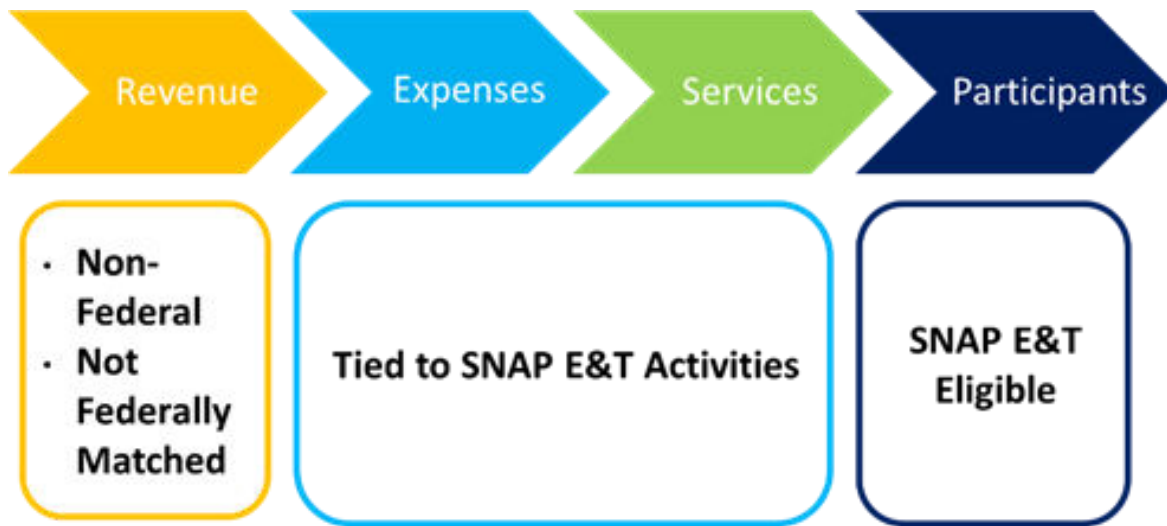


# BEST PRACTICES- DEVELOPING A BUDGET FOR SNAP E&T SERVICES FOR COMMUNITY ACTION AGENCIES



SNAP Employment and Training (SNAP E&T) programs are funded differently than most traditionally funded programs. It is not a traditional grant program. It is a reimbursement program. This means that all funds for the program must be spent up-front and then the Community Action Agency (CAA) can seek reimbursement for up to 50% of non-federal funds spent on qualified SNAP E&T participants for qualified SNAP E&T activities.



The budget that you create is an estimated budget of what you plan to spend over the Federal Fiscal Year (October 1-September 30).

All expenses for this program need to come from another source of funds, preferably non-federal to maximize your potential reimbursement opportunity.

## Allowable Expenses

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SNAP E&T expenses fall within two major categories: Administrative Expenses and Participant Reimbursements. The following is from the Food & Nutrition Service (FNS) SNAP E&T Program Toolkit:

The following conditions apply to allowable costs for E&T products or services

- Must directly relate to an approved E&T component or service, i.e., allocable
- Must be necessary and reasonable
- Must not be for products or services that are outside the scope of the E&T program
- Must not be a general expense required to carry out the overall responsibilities of a State or local government, such as a state's funding for education provided for by statute\*

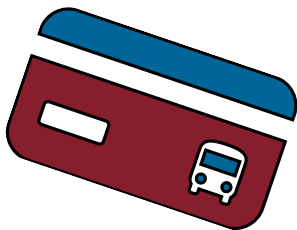
*\*FNS SNAP E&T Program Toolkit, page 74*

### Examples of Participant Reimbursement (supportive services) Allowable Costs:



- Salaries and benefits of personnel involved in SNAP E&T and administrative support
- Office equipment, supplies, postage, and copying/printing costs;
- Lease or rental costs
- Maintenance expenses
- Training contracts
- Other indirect costs; and
- Charges for travel for the purpose of fulfilling the approved E&T State plan objectives based on official State, local, or university travel regulations.

