

CHDO Funding Application Cycle FY 2016 – 2017

Section II

BUDGET AND FINANCIAL ANALYSIS (Budget and Leverage)

Funding Applications are available on-line.

Applications must be delivered no later than 11:59 AM (EST) on Monday, July 25, 2016.

**CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis**

I BUDGET AND FINANCIAL ANALYSIS

MATCH FUNDS:

- Applicants **must** demonstrate the ability to leverage or match the requested funds from other sources. The following leverage/match requirements apply:
 - **HOME/CHDO CONSTRUCTION PROJECTS** – Minimum **25% CASH MATCH** required, dedicated to the specific construction project (Cash OR funds in the form of in-kind contributions, land donations and/or volunteer labor are accepted as match. Match must be NON-City funds).

All leverage/matching funds must be dedicated and documented to the requested project and available during the project period (i.e. October 1, 2016– September 30, 2018). All matching fund commitments will be verified by the City.

**CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis**

IIBUDGET AND FINANCIAL ANALYSIS

MATCH FUNDS: (YOUR ORGANIZATION’S CASH FLOW)

1. List sources, including funding amounts, to which you have committed (documented) for the proposed service/program/project (Dates, outcomes, etc.).
2. List sources, including funding amounts, to which your organization plans to apply under the pending section for funding before October 1, for the proposed service/program/project.

FUNDING SOURCE	AMOUNT (\$)	USES
*FUNDING SOURCES – COMMITTED		
LOCAL	\$	
	\$	
FEDERAL		
	\$	
	\$	
STATE		
	\$	
	\$	

***Note: Please attach required documentation from funding source(s) of committed funds to this project/program to be considered matching funds. If source(s) are not documented, the source(s) will not be considered in scoring.**

**CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis**

III BUDGET AND FINANCIAL ANALYSIS

LEVERAGING OTHER FUNDS: (OTHER ENTITIES MONEY – OUTSIDE SOURCES)

1. List sources, including funding amounts, to which you have committed (documented) for the proposed service/program/project (Dates, outcomes, etc.).
2. List sources, including funding amounts, to which your organization plans to apply under the pending section for funding before October 1, for the proposed service/program/project.

FUNDING SOURCE	AMOUNT (\$)	USES
*FUNDING SOURCES – COMMITTED		
LOCAL	\$	
	\$	
FEDERAL		
	\$	
	\$	
STATE		
	\$	
	\$	
FUNDING SOURCES – PENDING - NO CREDIT		
LOCAL	\$	
	\$	
FEDERAL		
	\$	
	\$	
STATE		
	\$	
	\$	

***Note: Please attach required documentation from funding source(s) of committed funds to this project/program to be considered matching funds. If source(s) are not documented, the source(s) will not be considered in scoring.**

CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis

IVBUDGET AND FINANCIAL ANALYSIS

Project expenditures shown on the following budget forms must be categorized as Development Administrative Expenditures or as Construction Expenditures:

Administrative Expenditures/Developer Fee – Funds may be used to pay reasonable project administrative costs related to the planning and execution of housing development activities assisted in whole or in part with funds provided under the HOME CHDO program. Developer fees are limited to 10% of the construction costs.

Eligible Expenditures – Funds may be used to provide construction costs for the development of new single family homes.

The Budget and Financial Analysis Forms must be completed in the following order:

I. Detail Budget Form:

- A. Using the account structure provided, show the anticipated expenditures for the proposed project on the form in the appropriate columns:
1. Column A – Show the Funds requested;
 2. Column B – Show other sources of revenues to be used as cash match;
 3. Column C – Show in-kind contributions to be used as non-cash match;
 4. Total Project Cost – Show the total of columns A+B+C.

II. Budget Narrative Form:

Explain the proposed budget expenditures on this form. Provide details related to each corresponding expenditure line item on the Detail Budget Form. If this is a continuing project, explain any significant increases or decreases from the prior fiscal year's project.

III. Budget Summary Form:

- A. **Sources of Revenue** - Using the account structure provided, show the anticipated revenues for the proposed project on the form on the appropriate lines:
1. Line A – Show the Funds requested;
 2. Line B – Show other sources of revenues to be used as cash match;
 3. Line C – Show in-kind contributions to be used as non-cash match;
 4. Total Sources of Revenue – Show the total of lines A+B+C.
- B. **Expenditures** - Using the account structure provided, show the total anticipated expenditures brought forward from the Detail Budget Form for each line item for the proposed project in the appropriate columns:
1. Column A – Show the Funds requested;
 2. Column B – Show other sources of revenues to be used as cash match;
 3. Column C – Show in-kind contributions to be used as non-cash match;
 4. Total Project Cost – Show the total of columns A+B+C.
- C. **Matching Requirements**
CHDO Projects – Minimum **25% MATCHING FUNDS** required. A minimum of 25% in cash or matching funds in the form of in-kind contributions and/or volunteer labor. The current rate for volunteer match time is \$22.14 per hour.

CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis

DEFINITIONS OF LINE ITEMS

- A. Using the account structure provided, show the anticipated expenditures for the proposed project on the form on the appropriate line item. A description of the line items is provided below:
1. **Personnel Services** – Expenses for salaries and wages for all persons to be employed by the funded project along with related employee benefits. For each position, list separately under salaries and wages.
 2. **Professional Services** – Expenses paid for independent professional assistance (i.e. legal, engineering, architectural, appraisal, management consultants, etc.)
 3. **Financial Services** – Include cost for financial management
 4. **Communication Services** – Expenses to be paid for telephone, cellular telephone, postage, express charges, and messenger services.
 5. **Utility Services** – Include costs for electric, gas, water, and other public utility services.
 6. **Rentals and Leases** – Amounts to be paid for the lease or rent of land, buildings, equipment, and vehicles.
 7. **Insurance** – Includes all insurance carried for the protection on the agency allocated to the CDBG project (i.e. general and professional liability, auto coverage, surety bonds, etc.)
 8. **Construction** – The cost incurred for the construction of buildings, and all related construction cost to complete the home services.
 9. **Printing and Binding** – Costs of printing, binding and other reproduction services which are contracted for or purchased from outside vendors.
 10. **Promotional Activities** – Includes any type of promotional advertising on behalf of the funded project.
 11. **Other Current Charges & Obligations** – Include charges and obligations for the funded project not otherwise classified. Also, include charges to be paid for volunteer stipends and other volunteer expenses such as travel reimbursement and recognitions events. Itemize each charge to be paid.
 12. **Legal Fees** – This line item includes cost for legal consulting
 13. **Contingency** – (Construction Cost only) - All requests for contingency funds should be outlined in this category. Please complete the item description, cost and a brief description of why the item is required on the Budget Narrative Form.

CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
Budget and Financial Analysis

Construction Budget Form:

Applicants requesting funds for Construction Projects must complete this form.

Complete the Agency's Name, Project's Name and Contractors' Name, address and phone number and license number(s).

- A. **Sources of Revenue** - Using the account structure provided, show the anticipated revenues for the proposed CHDO construction project on the form on the appropriate lines:
 - 1. Line A – Show the Funds requested;
 - 2. Line B – Show other sources of revenues to be used as cash match;
 - 3. Total Sources of Revenue – Show the total of lines A+B.

- B. **Description of Work** - Using the format structure provided, show the description of work and anticipated expenditures for each cost item to be charged to the proposed project in the appropriate columns:
 - 1. Column A – Show the Funds requested;
 - 2. Column B – Show other sources of revenues to be used as cash match;
 - 3. Total Project Cost – Show the total of columns A+B.

- C. **CHDO Construction/ Projects** – Minimum 25% CASH MATCH required, dedicated to the specific construction project (Cash OR funds in the form of in-kind contributions and/or volunteer labor are accepted as match. Match must be NON-City funds).

**CHDO Funding Application Cycle
Fiscal Year 2016 - 2017
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CONSTRUCTION PROJECT

Complete this page if funds will be used for construction projects.

1. Describe in detail the physical improvements that will be made.

2. Are construction estimates attached? Yes ___ No ___
Davis-Bacon Wages, Labor Standards Section 3 Program Yes ___ No ___
Preliminary designs Yes ___ No ___
Photograph blueprints and specifications Yes ___ No ___

3. Agency must submit a signed construction estimate from a licensed contractor.

Contractor Name: _____

Address: _____ Zip Code: _____

Telephone: _____

License Number: _____

4. Does applicant own the property or site? _____ Yes _____ No

If not, provide a copy of the lease agreement and letter from the owner confirming.

5. Does the project require land use and/or zoning change? _____ Yes _____ No

If yes, explain: _____

6. Describe long-term operation and maintenance plans for the project: _____

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Fiscal Year 2016 - 2017
Budget and Financial Analysis**

FINANCIAL PERFORMANCE SCORE:

- Applications will be reviewed on the following:
 - **CURRENT RATIO** – Measure of Current Liquidity
 - **MONTHS OF CASH** - Measure of Current Liquidity
 - **CASH EXPENSE RATIO** – Measure of Current Liquidity
 - **MONTHS OF NET ASSETS** – Measure of Short Term Capacity
 - **EXPENSE MARGIN** – Measure of Short Term Capacity
 - **EQUITY RATIO** – Measure of Long Term Capacity
 - **RETURN ON ASSETS** – Measure of Long Term Sustainability
 - **PRIOR YEAR PERFORMANCE** – One (1) point reduction for each of the previous fiscal years in which the agency had expired and unspent awards exceeding \$5,000.

AUDIT PERFORMANCE:

- Applications will be reviewed on the following items:
 - **AUDIT TIMELINESS** – Audit provided on-time
 - **MANAGEMENT LETTER** – No Management Letter Comments
 - **SIGNIFICANT DEFICIENCIES** – No Significant Deficiencies
 - **MATERIAL WEAKNESSES** – No Material Weaknesses
 - **REPORTABLE CONDITIONS** – No Reportable Conditions