/Materials	All explanations are provided in OEO Form 225.		
Section IVc- Budget Support Data-Contractual			
Sub-contractor [DBA if applicable]	Social Awareness, Inc. [SAI]	Primary Contact	Maria Smart, Exec. Dir.
Address/Phone	123 Park Avenue-Cary 27456 / 919-552-1515		
Service Description	SAI is a job training/placement agency. SAI will provide CSBG clients with a series of workshops related to resume development, interview skills and referrals.		
Payment Arrangement	Monthly payments based on number of classes provided. Calculation in OEO Form 225.	Contract Duration	August 2014-June 2015
Sub-contractor [DBA if applicable]	Transportation, Inc. [TI]	Primary Contact	Buster Tanner, Owner
Address/Phone	402 River Drive-Raleigh, NC 27699/ 919-715-8822		
Service Description	TI is a taxi service for Raleigh and surrounding area. TI will provide transportation services to client for job interviews, food shopping and work.		
Payment Arrangement	Monthly payments based on clients served.	Contract Duration	July 2015-June 30, 2016
Section IVd-Budget Support Data			
Client Services			
Other			

Instructions for Completing Appendices

Your completed application should include the appendices listed below:

- **Organizational Chart**

The chart must identify each position paid with any portion of CSBG funds. **Please do not include employee names on the organization chart.** Include a separate list of CSBG-paid employees along with the chart. Please ensure that position titles correspond with the titles listed in Section IV (Salaries and Wages) of the OEO Form 225-Budget and OEO Form 212-Work Program.

- **Job Description and Resume for the Agency's Executive Director:** Attach the documents. *Please do not include names on the job description.*

- **Job Description and Resume for the Agency's Chief Financial Officer:** Attach the documents. *Please do not include a name on the job description.*

- **Job Descriptions for all CSBG employees:** Attach the documents. *Please do not include employee names on the job descriptions.*

- **Affirmative Action Plan:** The Administrative Code 10ANCAC 97B.0603 requires that an Affirmative Action Plan shall be submitted as part of an application for funding. The Plan shall contain the elements listed in the rule. The elements are:

- A statement of an agency policy relative to equal employment opportunity;
- Measurable and attainable goals relative to employment and upgrading of minorities, women, the physically handicapped, which take into account expansion, reduction, and turnover of staff;
- Specific steps and timetables to assure equal employment opportunity, including identification of the organizational units or individuals responsible for carrying out the steps to achieve the goals;
- An analysis of current staffing patterns;
- Provision for training and upgrading of skills of staff to ensure upward mobility;
- A description of outreach efforts designed to reach and serve target populations;
- A breakdown of members of the board of directors and any policy advisory committees by race, sex, age and handicap; and

- **Documentation of Public Hearings for Initial Planning Process:**

As required by 10A NCAC 97B .0401, each applicant shall:

- (1) Provide adequate information to citizens;
- (2) Hold a public hearing at the initial stage of the planning process;

The applicant holds a public hearing at the beginning of each planning period.

Instructions for Completing Appendices

The documents to be included in the Appendices for public hearings should include the following:

- A copy of the Public Notices from newspapers where the public hearing was advertised. (Please make sure that the date of publication is shown or that the publication date is evident in an invoice provided by the publication.) A notice of the public hearing shall be given once a week for two successive calendar weeks in the non-legal section of a newspaper having general circulation in the area. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing.
- The agenda for the public hearing.
- A copy of the attendance sheets.
- Minutes of the public hearing. The public hearing meeting minutes serve as the written record documenting the structure of the meeting and should list the names of persons present, detail the various issues discussed, note concerns or statements made and document any actions taken as a result of such discussions. **Official minutes should bear the signature of the certifying official.**

- ***Documentation of Notice of Intent to Apply***

Requirements for the notice of intent to file an application are in 10A NCAC 97B .0401 (6). The notice must be published at least one time in the non-legal section of a newspaper having general circulation in the area, no less than 10 calendar days prior to final approval of the application by the recipient's governing board.

The documents to be included for Notice of Intent to Apply:

- A copy of the Public Notices from newspapers where the public hearing was advertised. (Please make sure that the date of publication is shown or that the publication date is evident in an invoice provided by the publication.)

- ***Documentation of Submission to County Commissioners***

Administrative Code 10A NCAC 97C .0111 A requires the agency to submit the application to its local board(s) of commissioners in each county served by the agency for their review prior to submission of the application to the Office of Economic Opportunity. County commissioners will be given 30 days to comment on the application.

The documents to be included in the Appendices for submission to County Commissioners:

- Notarized document from county clerk certifying the application has been submitted to the board of commissioners.
- Commissioners' comments or minutes if available.

