

Creating a Program Budget Guide Sheet

Grant applications that are submitted to the Department of Justice (DOJ) typically require grantees to include a budget. Grantees should develop a proposed budget to get a thorough comprehension of the various costs and funds needed to successfully implement their criminal justice program. Whether a grantee is developing a budget in anticipation of a solicitation or for an ongoing project, they should have a complete and well thought out budget. Additionally, DOJ requires grantees to have grant budgets that are necessary, reasonable, allocable, and allowable.

Grant Financial Management Requirement

According to [2 CFR 200.308](#), "The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It may include either the Federal and non-Federal share (see

definition for *Federal share* in §200.1) or only the Federal share, depending upon Federal awarding agency requirements. The budget and program plans include considerations for performance and program evaluation purposes whenever required in accordance with the terms and conditions of the award.

Important Information to Know

Grantees should put together a team when developing their criminal justice program and develop a budget necessary to fully support it. The team should include a variety of professionals with skills and knowledge that will have a significant contribution to the federally funded program. For example, the team members might include a program manager, financial manager, and director.

Grantees should create a timeline (as shown below) and delegate responsibilities for the budget development process.



Grantees should consider the following questions when creating an entity budget.

- ▶ Does the program need to budget for salary and fringe benefits, equipment, travel, supplies, consultants, and other and indirect costs?
- ▶ Are the estimates of the costs for each expense necessary for the program to occur?
- ▶ Are all expenses in the budget necessary, reasonable, allocable, and allowable?
- ▶ Are the expenses supplementing new or existing state, local, or tribal funds? Or are the expenses supplanting?

Supplanting occurs when a state or unit of local government reduces state or local funds for an activity specifically because federal funds are available (or expected to be available) to fund that same activity. This is prohibited under DOJ grants. If an applicant or grantee is replacing funds, they will be required to substantiate that the reduction in non-federal resources occurred for reasons other than the receipt or expected receipt of federal funds.

Supplementing occurs when federal funds are used to enhance existing state or local funds for program activities.

How This Relates to Your Grant

Grantees should prepare a budget that meets DOJ's requirements in order to increase the likelihood of their proposal being funded. Every budget should:

- ▶ Be reasonable and show that the awarded funds will be used prudently.
- ▶ Be as specific, realistic, and accurate as possible in terms of the estimates for the various expenses.
- ▶ Have a clear format that includes the budget summary, detail worksheet, and narrative. The budget section should begin with a budget summary, which you should write *after* the entire budget has been prepared.
- ▶ Be in an outline format where line items are listed under headings and subheadings.
- ▶ Display subtotals for every component and a grand total at the end.

Sustainability is an important aspect for new programs. Most grants will require applicants to provide information on how the project will continue once the federal funding ends. It is beneficial to develop and provide a detailed plan for service continuity beyond the grant period, whether your grant requires a sustainability plan or not.

Each budget is required to have three parts—a summary, detail worksheet, and narrative.

Budget summary	should include the total costs for each budget category; total project costs; amount of federal funds requested; and, if applicable, amount of nonfederal funds the organization will contribute (match). If the project requires matching funds, those funds must be included in the budget (see Matching and Cost Share Guide Sheet on the OJP TFSC Resources page).
Budget detail worksheet	should include itemized computations of the proposed expenses for each budget category, which result in the costs found in the budget summary.
Budget narrative	should provide a brief and concise description for each line item in the budget detail worksheet. If the grant has personnel and fringe benefits, the budget narrative should also include: <ul style="list-style-type: none"> ▶ A description of each position on the grant and how those individuals will be supporting the program. ▶ An estimate of the amount of time every individual on the grant will spend working on grant activities. ▶ An explanation of how the salaries were determined.

Resources

Department of Justice. (2020). *Online financial management training*. <https://www.ojp.gov/training/financial-management-training>

Office of Justice Programs. (2020). *Budget detail worksheet*. <https://www.ojp.gov/funding/apply/forms/ojp-budget-detail-worksheet>

Office of Justice Programs. (2020). *Grants 101: Develop a budget*. <https://www.ojp.gov/funding/grants101/develop-budget>

Office of Victims of Crime Tribal Financial Management Center. (2020). *Creating an entity budget guide sheet*. https://mcusercontent.com/1603316364d7d2df3ca86736d/files/3d60f235-3e3d-47cd-b2fe-eca0a1e783c6/Entity_Budgets.01.pdf

About the OJP Territories Financial Support Center

The Office of Justice Programs Territories Financial Support Center (OJP TFSC) offers free resources, training, and technical assistance for grantees in the U.S. territories. OJP TFSC services focus on building financial management capacity and can be accessed by emailing OJPTFSC@usdoj.gov via our Virtual Support Center.



This product was prepared under contract/call order number GS-00F-010CA/15PCFD20F00000200 awarded by the Office of Justice Programs, U.S. Department of Justice and does not constitute financial or other professional advice. The opinions, findings, and conclusions expressed in this product are those of OJP TFSC and do not represent the official position or policies of the U.S. Department of Justice.