From:	Shaw, Barbara
To:	Irving, Toni; Weems, Malcolm
Subject:	FW: Subcontract Budget Issues
Date:	Tuesday, January 25, 2011 2:51:08 PM
Attachments:	SBC Coord Chicago.xlsx SBC PP Chicago.xlsx Reentry Coord Chicago.xlsx Reentry PP Chicago.xlsx PLAN Coord P City of Chicago Budget.xlsx Ment plus jobs Coord Chicago.xlsx Allowable and Unallowable Costs NRI.pdf
Importance:	High

FYI

From: Desai, Reshma
Sent: Monday, January 24, 2011 4:06 PM
To: Desai, Reshma; Shaw, Barbara; 'Andre Hines'; 'Angie Lobo'; 'Anne Barclay'; 'Aurora Cruz'; 'camille Odeh'; 'Carlos Heredia'; 'Carlos Nelson'; 'Cory Mulddon'; 'Dave Lyke'; 'David Cassel'; 'Don Patterson'; 'Edgar Ramirez'; 'Ephraim Eaddy'; 'Georgette Greenlee-Finney'; 'Harold T. Rice'; 'Henry English'; 'Howard Lathan'; 'Izalia Short'; 'Jaime Arteaga'; 'Jamiko Rose'; 'Jimmie Orange'; 'John Holton'; 'Kanu Iheukumere'; 'Kathryn Saclarides'; 'Khaleelah Muhammad'; 'Latonya Lumpkin'; 'Michael Rodriguez'; 'Monica Masana'; 'Paul Naranjo'; 'Radhika Sharma Gordon'; 'Rev. Michael Pfleger'; 'Reverend JL Miller'; 'Rodney C. Walker'; 'Shawn Reaves'; 'Sheryl Holman'; 'Susana Stoll'; 'Talmadge Betts'; 'Teresa Bentley'; 'Valencia Myles'; 'Vickie Rivkin'
Cc: 'Kanu Iheukumere'; Marian Luchechko; cheyenne@twochicago.org; 'Adam M. Alonso'; 'Mary Johnson'; 'Jason Ervin'; 'Tina Mangrum'; Jenkins, Lorri; King, Barbara; Moffitt, Sara; Ortiz, Eulalia; Ratliff, Mary; Hailey, Shataun
Subject: Subcontract Budget Issues
Importance: High

Dear NRI Lead Agencies:

We are carefully reviewing the draft, unsigned subcontracts and related budgets that you submitted for each of your coordinating and providing partners. We will be sending you an email that outlines all of the issues in all of the draft subcontracts and budgets. We hope to be able to send you this email this week. Meanwhile, we wanted to give you a heads up on some of the issues that we will be asking you to address with your subcontractors (there may be additional issues identified as we proceed):

1. In many cases it is apparent that the coordinating or providing partner used the sample budget amounts and justification (aside from the M + J and PLAN set expenses) versus providing a real budget based on actual projected costs. For example, many agencies have used our sample 10% prorated cost allocation for occupancy and other agency costs. It seems highly unlikely that all these agencies have the same prorated cost allocation. Agencies will have to submit revised budgets based on the agencies actual projected costs.

2. Occupancy and related costs (i.e. utilities) should be calculated using a percent of staff office space and client space projected to be utilized for the NRI program . This should be a reasonable allocation of costs that are prorated based on actual utilization of space and related costs for program activity. This utilization rate must be defensible. For example, if your total monthly occupancy cost is $2,000 for your building, which includes a large meeting

hall (50% of the total square footage)and ten office spaces (each about 5% of the total square footage) the percentage of the total occupancy costs charged to this grant is less than the 10% sample if you plan on using the meeting hall twice a month and only one of the ten office spaces will be used by the NRI staff. Under this scenario, the allocation would be approximately 8-8.5% (5% of total for I staff office), plus 3.3% for use of the meeting hall for 24 days out of 365 days (24/365 = 6.6% x 50 (% of total costs for hall) = 3.3%. **All costs in the budgeted that are pro-rated need to be based on an allocation method that must be provided in the justification column of the budget.**

3. In some cases, agencies are asserting that certain expenses are direct and shouldn't be included in the Admin/Direct Costs Cap. As indicated in the criteria for each program, this cap is a combination of admin and direct costs. This was restated and clarified in an email dated 1/13/11. As indicated in the email, the box at the bottom of the sample budget should have been labeled Direct and Admin Costs. The word "direct" was inadvertently omitted. I apologize again for this confusion. I have attached revised and corrected sample budgets for all of the four components. Please use these forms in your revised budget submissions.

