**FY24 CALC/AECI PROPOSED BUDGET NARRATIVE INSTRUCTIONS**

**Overview**

Eligible agencies competing for a DESE adult education grant must submit a Part II budget workbook. DESE strongly encourages applicants work on the budget and Appendix A, Service Plan at the same to ensure that they are aligned.

For those unfamiliar with Excel, worksheets (designated by tabs at the bottom of the page) are organized by rows, columns, and cells (also referred to as fields throughout this document).

You will move from worksheet to worksheet (tab to tab) completing all required fields on each row by entering the requested information into white cells.

The light green cells contain **drop down lists** from which you simply select the appropriate information.

The gray cells are **read-only fields** that will calculate automatically. Be aware that the worksheets contain formulas and are linked to each other. These cells should be locked, but you can click on them to see the formulas. Changes in one worksheet may affect changes to others.

In addition to these written instructions, brief descriptions of the data to be entered into each field are embedded in **Notes** boxes designated by a small red triangle in the corner of a cell. A pop-up box will appear when you click on the triangle.

There are several sheets in this budget workbook: the cover sheet, budget, match budget, and a budget analysis.

There are five ‘hidden’ sheets for sub awardee budgets for collaborations or consortia. There must be a sub budget for any partner organization that is providing direct grant activities (e.g., student instruction). Float your pointer over any tab and right click the mouse and select “Unhide” to see and select the hidden worksheets.

There is also a hidden indirect cost calculator that is not linked to any worksheet. It is a resource that some may use to help plan without changing a worksheet.

Grantees can change the formatting of cells in the various budget pages. If you need to show that a cost has decimal points, you can right click on the cell, select Format Cells, and then change the number of decimal places that are visible. If a number is too large for a cell, you can change the font size.

These worksheets are designed for digital use. They are not formatted for printing.

Download and save the Part II budget workbook with a detailed name that includes the name of your agency.

