



GRANT BUDGETS - INSTRUCTIONS

There are two components of the budget – the budget detail, and the budget narrative. The purpose of the budget narrative is to assist the grant reviewers in understanding how your budget supports your grant application. In the rubric, there are certain sections where the reviewers will be looking for objective evidence that your budget supports your plan. These are the sections:

- Part II B. 4 (Technology Utilization)
- Part II E. 1 (Marketing, Branding, etc.)
- Part II F. 2 (Meeting needs of SPED students)
- Part II F. 3 (Meeting needs of at-risk students)
- Part II G. 1 (Staffing plan)
- Part II G. 2 (Professional development)
- Part II H. 1 (Financial management)
- Part II H. 2 (Facility costs)
- Part II H. 3 (Resources for students with additional needs)
- Part II I. 3 (Board professional development)

In general, reviewers are tasked with determining whether:

- The budget supports the project plan,
- The school needs these expenditures to start/expand successfully, and
- The school will be self-sustaining after the end of this grant and other philanthropic support.

BUDGET PLANNING GENERAL STEPS

- Determine the length of each your grant periods (see guidance below) and how you want to break up the dollars between the grants and time.
- Write the budget narrative – this is where you explain how the funds will be used to meet the project goals. There should be a section on expected planning activities, and a section on implementation activities. In the case that you are not requesting planning funds (only implementation funds), or vice-versa, it should be explicitly stated.
- Create a detailed budget.

AWARD AMOUNT LIMITS

Start Up Awardees	Up to \$2,000,000
Expansion/Replication Awardees	Up to \$800,000

BUDGET NARRATIVE

There should be a clear connection between the objectives identified in your grant application and the grant request. Most applicants in the past have used a combination of narrative explanation and summary tables to help the reader understand the budget. Here is a simplified example of a table that summarizes how the budget supports the project plan:

BUDGET NARRATIVE TABLE				
Performance Measure	Budget Area	Amount of Funds	Timeline	Justification
Recruit and hire administrator and other staff members.	Staffing	\$ 98,000	January 1, 2019 - June 30, 2021	Charter school needs ambitious, talented leadership and staff to open new grade level
Procure supply items needed (furniture, library books) to open grade in September 2019.	Supplies	\$56,400	July 1, 2019 - August 31, 2021	Basic items for start-up of charter school.
Train School Principal, Curriculum Director, and Finance Director on curriculum, leadership development, and financial systems	Professional Development	\$54,000	April 1, 2019 - August 31, 2021	Staff needs training on programs designed for school.
Procure of Technology (Equipment) needed to open school in September 2019.	Technology	\$53,000	July 1, 2019 - August 31, 2019	Basic items for start-up of charter school Tech needs.

The narrative must clearly explain that all expenditures are allowable, reasonable, and allocable; are adequate to support the activities of the project; and directly connect to the goals and objectives in the proposal narrative.

NECESSARY EXPENDITURES (REASONABLE)

Through the Charter School Program (CSP) Grant, Bluum will award funds to schools for the planning and implementation of high-quality charter school growth. The funds **must** be used for start-up, expansion, or replication activities. The grant funds cannot be used to fund already existing activities, positions or seats, and the funds cannot be used to fund **required state or federally funded** positions or activities. A typical Idaho example – the state’s intent in its funding formula is to fund one teacher for every 23 first grade students. The school is expecting to start with 46 first grade students. The school could not use CSP funds to pay for either of two second grade teachers. However, if the school wanted to hire a third second-grade teacher to reduce class sizes and accelerate literacy and numeracy learning gains, CSP funds could be used to fund the third teacher. The catch is that the school would need to explain how the teacher would be funded after the CSP grant expires (one example could be adding a third classroom, and 23 more students, after the grant expires).

All expenditures must be allowable, necessary, reasonable, and allocable.

PLANNING PERIOD OF THE GRANT - GRANT CAN FUND ACTIVITIES FOR UP TO EIGHTEEN (18) MONTHS BEFORE THE SCHOOL OPENS

Grant funds are intended to provide support for planning activities associated with opening a charter school. These activities typically include:

- Procure equipment/supplies/materials (furniture, technology, curriculum)
 - Recruit staff/board of trustees/students
 - Provide professional development for staff/board of trustees
 - Secure school or office space (rent)
 - Prepare space for learning (wiring, etc.)
 - Procure recruitment materials and services
 - Obtain legal services
 - Obtain audit or financial services
 - Community Outreach and Engagement
 - Train staff for upcoming year
 - Instruction and curriculum development
 - Travel, lodging, and training/event registration
 - Facility costs to meet code
 - School bus acquisition
 - Other initial operational costs that cannot be met from state or local sources
- The applicant can request a budget planning period of up to 18 months; it is perfectly fine if the requested planning period is shorter. However, if a subgrantee request both a planning and implementation grant, the planning grant period must be completed before an implementation grant period can commence.

IMPLEMENTATION PERIOD OF THE GRANT - GRANT CAN FUND ACTIVITIES FOR TWENTY FOUR (24) MONTHS FROM OPENING DAY OF THE SCHOOL FORWARD

Grant funds are intended to provide support for the program design and initial implementation of charter schools. These activities typically include:

- Salaries
 - Employee Benefits
 - Professional Development
 - Technology Support
 - Purchased Professional & Technical Services
 - Other Purchased Services
 - Travel, lodging, and training/event registration
 - Supplies
- Charter schools are limited to a maximum of **24 months** to spend implementation grant funds following the completion of the planning period, or simply 24 months if there is no planning period.