### Examples of Participant Reimbursement (supportive services) Allowable Costs:



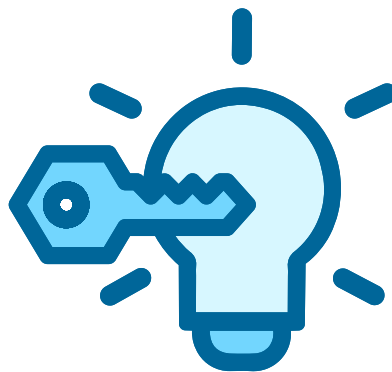
- Transportation: Bus cards, gas cards, emergency car repair, bicycles
- Testing/ fees: GED testing, CPR, CDL licensing fees, Nursing testing fees, background checks
- Books/tools/equipment/training supplies
- Digital Supports
- Childcare
- Training costs

**Each state decides what is allowable in their SNAP E&T program for reimbursement -- be sure to clarify what is allowable in your state when preparing your budget.**

## Key Considerations when planning your SNAP E&T Budget

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1. Costs must be “reasonable and necessary” and directly related to successful program participation of the SNAP E&T participants.
2. How many SNAP E&T participants do you anticipate will you serve? (To be realistic.)
3. Note that SNAP E&T Funds cannot supplant Federal Funds.
4. Indirect cost rate method: Does your agency have a federally approved indirect rate (NICRA)? If not, you may be able to use a 10% de minimus rate. This rate is used to cover such items as lights, janitorial maintenance etc. for the program. It may also be used to cover the costs of leadership staff when they are promoting the program rather than having them track their time.
5. Ineligible program expenses: Items such as participant meals or mental health services are not eligible for reimbursement. For a more complete list of ineligible expenses see FNS SNAP E&T Program Toolkit, page 77.
6. Budget vs actuals: the E&T budget is your best guess; you will be reimbursed based on the actual qualifying expenses incurred.
7. Staff salaries and benefits can be tracked either by Time and Effort reporting: **Direct Billing** or by **Clients Ratio**. (See below for explanation)



## Direct Billing

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Staff for your E&T program can be reimbursed up to 50% for the time they spend working on allowable activities for the SNAP E&T participant. To receive reimbursement for their time two things must happen:

1. A non-federal funding source must be identified to fund the time spent on eligible E&T activities
2. Hours spent on those activities must be tracked

### Examples of projecting a Full Time Equivalent (FTE):

1. Estimate the percentage of an employee's time that will be allocated to the SNAP E&T program.  
For example:



#### Fiscal Specialist

10 hours/week or 25% FTE - assigned to SNAP E&T to process invoicing, reconciling participant reimbursement purchases, payroll for E&T staff.

#### Administrative Assistant

12 hours/week or 30% FTE - tracks SNAP E&T component start, end date and completion status, funnels people to correct case manager and does data entry into the case management data system.

2. Identify non-federal sources to cover the projected amount of the employees' salary and benefits.

Position	% time to SNAP E&T	Salary Funding Source				Total FTE
		CDBG (reimbursable)	United Way Grant	State Funding for reentry population	CSBG (Non-reimbursable)	
Administrative Assistant	30%	.30	.30		.40	1.0
Fiscal Specialist	25%	.50	.30		.20	1.0

### Calculating potential reimbursement

<b>Administrative Assistant</b>	
Salary	\$55,000
Benefits (25% of Salary)	\$13,750
Total Compensation	\$68,750
30 % of time spent of E&T, 30% of compensation	\$20,625

In order for the agency to receive up to 50% reimbursement they must be able to show that they are funding the Administrative Assistant position with at least \$20,625 in non-federal funds and have the time and effort record to support the average of 12 hours a week of time spent with E&T participants and on E&T activities over the course of the Federal Fiscal year. If this is the case the agency could receive up to \$10,312.50 (\$20,625/2 (50%)) in reimbursement funds.

If staff is paid hourly:

<b># Hours Spent on E&amp;T Allowable Activities</b> <small>(varies and tracked on timesheet)</small>	X	<b>\$ Wage + Fringe Hourly Rate</b> <small>(Unique to each staff member)</small>	=	<b>\$ Charged to SNAP E&amp;T</b> <small>(up to 50% reimbursable)</small>
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### Client Ratio Method

The Client Ratio Method is typically used for direct service staff who work with a caseload or range of participants each month including both E&T enrolled participants and non-E&T participants. Applicable positions might include employment specialists, case managers, job developers, and trainers. These positions are doing activities that qualify for SNAP E&T either all the time or a percentage of their time. This means that tracking hours would be difficult so to make it easier a program ratio of the number of SNAP E&T participants to overall number of program participants can be used. The Client Ratio method can also be used for Program Costs.