**Instructions**

1. **Complete the Cover Page**
   * 1. Enter the name of the agency applying for an adult education grant in cell B6.
   1. Review the [*Massachusetts Policies for Effective Adult Education in Community Adult Learning Centers and Correctional Institutions*](http://www.doe.mass.edu/acls/abeprogram/), Chapter 1, Program Design, especially the Program Fund Formula and Enrollment sections.
   2. Complete Appendix A, Class/Services Plan.
   3. Enter the proposed average number of ABE and/or ESOL enrollments; you can increase or decrease these numbers as you develop your budget and refine your plan.
   4. You may enter an indirect cost rate in cell C10. Note that Adult Education and Family Literacy Services is a restricted rate program that is subject to a statutory "supplement not supplant" restriction. For this competition, applicants may include [indirect cost](https://www.ecfr.gov/current/title-2/section-200.414) rates to recover certain business-related expenses necessary to support the proposed services.
      1. Local Education Agencies (LEA) may apply their [district rate](https://www.doe.mass.edu/grants/IndirectCost/2022rates-district.xlsx).
      2. A non-LEA that has a current federally approved restricted indirect cost rate may use that rate.
      3. A non-LEA that has an [FY22 approved indirect cost rate](https://www.doe.mass.edu/grants/IndirectCost/2022rates.xlsx) may use that rate. However, if awarded a grant, the agency must [reapply](https://www.doe.mass.edu/grants/essential.html) to DESE for FY24 and annually through the grant cycle.
      4. A non-LEA that has neither a Federal nor a DESE approved indirect cost rate may budget up to 8% percent of the agency’s proposed budget to recover certain business-related expenses. However, if awarded a grant, the agency must [apply](https://www.doe.mass.edu/grants/essential.html) to DESE for FY24 and that there is no guarantee that the rate will be approved.
   5. Enter up to three agency FTEs. Most programs have only one. However, a few, primarily LEAs, have several. The most common FTE is 1950, which is based on a full-time schedule of 37.5 hours per week. If you are not sure, check with your business office.
2. **Budget**
   1. The Program name, CALC Award, Outstation Award, and Indirect Rate are prepopulated based on the cover page information. The total CALC/AECI request does not include MassSTEP funding.
   2. Line 1, Administrators
      1. Enter the information for all fields.
         1. Include names and indicate if a position is vacant.
         2. Enter the planned hours for the year and hourly rate
         3. Select the FTE. If there is only one FTE for your program, this can easily be copied and pasted down for all staff.
         4. Enter the fringe rate.
      2. 100% of line 1 salaries and fringe are considered administrative.
   3. Line 2, Instructional/Professional Staff
      1. This budget line is only for staff directly involved with students. If an administrator is directly involved with students (e.g., student orientation or testing), those hours can be entered here.
      2. Enter information for all fields as above. Note specific programmatic duties, e.g., lead teacher, curriculum development, etc.
      3. There are 15 visible (unhidden) rows. If this is more than you need, you can select blank rows, right click, and select “Hide.”
      4. There are 10 hidden rows. Select rows 33 to 44. Then right click and select “Unhide.”
   4. Line 3, Support Staff
      1. Enter all information. All line 3 salaries and fringe are administrative.
      2. There are two hidden rows.
   5. Line 4, Stipends
      1. Enter the purpose and anticipated costs.
   6. Line 5, Fringe
      1. Provide the detail of how your agency determines fringe rates.
      2. Note that the fringe costs are auto calculated.
      3. Community Colleges can estimate and enter anticipated Health and Welfare.
   7. Line 6, Contractual services
      1. Select Contractor or Sub Awardee.
         1. If you pay another agency to provide core adult education services (e.g., instruction) then select Sub Awardee. Review chapter 10 of the updated [ACLS Massachusetts Adult Education Policies for Effective Adult Education](http://www.doe.mass.edu/acls/abeprogram/policies.docx) and Appendix F for specific information about this line.
      2. Enter the name of the contractor or sub awardee and describe the procured services.
      3. Enter the planned hours and rate. For a sub award or flat rate contract, enter 1 unit and the total cost.
      4. You will submit a budget for each sub award (see #3 below).
   8. Line 7, Supplies and Materials
      1. Select the appropriate supply category. Then provide a detailed description of supplies and materials including their purpose and use.
      2. Enter the cost.
   9. Line 8, Travel
      1. Select the appropriate travel category.
      2. As described in the [April 12, 2019 memo](http://www.doe.mass.edu/news/news.aspx?id=25502), out-of-state travel and non-SABES PD expenses, including COABE and TESOL conference costs (transportation, meals, lodging, and registration fees, are considered administrative costs and will be included in the program’s administrative cost calculation. The MCAE Network conference is not an administrative cost. These cost categories are not limited to staff on lines 1 and 3.
         1. In the dropdown list the costs that are considered administrative have an asterisk.
      3. Enter the necessary information to justify the travel expenses.
      4. If the cost is a flat rate, then enter 1 under units.
   10. Line 9, other
       1. Review chapter 10 of the updated [ACLS Massachusetts Adult Education Policies for Effective Adult Education](http://www.doe.mass.edu/acls/abeprogram/policies.docx) and Appendix F for specific information about this line.
       2. Select the cost type. Note, with exception of rental satellite space, occupancy costs are not allowed. Any request for funding for Space must be preapproved by ACLS.
   11. LINE 10, INDIRECT
       1. See 1.5 above
       2. The indirect cost calculation excludes: stipends, sub awardee costs over $25,000, and equipment.
          1. Contractors and sub awardees are defined in Chapter 10 and Appendix F.
          2. The budget worksheet deducts those costs from the indirect calculation.
       3. The maximum amount that can be recovered as indirect will appear in cell O110. This amount is based on your agency’s approved indirect rate, the total request, and any exclusions (2.11.2).
          1. (Total Funds Requested – Exclusions)-[(Total Funds Requested-Exclusions)/(1+Indirect Rate)].
          2. The amount may change as you add to or edit lines 5, 6, 10, and 11.
       4. If your proposed budget includes indirect, you can enter in cell R110 an amount up what is shown in cell O110. Note:
          1. Cell O100 will likely increase slightly after you enter an amount in R112.
          2. The cell will turn red if you enter more than the maximum calculated in O110.
   12. LINE 11, EQUIPMENT
       1. Individual pieces of equipment costing $5000 or more are listed here.
3. **Sub Awardee Budget (Sub Budget)**
   1. Complete a sub budget if your program purchases or contracts student services (line 6).
   2. Work with the sub awardee to complete a sub award budget narrative.
   3. Float your pointer over any worksheet tab, right click Unhide, and select Sub Budget. There are five sub budgets. If that is not enough, combine two.
   4. The Sub narrative follows the same structure as the main budget narrative. There are a few small differences.
      1. In row 2, use the dropdown to select the name of the contractor or sub awardee. If you don’t see the name, check line 6 of the budget for missing information.
      2. In row 2, select the amount of the sub award.
      3. Line 10, INDIRECT
         1. Review chapter 10 of the updated [ACLS Massachusetts Adult Education Policies for Effective Adult Education](http://www.doe.mass.edu/acls/abeprogram/policies.docx) for specific guidance pertaining to contractor and sub awardee indirect costs. If the sub awardee has an approved indirect cost rate, the sub awardee can charge indirect. However, this will contribute toward the administrative cost. enter the rate in cell O105
         2. Note that the maximum amount that can be applied is the same as in the grant budget. It is based on the program’s award and is the total amount of indirect that can be applied to the grant.
4. **Match Budget**
   1. Review chapter 10 of the [ACLS Massachusetts Adult Education Policies for Effective Adult Education](http://www.doe.mass.edu/acls/abeprogram/policies.docx) for specific information about match.
   2. The match narrative follows the same structure as the budget narrative. There are a few small differences.
      1. LINE 8, TRAVEL
         1. While the dropdown options are the same, these costs do not factor into your agency’s admin cost ratio.
      2. LINE 9, OTHER
         1. Space is an allowable match and does not require preapproval. However, you must include the methodology used to determine the cost.
      3. LINE 10, INDIRECT
         1. Note that the maximum amount that can be applied is based on the total maximum indirect based on your approved rate and the amount applied in the main budgets.
5. **Budget Analysis**
   1. This sheet is read only.
   2. The first section, Budget Summary, calculates the cost per monthly enrollment
      1. The cost per enrollment is the total proposed budget divided by the total number of proposed monthly enrollments.
      2. Cell J6 is conditionally formatted to turn yellow if the cost per is below $2,800 and turn red it is above $3,500.
      3. You must justify in Part V, Prompt 1, a cost per enrollment that is outside the $2,800 to $3,500 range.
   3. Administrative Cost Summary
      1. This section lists the budgeted administrative costs (including subs) and compares them to the total budget.
      2. Programs may negotiate a rate above 5%. If your admin costs exceed 25%, you will need to move some of those items to match.
   4. Match Summary
      1. ACLS requires that programs provide 20% match.
      2. The summary calculates the minimum required match (budget x .20) and compares it with the match budget.

**OUTSTATIONING**

Agencies proposing CALC services may also compete for funds to provide outstationing services in their workforce area by responding to Part VI and completing the Part VII budget.

* This budget form is a simplified version of the Part II workbook.
* Instead of entering your agency’s FTEs on a cover page and selecting from a dropdown, type in an FTE for each staff member.
* Review 2.11 above if you propose to include indirect and enter the rate in Cell O105.