

CDBG CDAC Budget Review Considerations

GENERAL

Does the budget make sense to you?
Is it understandable?
Is it reasonable?
Does it look as though the applicant has thought out the activities well and allocated funds for everything?
Is it clear as to exactly how the funds requested will be spent and for what?
Is the budget clear and consistent with the activities as described?
Is it arithmetically accurate?
Does it appear as though the organization has adequate capacity and resources to deliver the services proposed?
If other funds are required, has the applicant identified their source(s).
Have any ineligible “entertainment” costs been requested?

I. PERSONNEL COSTS

Do the proposed hourly pay rates seem reasonable to you?
Do the number of hours requested or each function, and the functions, seem to reflect the activities described in the application?
What percentage of the salaries requested is for general organizational (non project specific) overhead?
What percentage of the salaries requested for direct service delivery activities contrasted with project-specific supervision?
If the funds requested represent only a portion of someone’s salary, has the applicant identified the remaining additional funds necessary?
What percentage of the overall budget is salary?
If you elect to recommend partial (instead of full funding) for this organization, will there still be adequate funds left in the budget to actually deliver services?

II. FRINGE BENEFITS

Are the enumerated fringe benefits consistent with other applicants?
If “other” fringe benefits are requested, are they reasonable and necessary?

III. CONSULTANTS (If any)

If consultants are used, is the hourly rate clear and seem reasonable to you?
Do the consultants require additional training or skills than the organization’s employees and, if not and the rate is higher than employee’s salaries, why isn’t it being done in-house?
Are the number of consultant hour consistent with your understanding of the activities presented?
Do the consultant activities have tangible quantified deliverables described in the application to ensure performance?

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IV. OPERATING EXPENSES	
Office Rent	Is this figure reasonable and necessary for the activities described? Does this figure represent a portion of the overall facility rental cost? If so, is the proportion consistent with the percentage of activity to be performed under this contract?
Audit & Accounting(1)	Does this figure seem reasonable for the activities provided or does it include other non related activities?
Books & Publications	Are they consistent with the needs described in the scope of work?
Conference & Training	Is this figure reasonable for the specific activities in the scope of work? Is this for staff or clients? Is it critical for the activity? If so, can it be obtained and lesser or no cost elsewhere? Is it possible for the organization to get an employee or consultant who already has the requisite knowledge for a more reasonable cost? Does it include significant travel? If so, could a comparable training be obtained locally?
Insurance(3)	Is this figure consistent with the needs of the activity proposed? Does the rate reflect only that portion for the specific proposed activity or does it also include overall organizational coverage?
Legal	Is it reasonable and reflected in the scope of activities?
Local Mileage	Is this figure reasonable and seem to reflect the scope of work? Does it include general commuting for staff or clients?
Office Supplies/Materials	Does this seem reasonable in light of the size of the organization and scope of work? Could it be more reasonably outsourced?
Postage	Reasonable? If excessive, could other methods of distribution of information be considered?
Printing	Reasonable? If excessive, could it be more reasonably outsourced?
Telephone	Reasonable and necessary? Is it essential for the delivery of the services or include personal cell phones of employees?
Fidelity Bond Insurance	Reasonable?
Utilities (List Separately)	Is this figure consistent with the activities of the organization for this particular scope of work? Does this seem to include costs not directly attributable to the activity proposed?
Entertainment	CDBG funds may not be used for entertainment which includes “amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.”
Other (Specify)	If requested, do these costs seem critical and reasonable? Do other similar organizations or projects include this?