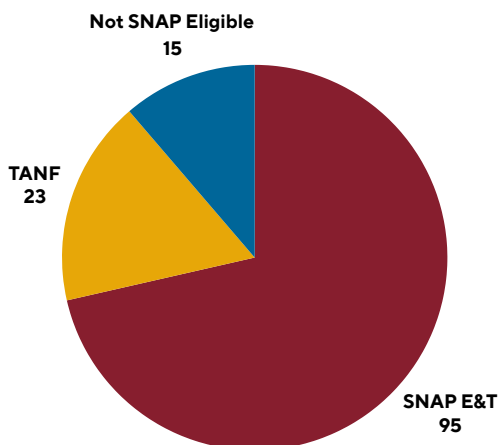
### Additional Budgeting Elements

#### Determining billable training & program costs:

SNAP E&T clients served	95		
		=	<b>.75</b>
Total # of clients served each billing period	126		

x100 = 75%

*The percentage of training and program costs to serve SNAP E&T participants*



Applicable staff wages are charged on monthly invoices by multiplying the approved allocated percent of time spent on allowable E&T activities, times the given months' Client Ratio times each staff members' total wages and fringe received that month.

<b>Staff Role - Job Description Tasks</b>	<b>Percentage FTE</b>	<b>E&amp;T Y/N</b>
Employment Coaching	0.25	Y
Job Search	0.25	Y
Job Development	0.25	Y
Health & Wellness	0.25	N*
<b>TOTAL FTE</b>	1.0	
Salary/Benefits	\$60,000	
E&T Percentage	0.75	
E&T Salary/Benefits	\$45,000	0.75x60,000

\*Not an allowable E&T activity

<b>Cost Allocation</b>		
Total Participants	100	
TANF	17	
Not SNAP	25	
SNAP E&T eligible	58	
Client Ratio %	58%	58/100
<b>Total billable salary and benefits</b>	\$26,100.00	0.58x45,000
% FTE for SNAP E&T Budget	44%	26,100/60,000

The allocation measured by percentage of time spent on allowable E&T activities will not change from month to month, as it is tied to the staff role. However, the percentage of actual number of participants (the Participants Ratio) will change from month to month as individuals are enrolled and/or exit the program.

$$\begin{array}{l}
 \boxed{\begin{array}{l} \text{\% of Time Spent on} \\ \text{E\&T Allowable} \\ \text{Activities} \\ \text{(fixed)} \end{array}} \times \boxed{\begin{array}{l} \text{\% Client Ratio of E\&T} \\ \text{Participants in Month} \\ \text{(varies by month)} \end{array}} \times \boxed{\begin{array}{l} \text{\$ Total Wages +} \\ \text{Fringe in Month} \\ \text{(varies by month)} \end{array}} = \boxed{\begin{array}{l} \text{\$ Charged} \\ \text{(up to 50\%} \\ \text{reimbursable)} \end{array}}
 \end{array}$$

## Staff funding guidelines:

- Staff can be paid out of multiple sources as shown in the above example. CAAs only need non-federal sources for the time spent on E&T.
- Braiding funding sources for positions maximizes both federal and non-federal sources to support positions and services.
- Look for ways to reallocate staff funding to maximize reimbursement.
  - Example: staff who are only paid out of federal funding but serve E&T participants, reallocate staff salary by partially funding their salary with discretionary funds and partially funding with federal funds to receive up to 50% reimbursement for the time they are staff working with E&T participants.

## Non-Federal Funding Sources to Support SNAP E&T

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Funds used to support the E&T program must be non-federal and/or not leveraged to other federal grant programs. Identifying available non-federal sources to support your SNAP E&T program is important to maximize your reimbursement. Working with your fiscal office to determine what non-federal funding sources come into your agency is critical in identifying what sources to use when developing your budget.

