



Homeless Education Program

Education for Homeless Children and Youth (EHCY) Grant Budget Narrative Description Guidance

Purpose

ADE's Homeless Education Program has created this resource to provide general guidance and examples for Local Education Agencies (LEAs) when composing Budget Narrative Descriptions for Homeless Education Program grant application, the Education for Homeless Children and Youth (EHCY) grant.

What is a Budget Narrative Description?

When completing a grant application, an essential element in outlining an LEA's program goals and direction is the Narrative Descriptions within the Budget. These descriptions should provide a purpose and justification for each item, and sufficient context for understanding how the items to be funded should be coded. All funding codes should be in alignment with the [Arizona Auditor General's Uniform System of Financial Records \(USFR.\)](#)

Budget Narrative Descriptions should be written with enough detail that a reviewer unfamiliar with the LEA's program goals would sufficiently understand the rationale, purpose, and reasoning behind the proposed expenditures. Even if programmatic details are already included in other locations within the grant application, such as the Program Narrative Questions responses, they must also be included in the Narrative Description of each corresponding budget item to provide contextual information around the proposed expenditure.

Supplement vs. Supplant

An essential first step in planning to allocate funding is understanding and ensuring the supplemental nature of these funds. EHCY funds are to supplement, not supplant any local, state, or federal funds (42 U.S.C. § 11433(a)(3)). Accordingly, if a service or resource is provided for all students, the cost of providing that service or resource to students experiencing homelessness cannot be paid with EHCY subgrant funds (42 U.S.C. § 11432(g)(4)).

Allowability = D.A.R.N.

As it is the responsibility of both the ADE Homeless Education Program Team and the LEA to ensure that proposed expenditures submitted in the budget are allowable, a tool to support with determining the allowability of proposed expenditures and that level of information required to make this determination is "D.A.R.N.". To this end, it is highly recommended that the LEA consider this litmus test to help determine the allowability

of each resource, service, or activity to be funded through its EHCY grant allocation. The meaning of “D.A.R.N.” and corresponding guiding questions are provided below:

- ❖ **Data** - What **data** supports a need for the resource, service, or activity?
- ❖ **Allocable** - Is the item **allocable** by the grant that you are applying for?
- ❖ **Reasonable** - Is the cost of the item **reasonable**, meaning the cost “does not exceed that which would be incurred by a prudent person under the (same) circumstances”?
- ❖ **Necessary** - Is the item **necessary** to achieve programmatic goals?

Disclaimer: The examples provided below reflect common uses of funding with example Budget Narrative Descriptions. These examples should not be interpreted as endorsements of any real people, businesses, or products by the Arizona Department of Education.

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We hope you find this guidance helpful! Check out [Education for Homeless Children and Youth \(EHCY\) Grant Application Revision Guidance](#) for more support on your EHCY grant!

Salaries and Stipends for Employees (Object Code 6100)

When requesting funding for a salary, provide the job title, duties, and funding formula for the salary. If the funding requested is for a portion of the employee’s full salary, then the funding formula should include the employee’s annual salary rate and the percentage of time to be spent on projects related to the programmatic goals of the grant, equaling the total amount to be provided through the grant. Additionally, a board-approved job description must be uploaded to the “Related Documents” section of the grant application.

Example of Full-Salary:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6100 – Salaries	2100, 2200, 2600, 2700 – Support Services		1	\$45,000.00	\$45,000.00
Narrative Description					
<p>Salary for McKinney-Vento Program Coordinator – The McKinney-Vento Program Coordinator will assist the McKinney-Vento Liaison in ensuring that homeless students are identified, enrolled, and receiving services ensured to them in the McKinney-Vento Act. Please reference the full list of job duties in the board-approved job description included in “Related Documents”. The full amount of the salary will be paid with these funds. Funding Formula: \$45,000/year</p>					

Example of a Portion of Salary:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6100 – Salaries	2100, 2200, 2600, 2700 – Support Services		1	\$22,500.00	\$22,500.00
Narrative Description					
<p>Portion of Salary for McKinney-Vento Program Coordinator – The McKinney-Vento Program Coordinator will assist the McKinney-Vento Liaison in ensuring that homeless students are identified, enrolled, and receiving services ensured to them in the McKinney-Vento Act. Please reference the full list of job duties in the board-approved job description included in “Related Documents”. Only a portion of the Program Coordinator’s salary will be paid with these funds, whereas the rest will be paid with Title I funds. Funding Formula: \$45,000/year x 50% of salary = \$22,500</p>					

When requesting funding for a stipend, provide the job title of the individual that will be receiving the stipend, an assurance that all duties will be performed outside of a salaried employee’s regular work hours, and a description of all duties to be performed. Provide a funding formula that details the rate of compensation per hour, and the number of hours to be worked organized by day, week, and/or month equaling the total amount of the stipend. The greater specificity, the better.

Example of a Stipend:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6100 – Salaries	2100, 2200, 2600, 2700 – Support Services		1	\$3,900.00	\$3,900.00
Narrative Description					
<p>Stipend for additional duties of the McKinney- Vento Liaison - The McKinney-Vento Liaison will work outside of regularly contracted hours and duties to complete tasks such as: Visiting CBOs to put up flyers and deliver/pick-up supplies, make home-visits, drive students and their guardian to appointments, etc. The stipend will cover 5 hours of work a week for the full year, at a rate of \$15 per hour. Funding Formula: \$15/hour x 5hrs/week x 52 weeks = \$3,900.00</p>					

Employee Benefits (Object Code 6200)

When requesting funds for a salary or stipend, funds to cover benefits at the predetermined rates must be included in the grant application budget. The Budget Narrative Description for the benefits must include the position name that matches what is provided in "Salaries", a funding formula detailing the salary or stipend total, and a funding formula detailing the benefits to be provided.