SUGGESTED PLANNING AND IMPLEMENTATION PERIODS

We highly recommend that the school builds its CSP Grant Budget in alignment with its fiscal years. In general, “planning” is considered activities performed before the startup, replication, or expansion school year begins.

Startup / Replication School opening 2024: Planning period begins July 1, 2024, and ends on the day before the school opens (August 2024).

Implementation period begins the day school opens and ends up to 24 months after the school opens (August 2026).

Startup / Replication School opening 2025: Planning period begins July 1, 2024, and ends on the day before the school opens (August 2025).

Implementation period begins the day school opens and ends up to 24 months after the school opens (August 2027).

Expansion School: Planning period begins 18 months before the first day of school when the new, “expansion” students start school.

Implementation period begins the day the new students start school and ends up to 24 months later.

Expansion schools are schools who have received approval from their authorizer to add new seats.

POSSIBLE AUDIT IMPACT OF BUDGET PLAN

As you are preparing your Federal Grant budget for submission, please be aware that if you spend over \$750,000 of Federal funds in one fiscal year, you will be required to hire your CPA firm to complete a “Single Audit” of your federal funds. This means that your auditor will be required to audit all Federal funds including your Title funds, IDEA, Free-and-Reduced lunch reimbursements, food commodities, and the CSP grant. This could be a little more costly and time-consuming.

Here is a good article about the requirements:

<https://www.councilofnonprofits.org/nonprofit-audit-guide/federal-law-audit-requirements>

In developing your budgets, consider this in your decision-making process. Fiscal year means July 1 to June 30. During the training, we let you know that you have flexibility in determining the timing of the use of funds. For example, you might spend curriculum dollars as follows:

- Curriculum for 2025-2026 purchased in June 2025 (falls into 2024-2025 fiscal year for Audit purposes)
- Curriculum for 2026-2027 purchased in July 2026 (falls into 2026-2027 fiscal year for Audit purposes)

HOW TO FILL OUT THE PROJECT BUDGET TEMPLATE

For schools opening in 2024, or expanding/replicating in 2024, use:

2024 RFA School Project Budget - School opening in 2024.xltx

For schools opening in 2025, or expanding/replicating in 2025, use:

2024 RFA School Project Budget - School opening in 2025.xltx

For purposes of this application and completing required budget forms, applicants must provide “expense assumptions” for each GL account budget code utilized in both planning and implementation. The templates include planning and implementation periods and suggested budget periods.

- Please refer to the “Allowable Cost Guide” for guidelines on allowable expenses. Some expenses are only allowable in the planning phase.
- In Cell B2, the school should enter the first day of school (or the first day of expansion). We highly recommend following the template time periods. The school is not required to extend planning to 18 months or implementation to 24 months; it is up to the school to determine the timing of spending. In practice, most schools will complete planning before the school opens (for start-ups) or before the start of the expansion or replication school year.

GUIDANCE ON PREPARATION OF THE DETAILED BUDGET "SCHOOL'S EXPENSE ASSUMPTIONS" COLUMN "I"

Budget assumptions should provide the layperson who possesses little knowledge of the elements of the proposed expense with sufficient detail in order to determine if the cost estimate is reasonable and based on supportable facts rather than guesswork. Specifically, budget assumptions must identify, justify and/or explain:

- each type of unit used,
- the number of units proposed
- the cost per unit, and
- how costs were derived (determined to be reasonable).

Costs must be based on actual quotes, prices paid, or experience. If costs are based on historical knowledge or recent experience, the justification should state by whom the information was provided, when the quoted experience occurred and under which project. If based on quotes, provide the actual quote or summary of the discussion if a quote(s) was received.

Please make sure similar costs are consistent throughout the budget.

If possible, please link the costs to their project activity. For example, rather than writing “Consultant travel is based on 2 trips between Houston and Boise based on travel agent quotes”, add some programmatic tie in like, “Consultant A will make one trip in Year 1 to attend the implementation planning. Another trip is scheduled for Year 2 to attend Year 1 performance review”.

Explain calculations. If you have created an average labor rate, for instance, explain your calculation. “Mr. Smith’s rate for the 2 year project is presented as an average of his current rate of \$200/day and his year 2 rate escalated at 5%.” Identify the effective date of the rate increase.

The key is to provide more information regarding items in the budget which may not be clearly understood simply by reading the budget.

See the simplified examples below.

	Planning	Implementation	Grand Total	School's Expense Assumptions
Staffing:				
Elementary Certified Staff	\$0	\$48,000	\$48,000	Additional 2 nd grade teacher to reduce class size for first year, one FTE @ \$48,000 per year
Salaries - School Administrators	\$18,000	\$75,000	\$93,000	Principal funded during planning phase – 2 Months at \$9,000/month July and August 2024; assistant principal year 1 (not sufficient state funds to hire year 1), 1 FTE at \$75,000/year
Supplies:				
Supplies – Elementary	\$1,200	\$0	\$1,200	2 new Testing work centers @ \$600 each
Curriculum – Elementary	\$24,000	\$0	\$24,000	240 new textbooks @ \$100 each
Technology:				
Student Laptops	\$80,400	\$0	\$80,400	240 Chromebooks for 10 classrooms, to achieve 1:1 devices, Amazon pricing \$335 per unit.
Staff Computers	\$5,000	\$0	\$5,000	2 staff Apple computers @ \$2,500 each, price from apple.com