

Reflecting AFI Guidelines on Standard Budget Forms

Please note that this guide presents general information about the AFI program and the application processes. When developing an application, it is important to review the current Funding Opportunity Announcement.

The Assets for Independence guidelines include several specifications for how funds are used, as well as the requirement of a dollar-for-dollar non-Federal cash contribution to the Reserve Account. Because of these unique requirements, applicants may find that some of the usual instructions to complete the standard forms related to budgets are difficult to follow. Here we provide assistance on specific parts of the **Standard Form 424 – Application for Federal Assistance**, and the **Standard Form 424A - Budget Information, Non-Construction Programs**.

The majority of the fields on these two forms are self-explanatory and not affected by AFI requirements, so you should follow the instructions provided by grants.gov at <http://www.grants.gov/web/grants/form-instructions.html>.

Both of these forms should reflect only the funds you plan to have in your Reserve Account, though many projects will also be drawing on other resources to provide administrative and programmatic support. Those leveraged and in-kind resources can be reflected in the detailed budget and budget justification included as part of the Project Description in File One of your proposal.

SF-424 - Application for Federal Assistance

This form captures basic information about your agency and your proposed project. The only budgetary element is Section 18, entitled "Estimated Funding." This is the part of the form in which you enter summary figures for your AFI budget, in particular the Reserve Account.

There are several key points that require special attention:

- The figures here should represent your request of Federal funds and non-Federal cash contribution for the full 5-year project period - not for one year only.
- The Federal line is the amount you are requesting from AFI.
- The total of figures entered for the applicant (your agency), state, local, and other sources equals the total in the Federal line.
- There will be nothing in the program income line.
- Be sure your total budget figure here matches the corresponding total budget figure on the SF-424A and in your detailed budget in File One of your application. Similarly, the Federal amount should correspond to the Federal amount shown on the SF-424A.

Other notes about the SF-424 for AFI applicants:

- Review the Grants.gov page Instructions for Application for Federal Assistance (SF-424) at <http://www.grants.gov/web/grants/form-instructions/sf-424-instructions.html> for clarification of the SF-424 fields.
- Do not attach additional any documents to the SF-424.

- The person listed for Section 8f, Name and contact information of person to be contacted on matters involving this application, should be different from the AOR. You will enter AOR info in #21. If there is no other contact, enter the AOR's information in both sections.
- Leave Section 14, Areas affected, blank. Instead of providing a separate response, all applicants are required to fill out the SF-P/PSL - Project/Performance Site Locations.
- Complete all fields for Section 21 with the information for your Authorized Organization Representative (AOR). A copy of the governing body's authorization for the AOR to sign the application as an official representative must be on file in the applicant's office.

SF4-24A - Budget Information: Non-Construction Programs

This form asks you to break down your projected budget in two ways: by the sources of funds and by the uses of funds. You will itemize your sources of funds in Section A: Budget Summary and Section C: Non-Federal Sources. You will list projected expenses by a few general categories, such as personnel, travel, and other costs in Section B: Budget Categories. In the case of AFI, the funds to be allocated to participant matches over the life of your project will be the largest figure and appear in the "Other" object class. The form also asks you to project overall expenditures of the Federal portion of your project budget annually over the entire project period in Sections D and E.

Represent on the SF-424A *only* the Federal funds you are requesting and the required non-Federal cash contribution to your project budget that will be deposited into your Reserve Account. You can reflect additional in-kind and leveraged resources in the detailed budget and budget justification requested in the funding announcement.

Remember that the figures here should *reflect the full 5-year project period* and should correspond to the estimated funding section on the SF-424. In addition, here are the key points to note so that the figures on the SF-424A reflect AFI guidelines.

Section A, Budget Summary

In this section, you are showing the planned Federal and non-Federal funds, similar to the way you showed them in the estimated funding section of the SF-424. Note the following:

- The Grant Program, column (a) is Assets for Independence.
- The Catalog of Federal Domestic Assistance Number, column (b) is 93.602.
- Use columns (c) and (d), under Estimated Unobligated Funds, Federal and non-Federal, and not columns (e) and (f), even though AFI Projects are considered new.
- The figures in the Federal, column (c), and non-Federal, column (d), will be equal.
- The Federal amount should be the same as the Federal amount in the estimated funding section of the SF-424.
- The total figure, column (g), should be the same as the total estimated funding figure on your SF-424.

Section B, Budget Categories

This section of the SF-424A asks for projections according to common budget categories. Because you are describing the funds in your Reserve Account, the figures given for each Object Class under Federal and non-Federal will be equal. Note especially the following points to conform to AFI guidelines:

- The single largest figure will be in the Other Object Category. This is where you show the Federal and non-Federal funds that will go to match participant savings. This will be at least 85 percent of your Federal and at least 85 percent of your non-Federal funds.
- The amounts entered in the remaining Object Classes (personnel, fringe benefits, travel, equipment, supplies, and contractual) will depend on how you have allocated the remaining 15 percent of your Federal and non-Federal funds, while adhering to the AFI guidelines described in the funding opportunity announcement. It may be that the amounts entered in these categories do not reflect the full costs for the category to your project, but you can show additional resources in your detailed budget and budget justification in File 1.
- There should be no entries in the Construction Object Category.

Section C, Non-Federal Resources

This section of the form asks you to itemize the non-Federal funds that will go into your Reserve Account. The total, of course, should be equal to the Federal funds you are requesting and that you have shown on your SF-424 and in Section A of the SF-424A. However, the breakdown of sources of funds is not exactly the same as on the SF-424. Note the following:

- The figure for column (b) Applicant, will be the same as in Section 18 of the SF-424.
- The figure for column (c) State, will be the same as in Section 18 of the SF-424.
- The figure for column (d) Other Sources, will be the total of the other rows in Section 18 of the SF-424.
- The total of these sources should be the same as the total of non-Federal sources given in Section A of the SF-424A.

Section D, Forecasted Cash Needs

This section asks you to project the amount of non-Federal and Federal funds that you expect to deposit/draw down into the Reserve Account in the first operating year of your project period and to break down that total by quarter. Note the following:

- The figures entered in the Federal and non-Federal lines will always be equal.
- Be sure the figures given in the quarterly columns do add up to the total given for the year.
- Be sure the figures and timing align with the Workplan and Timeline in your Project Description.

Section E, Budget Estimates of Federal Funds Needed for Balance of the Project

This section asks *only* about projected Federal funds to be drawn down in operating years after Year One in your project period. Remember, however, that AFI guidelines require that the non-Federal share must be deposited in the Reserve Account before draw down of the Federal portion. Therefore, the figures here will reflect the timing for deposit of your non-Federal commitments into your Reserve Account.

Review the Grants.gov page *Instructions for Budget Information for Non-Construction Programs (SF-424A)* at <http://www.grants.gov/web/grants/form-instructions/sf-424a-instructions.html> for clarification of the SF-424A fields.