4. We will also be identifying costs that are not allowable (see attached list of allowable and unallowable costs that was provided with the budget forms) and/or costs that are unusually high or not sufficiently justified.

5. We realize that the goal of finalizing these subcontracts is Jan. 31st, but that may not happen in all cases., which is not a problem. We will complete this review process as soon as possible and get back to you with questions and needed revisions. Once final subcontracts and budgets have been resubmitted and approved , you will then be able to get them signed and executed.

Thank you for all your hard work and patience on getting this up and running. Please let me know if you have any additional questions.

Reshma Desai
Director of Grant Programs
Illinois Violence Prevention Authority
p: 312.814.1708
f: 312.814.1108

From: Desai, Reshma
Sent: Thursday, January 13, 2011 1:06 PM
To: Shaw, Barbara; 'Andre Hines'; 'Angie Lobo'; 'Anne Barclay'; 'Aurora Cruz'; 'camille Odeh'; 'Carlos Heredia'; 'Carlos Nelson'; 'Cory Mulddon'; 'Dave Lyke'; 'David Cassel'; 'Don Patterson'; 'Edgar Ramirez'; 'Ephraim Eaddy'; 'Georgette Greenlee-Finney'; 'Harold T. Rice'; 'Henry English'; 'Howard Lathan'; 'Izalia Short'; 'Jaime Arteaga'; 'Jamiko Rose'; 'Jimmie Orange'; 'John Holton'; 'Kanu Iheukumere'; 'Kathryn Saclarides'; 'Khaleelah Muhammad'; 'Latonya Lumpkin'; 'Michael Rodriguez'; 'Monica Masana'; 'Paul Naranjo'; 'Radhika Sharma Gordon'; 'Rev. Michael Pfleger'; 'Reverend JL Miller'; 'Rodney C. Walker'; 'Shawn Reaves'; 'Sheryl Holman'; 'Susana Stoll'; 'Talmadge Betts'; 'Teresa Bentley'; 'Valencia Myles';

'Vickie Rivkin'
Cc: 'Kanu Iheukumere'; 'Marian Luchechko'; 'cheyenne@twochicago.org'; 'Adam M. Alonso'; 'Mary Johnson'; 'Jason Ervin'; 'Tina Mangrum'; Jenkins, Lorri
Subject: NRI Subcontracts and budgets issues to note

Hello NRI Grantees:

I know you are all working hard to submit your draft subcontracts and budgets tomorrow. Please make note of the following:

- We are expecting two sets of all your draft (completed but unsigned) subcontracts with attached budgets in **HARD COPY**. Please do not email or fax. The building security shuts down at 5pm so please plan ahead.
- The example budgets that you are working from say "12 month budget" in the fourth column. I apologize for this error. Please disregard this header title and develop a budget per the amounts given to you in earlier emails with some leeway for some additional upfront costs. For your convenience, I have listed them again below:

  CHICAGO/MAYWOOD/CICERO

Mentoring Plus Jobs	$400,000
PLAN	$100,000
Reentry	$187,500
School-Based Counseling	$206,250
- The Administrative Costs box at the bottom includes both Administrative and Direct costs. These costs include the percent cap on direct and administrative costs. The title of the box should be labeled Administrative and Direct Costs. I apologize for this error.
- The mileage rate is 51 cents a mile as noted in the example budgets.

Thank you all for your thoughtful attention to all these details. We appreciate all your questions and have tried to answer as many as possible. Some of your programmatic questions will be answered after the subcontract process is complete. Please feel free to contact me if you have any more questions. Thanks again.

Reshma Desai
Director of Grant Programs
Illinois Violence Prevention Authority
p: 312.814.1708
f: 312.814.1108