Strategies for Developing Grant Budgets

The Resource Plan

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Why “Resource Plan”? 

- We don’t really want money...
  - We want the things money can buy

- We already have assets and resources...
  - Many of them will be used on the project

- If the project is “above and beyond” we need to present what we have and what we need
Objectives

- To become familiar with the concepts and terms associated with budgets
- To identify categories of resources
- To understand about leveraging resources and determining in-kind values
- To write budget justifications/narratives
Concepts and Terms

- **The GRANT**
  - Grants are not charity
  - Grant makers look for targeted investments
- **The Program vs. The Project**
  - Program is the overall effort
  - Comprised of sets of activities called projects
- **Costs flow from activities**
- **Project budget and grant request not equal**
From Problem to Costs

- Situation $\rightarrow$ Problem/Need
- Problem $\rightarrow$ List of Causes
- Causes $\rightarrow$ List of Potential Solutions
- Solutions $\rightarrow$ Categories of Solutions
- Categories $\rightarrow$ Activities
- Activities and Tasks $\rightarrow$ Cost Categories
Activity Analysis

- What is the activity?
- When does the activity occur?
- Who is responsible for its accomplishment?
- What facilities and other resources are needed to accomplish the activities?
- What are the costs of these facilities and resources?
# Categories of Resources

<table>
<thead>
<tr>
<th>Direct Costs</th>
<th>Requested</th>
<th>Leveraged</th>
<th>Total</th>
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<tbody>
<tr>
<td>1. Salaries</td>
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<td>2. Benefits</td>
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<td>3. Supplies &amp; Materials</td>
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<td>4. Equipment</td>
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<td>5. Travel</td>
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<td>6. Consultants/Contracts</td>
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<td>7. Other</td>
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<td><strong>Total Direct Costs</strong></td>
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<td><strong>Indirect Costs</strong></td>
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<td><strong>TOTALS</strong></td>
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Developing a Budget

- Who should develop the budget?
- Categorize by:
  - Description – salaries, travel, supplies, etc.
  - Function – training, renovation, counseling, etc.
- What about operating funds?
- Grant funds supplement, not supplant
Cost Calculation

• Quantity of an item needed
• Quantity of the item in a unit of purchase
• Cost of a unit of purchase
• Units needed $\times$ unit cost = cost
• Can be either direct or indirect cost
Budget Narrative

- Proposals require two-part budget
  - Line-item budget lists requested funds
  - Narrative justification provides explanation
- Makes the case that the costs are reasonable
- Explain how costs were calculated
- Include in-kind, matching funds, and indirect costs