Here are some examples of sources CAAs have used:

- Foundation Funds
- Donations
- Local grants
- County/City funds
- CBDG Grants
- State funding for Foster Youth
- State Funding for Re-entry population
- State Training funds
- State-appropriated funds for the same purpose as CSBG



## Examples of staff funding:

Staff time:

Case Manager: 0.75% SNAP E&T, 0.25% Head Start Family Wellness  
Salary paid 75% from CDBG, and 25% from Federal Head Start dollars

Example of participant reimbursements:

- Transportation: Car repair, paid for by Rotary Foundation Grant.
- Interview clothing paid for by local business donations.
- Chromebooks: Paid for by United Way grant

**Consider local foundations and businesses as potential donors. The return on investment for donors: for every dollar they donate it brings an additional fifty cents to the program to support the participants most in need.**

## Sample CAA Budget

### Sample Budget for Community Action Agency

Community Action Agency A: Projected SNAP E&T Budget serving 50 E&T Clients out of 100 total agency Clients per month. The Agency Reimbursement of up to 50% is an estimate based on the State Agency verifying that all expenses are non-federal and eligible for reimbursement. This is a sample budget, each state has their own template and guidelines for Budget development. This is a tool for reference purposes.

Cost Summary		
Budget Category	Total Expense	Agency Reimbursement 50%
Salaries (Admin Costs)	\$ 100,250.00	\$ 50,125.00
Fringe (Admin Costs)	\$ 25,062.50	\$ 12,531.25
Indirect Costs (Admin Costs)	\$ 45,112.50	\$ 22,556.25
Travel and Staff Training (Program Support)	\$ 9,000.00	\$ 4,500.00
Administrative Support Costs	\$ 6,000.00	\$ 3,000.00
<b>Administrative Client Support Costs</b>	\$ 2,200.00	\$ 1,100.00
Capital Outlay - Equipment	\$ -	\$ -
Capital Equipment - Other	\$ -	\$ -
Participant Reimbursements (Supportive Services)	\$ 73,450.00	\$ 36,725.00
<b>Total Budget</b>	<b>\$ 261,075.00</b>	<b>\$ 130,537.50</b>

**ADMINISTRATIVE COSTS**

	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
<b>SALARIES</b>		
<b>Workforce Development Director:</b> 1 FTE of \$85,000 provides support for staff, ensures all E&T requirements are met, works with State agency to meet budget and policy requirements. Works with Fiscal Specialist to ensure billing is correct. \$85,000 x .2 FTE = \$17,000( Tracked by hours )	\$ 17,000.00	\$ 8,500.00
<b>Fiscal Specialist:</b> 1 full time equivalency of \$90,000 provides billing and invoicing tracking of expenses for staff and participant reimbursements. Reconciles reports, and staff time, participates in audits and monitoring visits. \$90,000 x .3 FTE= \$27,000(Tracked by hours)	\$ 27,000.00	\$ 13,500.00
Coach/Case Manager: 1.0 full time equivalency of \$75,000/annual meets with participants, all activities aligned with SNAP E&T activities, job skills training, case management, career coaching, manages supportive services (Ratio method 50% of participants SNAP E&T) \$75,000*.5=\$37,500	\$ 37,500.00	\$ 18,750.00
Coach/Case Manager: 0.5 full time equivalency of \$75,000/annual meets with participants, all activities aligned with SNAP E&T activities, job skills training, case management, career coaching, manages supportive services (Ratio method 50% of participants SNAP E&T) \$75,000*.5*.5=\$18,750	\$ 18,750.00	\$ 9,375.00
<b>Total Administrative Salaries</b>	<b>\$ 100,250.00</b>	<b>\$ 50,125.00</b>
<b>FRINGE 25% of Salary</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
Workforce Development Director 25% of \$17,000	\$ 4,250.00	\$ 2,125.00
Fiscal Specialist: 25% of \$27,000	\$ 6,750.00	\$ 3,375.00
Case Manager: 25% of \$37,500	\$ 9,375.00	\$ 4,687.50
Case Manager: 25% of \$18,750	\$ 4,687.50	\$ 2,343.75
<b>Total Administrative Fringe</b>	<b>25,062.50</b>	<b>12,531.25</b>
<b>Indirect Costs -</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
NICRA 36% for Salaries and Benefits Letter attached.	\$ 45,112.50	\$ 22,556.25
<b>Total Indirect Costs</b>	<b>\$ 45,112.50</b>	<b>\$ 22,556.25</b>
<b>Total Administrative Costs</b>	<b>\$ 170,425.00</b>	<b>\$ 85,212.50</b>