Example of Benefits for a Portion of a Salary:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6200 – Employee Benefits	2100, 2200, 2600, 2700 – Support Services		1	\$8,930.25	\$8,930.25
Narrative Description					
<p>Benefits for Portion of Salary for McKinney-Vento Program Coordinator - The rates of all benefits are as follows: FICA rate of 7.65%, retirement rate of 13%, and health insurance rate for this position are \$357 x 12 months= \$4,284.00. The funding formula used to determine the portion of salary that will be paid using these funds is: \$45,000/year x 50% of salary = \$22,500</p> <p>Benefits Calculation: \$45,000/year x 50% of salary = \$22,500 FICA: \$22,500 x 7.65% = \$1,721.25 Retirement: \$22,500 x 13% = \$2,925 Health Insurance: \$357 x 12 months = \$4,284.00 The total requested for benefits for this position are: \$1,721.25 (FICA) + \$2,925 (Retirement) + \$4,284 (Insurance) = \$8,930.25</p>					

**Purchased Professional & Technical Services (Object Code 6300),
Purchased Property Services (Object Code 6400),
Other Purchased Services (Object Code 6500), or
Other Expenses (Object Code 6800)**

When requesting funding for the purchase of services provided by third party vendors or entities other than the LEA for students, instructional, and/or non-instructional staff, the Budget Narrative Description must include sufficient information to understand the programmatic goals to be met by the service provided. Explanations to include in the Budget Narrative Description to support with determining allowability pertain to why the service is needed, how it will be implemented, who will benefit, and a funding breakdown to determine the total cost. Please note, for these kinds of services an agreement of services and quote is often provided prior to purchase and should be uploaded to Related Documents and referenced in the Budget Narrative Description.

Example of a request for purchased professional or technical services:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6300 – Purchased Professional Services	2100, 2200, 2600, 2700 – Support Services		27	\$275.00	\$7,425.00
Narrative Description					
<p>Fees and Tuition for Boys and Girls Club - With this funding, we plan to pay the tuition for all identified students experiencing homelessness that would like to attend the Boys and Girls Club. This is a service we offer to all students using Title I funding; however, to meet the needs of our students experiencing homelessness, we will need to use these EHCY funds to support 27 students experiencing homelessness. The Boys and Girls Club offers before and after school tutoring and homework support, mental and physical health assistance, and extracurricular activities for children (see the full program description in Related Documents.) When a child is identified as homeless, the McKinney Vento Liaison will inform the parent or guardian of the opportunity to join the Boys and Girls Club and sign them up if interested. If a parent is not interested initially, but becomes interested at a later date, they will need to fill out the sign-up sheet, and their child will be able to attend. (Please reference all procedures and related forms in our Homeless Education Program Policies and Procedures Manual uploaded to Related Documents.) The cost of this expense is detailed below:</p> <p>Tuition and fees: \$50 sign-up fee, \$25 per month Number of Homeless Students: 27 Expenditure for one student for one school year: \$50 sign-up fee + (\$25 per month x 9 months) = \$275 Total expenditure for 27 students for one school year: 27 students x \$275 = \$7,425</p>					

Supplies (Object Code 6600) and Equipment and Furniture (Various Object Codes in 6700)

When requesting funding for items that each have an individual cost, the Budget Narrative Description will need to include sufficient information to understand the purpose of the item in relation to the programmatic goals, how the item will be supplementing existing programs and not filling the place of an alternate funding source (supplanting), the rationale behind the quantity of items to be purchased, and an accompanying invoice uploaded into the Related Documents, if applicable.

It is important that descriptions of the purpose of the items are detailed enough to know if the items will be used to provide instruction, support and supplement instruction, or support the required administrative tasks of the program. A funding formula including the price, quantity, and tax or shipping cost (if applicable) for each item is also required.

Example of a request for instructional supplies:

Object Code	Function Code	Project Time (FTE)	Quantity	Salary, Rental, or Unit Cost	Line-Item Total
6600 – Supplies	2100, 2200, 2600, 2700 – Support Services		1	\$345.00	\$345.00
Narrative Description					
<p>The following items will be purchased to support the tutoring program provided through our established partnership with the “Accelerate Learning!” tutoring company. Please reference our Partnership Agreement in the “Related Documents” of this application. All items are intended for use to supplement the instruction provided in the classroom. Tutors are certified teachers and will utilize research-based learning materials and practices that align with the curriculum being used in our district. The quantities of each of the items was determined based on previous year’s attendance in similar programs as well as surveys collected from parents and guardians of homeless children and youth who expressed an interest in participating in the program. Through these sources of data, we are anticipating needing supplies for 40 students. Supplies of this nature are first funded with Title I funding, however, to meet the needs of our students experiencing homelessness, we will need to use these EHCY funds to provide these supplies for the tutoring program for our students experiencing homelessness. An invoice detailing the purchases is attached in Related Documents. The following items will be purchased:</p> <p>40 notebooks x \$0.50 each = \$20 5 packs of 100 pencils x \$8 each = \$40 20 packs of markers x \$1 each = \$20 20 packs of colored pencils x \$1 each = \$20 10 packs of highlighters x \$1 each = \$10 5 packs of blank paper x \$2 each = \$10 20 math kits (ruler, protractor, compass, eraser, calculator) x \$10 each = \$200 Shipping cost: \$25.00 Total cost of purchase: \$345</p>					

