onestar foundation

2018 AmeriCorps*Texas All-Grantee Meeting

February 28-March 1, 2018

Going for Gold:

Asset Utilization and De-Obligation
- Cost Reimbursement Awards -

Mary Voorhies, Senior Grants Officer

Betty Jo Schafer, Grants Officer

In this session we will:

- Learn why asset utilization is important
- Cover budget to actual basics
- Learn the process of year-end projections
- Discuss “wishlist” items and Reallocation Requests
- Review de-obligation calculations

OneStar’s goal is

≥97% asset utilization

De-obligation:

- Helps programs meet this goal
- Allows OneStar to repurpose funds for future grant awards.

The effect of de-obligation on asset utilization:

- CNCS funds spent ÷ CNCS funds awarded = asset utilization
- De-obligation reduces CNCS funds awarded.
- Your organization was awarded $500,000.
  - *Due to personnel vacancies and member low recruitment $50,000 was left unspent at year end.*

    450,000/500,000 is 90% asset utilization
  - *What if you have estimated $45,000 in budget savings at mid-year and de-obligated this amount?*

    450,000/455,000 is 98.9% asset utilization.

Budget to Actual Basics

- Determine the percentage of months completed from the beginning of the budget period.
  - *August – February is 7/12 or 58.33%*
  - *September – February is 6/12 or 50%*
- Run the expense portion of an income statement for these months.
- Compare the actual expenses to the budget.
- For each budget category, what percentage is spent?

Budget to Actual Basics (cont'd)

eGrants Budget	CNCS Share	Grantee Share	Total Amount	YTD expenses thru' Feb	% spent
Section I					
Personnel Expenses					
Program Director - $60,000 each x 50% usage	15,000.00	15,000.00	30,000.00	15,500.00	52%
Program Manager - $50,000 each x 100% usage	50,000.00	-	50,000.00	26,000.00	52%
Program Assistant - $35,000 each x 50% usage	8,750.00	8,750.00	17,500.00	2,917.00	17%

- Expenses are from the beginning of the year through the end of the most recently closed month.
- % spent is YTD expenses ÷ Total Amount Budgeted

Budget to Actual Basics (cont'd)

- For budget categories significantly under or over spent by percentage of time past, review the ledger to determine the cause.
- Discuss the causes of the major variances with your program staff.
  - Personnel vacancies
  - Member recruitment or retention
  - Beginning of year expenses, such as uniforms and training

Year-end Projections

- What expenses are similar amounts each month?
  - Estimate these forward for the number of months remaining.
    - Personnel, Personnel Fringe, Living Allowance, FICA, Rent
- What large one-time or two-time expenses are coming up?
  - Add these estimates.
    - Conferences, Life after AmeriCorps training
- Are your projections less than the budget?

Wishlist and Reallocation Requests

- Looking at the excess from the projections, what allowable expenses would you like to add?
  - Were needed items left off the eGrants budget because match was met without them?
  - Did an unanticipated event create a need?
  - Did a new training opportunity present itself?
- Submit a reallocation request to your Grants Officer listed the budget categories with underspending and what you want to spend the funds on instead.

  BLAR link

De-obligation Calculations

- CNCS Share Section III percentages
  - Corporation Share 3%

    [Section I + Section II] x .0526 x .60
  - Commission Share 2%

    [Section I + Section II] x .0526 x .40

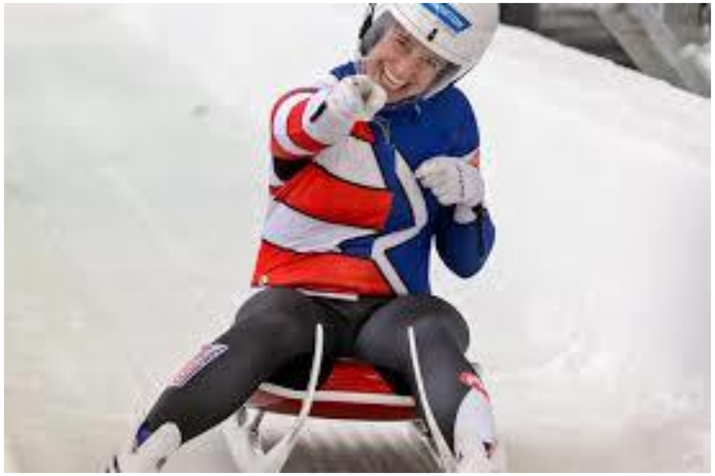
Tips for Success:

Communication

Communication

Communication

Activity!



Answers

- What is the total estimate for year-end program costs?
  – $505,794
- If there is excess, what is the total?
  – $13,763.80
- Which items on the budget would be affected if pre-award cost authorization isn't elected for next program year?
  – Program Director, Program Manager, Member Background Checks

Answers (cont'd)

Assuming pre-award cost authorization is requested again for the following program year:

- Scenario A De-obligation will be:
  - Program Expenses: $13,762.80
  - Corporation Share 3%: $434.39
  - Commission Share 2%: $296.10
- Scenario B De-obligation will be:
  - Program Expenses: $13,064.80
  - Corporation Share 3%: $412.33
  - Commission Share 2%: $280.11

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