**PROGRAM SUPPORT**

	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
<b>TRAVEL</b>		
5 staff to statewide training provide by SNAP E&T Agency Registration \$200, travel lodging meals and mileage \$1000 per person	\$ 6,000.00	\$ 3,000.00
Workforce Development Director to Attend National E&T Forum, Flight, registration, lodging meals	\$ 3,000.00	\$ 1,500.00
<b>Total Travel</b>	<b>\$ 9,000.00</b>	<b>\$ 4,500.00</b>
<b>Administrative Support Costs</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
Audit Costs		
Building Space/Lease		
Contracts for Training	\$ 5,000.00	\$ 2,500.00
Insurance		
Internal Staff Training	\$ 600.00	\$ 300.00
<b>Non-capital equipment/supplies</b>	\$ 400.00	\$ 200.00
<b>Telephone</b>		
Utilities		
<b>Total Administrative Support Costs</b>	<b>\$ 6,000.00</b>	<b>\$ 3,000.00</b>
<b>Administrative Client Support Costs</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
Printing	\$ 1,000.00	\$ 500.00
Marketing	\$ 500.00	\$ 250.00
Supplies related to clients (folders/labels)	\$ 200.00	\$ 100.00
Postage	\$ 500.00	\$ 250.00
Other:		
<b>Total Administrative Client Support Costs</b>	<b>\$ 2,200.00</b>	<b>\$ 1,100.00</b>
<b>Capital Outlay - Equipment</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
	\$ -	\$ -
<b>Total Capital Outlay - Equipment</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Outlay - Other</b>		
	<b>Total Expense</b>	<b>Agency Reimbursement 50%</b>
	\$ -	\$ -
<b>Total Capital Outlay - Other</b>	<b>\$ -</b>	<b>\$ -</b>

Participant Reimbursement (Supportive Services)	Total Expense	Agency Reimbursement 50%
Work Clothing & Equipment 20 Clients \$400/client	\$ 8,000.00	\$ 4,000.00
Transportation: gas cards \$25 a month for 15 Clients for 12 months and car repair expenses for 9 Clients at an average of \$500	\$ 9,000.00	\$ 4,500.00
Childcare: 25 Clients \$1000	\$ 25,000.00	\$ 12,500.00
Books/Training Supplies: Ave \$600 per student 42 Clients	\$ 25,200.00	\$ 12,600.00
Testing/Credentialing fees: Ave \$250 for 25 Clients	\$ 6,250.00	\$ 3,125.00
Digital supports Ave cost \$750 for 30 clients	\$ 22,500.00	\$ 11,250.00
<b>Total Supportive Services</b>	<b>\$ 73,450.00</b>	<b>\$ 36,725.00</b>
<b>Total Program Costs</b>	<b>\$ 90,650.00</b>	<b>\$ 45,325.00</b>
<b>GRAND TOTAL SNAP E&amp;T Program</b>	<b>\$ 261,075.00</b>	<b>\$ 130,537.50</b>

## Summary

Budgeting for your SNAP E&T program can be difficult at first. Budgets are your best guess. Each year your budgeting will be more accurate as you use your data from the previous year to make more informed decisions. As you add eligible programs and participants to your SNAP E&T program, your budget will grow, as will your reimbursements.

Additionally, take the time to talk to your participants and evaluate if you are providing the supportive services they need. Advocate with the State to add additional participant reimbursements that you feel will help those you serve. Remember the “reasonable and necessary” guidelines. If you have a participant who needs something not mentioned on the sample list, ask the State Agency to consider the supportive service. The worst that can happen is if the State Agency says “no” but alternatively what if they say “yes”?



Lastly, work with your fiscal team to maximize reimbursements and supports for your participants.

Remember your reimbursement dollars lose their federal designation when the agency receives them. They can be spent on anything, however if you reinvest them into your SNAP E&T program they can be reimbursed repeatedly, leading to a funding source that can support staffing and other supportive services for your program.

**CAAs should always follow their SNAP E&T State/County/Intermediary guidelines when completing their budgets for submission. This tool provides general guidelines for budget creation.**

This resource was developed with the expertise of Seattle Jobs Initiative (SJI), which helps organizations to build, grow, and optimize workforce, education, and public benefit programs. Learn more about how SJI can help you with SNAP E&T at <https://www.seattlejobsinitiative.com/consulting/>.

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