- ***Cognizant-Approved Indirect Cost Agreement***

Agencies must submit a current approved Indirect Cost Rate received from their cognizant agency that is dated within two years of the contract execution date. To support the Indirect Cost Rate agencies must provide a copy of the application submitted to their cognizant agency for the rate approved and in use. Indirect costs are costs an agency incurs for common objectives not easily and specifically identified with a particular grant project. (i.e. operating and maintaining facilities, equipment, and grounds; depreciation or use allowances; administrative salaries and supplies, etc.) These costs are usually charged to the grant as a percentage of some or all of the direct cost items in the budget. This percentage is called the indirect cost rate. A grantee must have a current indirect cost rate agreement in order to charge indirect costs to a grant. To obtain an indirect cost rate, a grantee must submit an indirect cost proposal to its cognizant agency and negotiate an indirect cost agreement. In situations where a non-governmental entity does not receive funds directly from a federal agency and where no Federal cognizant agency is designated, an indirect cost rate may be established using criteria and cost principles outlined in the applicable federal circular. Under these conditions, a person or firm, preferably one knowledgeable of this subject should establish the rate. This person or firm should not be associated with the audit firm that conducts an audit of the entity's records. Once a rate has been established, this person or firm should certify in writing to the non-governmental entity that the rate has been established in accordance with the applicable federal circular and that the documentation should be maintained and made available to any auditor requesting such information. The entity should also provide a copy of the letter to any and all agencies with which they contract

Instructions for Completing Appendices

and from whom they wish to claim reimbursement of indirect costs. In most cases, the Federal agency that provides the greatest amount of grant funding is responsible for negotiating and approving indirect cost rates. (2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)

- **Cost Allocation Plan**

Cost Allocation is the method used to determine how associated costs are shared across different agency or program funding sources. Developing a cost allocation methodology may include analyzing agency systems; evaluating specific operational functions; examining staff responsibilities and /or caseloads of the programs served; and projecting the level of effort contributed by each program in implementing program activities. The cost allocation plan should identify and include all benefiting program areas and their respective funding sources, a percentage of derived benefits that the program area (funding sources) expects to realize from each individual service, and overall program area magnitude (cases, transactions, and expenditures for services). The actual cost allocation plan should include the cost allocation methodology. In accordance with DHHS Policies and Procedures Section IV General Administration Chapter: Allowable Costs/Cost Principles, other agencies, such as most local governments or non-profit agencies, may charge indirect cost if their plan has been prepared in accordance with the applicable cost principle and has been audited by a CPA firm. Such plans may be subject to annual approval. (2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)

- **IRS Tax Exemption Verification:**

This is the letter demonstrating the agency's (501(c)(3) status. The Agency's tax status letter must be dated **after July 1, 2012**. If needed, contact the IRS to receive an updated exemption letter.

- **Contracts/Leases:**

Please attach all contracts and leases. All leases must be current (not older than five years from contract execution date). For leases that automatically renew, please provide a letter on agency letterhead to notify the Office of Economic Opportunity that the lease is still current.

- **Vehicle Registrations:** Please include the registration for any vehicles where CSBG dollars are used for mileage and/or maintenance/repairs and paid for with either direct or indirect funds. (must be up-to-date and after July 1, 2017)

The following forms are to be completed as part of the grant application appendices. These forms are provided in the grant application.

- **IRS Tax Exemption Verification Form (Annual):** Please complete the one-page form and have it notarized.

- **Conflict of Interest Acknowledgement and Policy:** The agency must complete one of following two options.

(1) If the agency has their own conflict of interest policy approved by its board of directors, then complete the first page of the form, have it notarized and attach the agency's conflict of interest policy (do not put on letterhead).

(2) If the agency does not have their own conflict of interest policy, then the agency may use the example on the second and third pages of the form. On the third page, please enter the name of the organization and have the Executive Director or other authorized official sign and date the form.

For either option, please complete the first page of the form and have it notarized. All policies must have been approved within the past five years.

- **Conflict of Interest Verification (Annual):** Please enter the name of the organization on the one-page form and have it signed and dated by the Executive Director or other authorized official.
- **State Grant Certification – No Overdue Tax Debts:** Please complete the one-page form as indicated and have it notarized. This form also requires two (2) signatures from authorized officials at the agency. Please note that this form must be on the agency’s letterhead. Also, please note that this form must be signed and dated for calendar year 2017.
- **State Certification – Contractor Certification Required by North Carolina Law:** Please check one of the boxes in (2)(b). The Executive Director or other authorized official must sign and date the second page of the form. A witness must also sign and date the form.
- **Federal Certifications:**
 - On the first page, check one of the boxes in Item 4 regarding Disclosure of Lobbying Activities.
 - Item II (2) on the second page requires the agency to list all sites where work will be performed. If there are more than two sites, please attach a separate page listing the sites. Do not list the names of people working at the site or the positions housed at the site.
 - The last page of the document is the *Disclosure of Lobbying Activities*. Complete this form to disclose any lobbying activities. The agency must complete the Disclosure form if it checked the box in Item 4 indicating the agency “has made, or has an agreement to make, a payment to a lobbying entity for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action.” **Note: The agency must always submit the last page, even if it is blank.**
- **Federal Funding Accountability and Transparency Act (FFATA) form:**
Please complete the form and also submit evidence of the agency’s Central Contractor Registration (CCR). Agencies must go to <https://www.sam.gov/portal/public/SAM/> to register and/or to print out a confirmation that the agency is registered. For assistance, please contact Carlotta Dixon at 919-527-6421 or carlotta.dixon@dhhs.nc.gov.