

## FINANCIAL REQUIREMENTS

### PROGRAM FUNDING

Child support grant funding is the federal matching dollars you receive to operate your program. You may use these funds for authorized child support activities only. The federal regulations, [45 CFR 309](#), along with the other applicable regulations and OCSE guidance provide information on authorized activities. You can also get information from your regional OCSE and OGM point person. Generally, these funds support the salaries and benefits of your staff, office supplies, certain equipment purchases, travel, training, and operating costs.

#### START-UP PROGRAM FUNDING

Tribes can request up to \$500,000 over the course of a two-year period to create a child support program ([45 CFR 309.16](#)), known as the Start-up Program. The budget for the first year must be submitted along with the Start-Up Program Development Plan Application. For the second year, a Year 2 budget must be submitted, along with a progress report, at least 90 days prior to the end of the first year's budget period pursuant to [45 CFR 309.16\(d\)](#) and OGM guidelines. These start up funds do not require a tribal match. The goal of the Start-up Program is to complete the necessary tasks that result in a comprehensive program that meets all the federal requirements in [45 CFR 309](#).

The tribe can use the funding during the start-up program to:

- establish a child support office;
- hire and train staff;
- purchase furniture, equipment and supplies; and
- develop policies, procedures and laws.

Although the tribe should complete the Start-up Program within a 24-month period, sometimes unforeseen delays occur. If this happens, a tribe may request a “no-cost extension at the end of the 24-month start-up phase if additional time is needed to complete an approvable Plan Application.

#### HELPFUL HINT

##### DUNS Number

The Division of Mandatory Grants strongly recommends that your tribal government obtain a DUNS number if they have not already done so. Dun & Bradstreet provides a D-U-N-S number, which is a unique nine-digit identification number for each physical location of a business. It is free to obtain one by requesting it on the [D&B website](#). ACF will not be able to issue a grant award if your tribe does not have a DUNS Number.

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As the Start-up Program evolves, the project manager (often the child support director) will update the Start-up Program Development Plan with new information so that at the end of the start-up period, a Comprehensive Program Plan has evolved. The Comprehensive Program Plan, along with a Budget, Budget Justification Narrative and supporting documentation, must be submitted at least 90 days prior to the end of the Start-up Program to allow time for review and approval, as appropriate, and to avoid any lapse in funding.

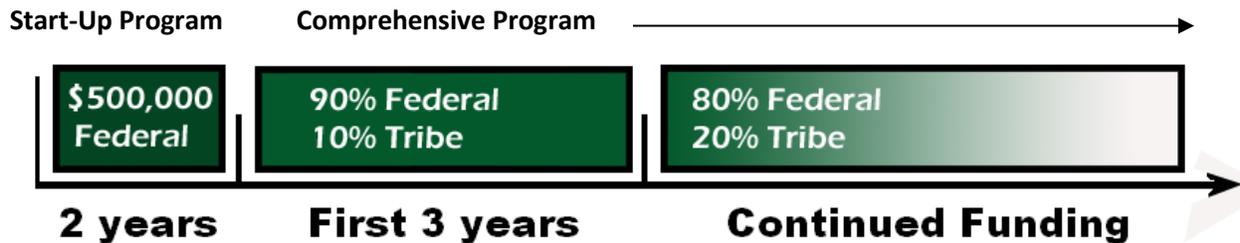


Figure 12: Child Support Funding Continuum

### COMPREHENSIVE PROGRAM FUNDING

During the first three years of the comprehensive program, the tribal child support program will receive 90% federal funding from OCSE. The tribe must contribute 10% of the operating budget. Beginning with the fourth year of operation and thereafter, the child support program will receive 80% federal funding and the tribe must contribute 20% tribal match.

### FUNDING REVIEW PROCESS

OCSE has a Review Panel of OCSE central and regional staff members from various divisions and offices that review the tribal child support applications, plan amendments, reports, and budget requests. OCSE has 90 days from the date of receipt to review the document and respond to the tribe under 45 CFR 309.35(a).

A well-organized document that contains clear and concise narratives with supporting documentation and a complete and accurate budget section improves the outcome of the review. If your funding request is approved, OCSE will send a letter of approval signed by the OCSE Commissioner to your tribal leader. A Notice of Award, generated by the GrantSolutions system and approved by the Director of the Division of Mandatory Grants, Office of Grants Management, will be sent shortly thereafter. OCSE's Tribal Coordinator will send a courtesy e-copy to the tribal child support director.

### LETTER OF INQUIRY

If there is insufficient information to make a determination on your application, the OCSE Commissioner will send a Letter of Inquiry (LOI) to the tribal leader. The letter will indicate what additional information is necessary. The tribe is allowed as much time as they require to respond to the LOI. Once OCSE receives the tribe's response to the LOI, regulations (45 CFR 309.35(b)) allow 45 days to complete a second review. This review will result in either a Notice of Award or another LOI.

# BUDGET DEVELOPMENT

Regardless of whether you are the child support director of a Start-Up or a Comprehensive Program, you will be involved in developing, submitting, and monitoring your program's budget. A budget proposal is a document that estimates the various program expenditures anticipated for the year along with the source(s) and amounts of income including the non-federal share. The budget describes the goals and objectives of a program in fiscal and operational terms.

Since a budget proposal is an estimate of expenditures, there is no penalty if all the funds are not used during the year. In addition, the tribe can submit a request for additional funds if they under-estimated their financial needs. All budget proposal submissions must include the standard federal forms, a budget narrative and supporting documentation.

To assist tribes in preparing their budget proposals, OCSE, in collaboration with OGM, developed the [Tribal Budget Toolbox](#). The Tribal Budget Toolbox contains standardized spreadsheets, training PPTs, and other materials to help tribal child support agencies submit their budgets by August 1 each year.

### Budget Toolbox Materials

- **Checklist:** A list of required information to include in an annual tribal child support Budget Packet submission.
- **Tribal Child Support Budget Packet (PDF):** Detailed guidance to help create a uniform and organized budget packet, including budget submission methods and GrantSolutions information.
- **Tribal Budget Justification Narrative Worksheet (Microsoft Excel Version):** The Excel template is used to develop and submit the required Tribal Budget Justification Narrative.
- **Tribal Budget Justification Narrative Template (Microsoft Word Version):** The Word template is used to develop and submit the required Tribal Budget Justification Narrative.
- **Non-Federal Share of Child Support Expenditures Fact Sheet:** Provides information and examples about the non-federal share contribution tribes must provide in order to receive funding for operating a comprehensive tribal child support enforcement program.
- **Tribal Child Support Budget Requirements - Allowable Costs Training (PDF):** Describes budget requirements found in the Code of Federal Regulations regarding allowable costs; the reasonable, necessary and allocable requirement; and cost allocation.
- **Tribal Budget Talking Points for Directors (PDF):** A tool to help tribal directors educate stakeholders about child support federal funding and the budget process.
- **Tribal Child Support Budget Toolbox Training (PDF):** A training on the components of a complete budget package, new tools for budget development, best practices, and pitfalls to avoid for a smooth budget approval process.
- **Tribal Wheel:** The Tribal Wheel is a tool used to depict the tribal child support program. Each level of the wheel contains an explanation of a different aspect of the program. It is meant to be taken apart; as one wheel is placed upon the next, the program is "built". The brad in the center symbolizes communication—a required element to a successful program.

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### START-UP PROGRAM BUDGETS

A tribe can submit an application for a Start-Up Program at any time during the year. Start-Up Programs do not have to align with the FFY that runs October 1 through September 30. OCSE may grant an award, not to exceed \$500,000, at 100% for the two-year program. The initial budget submitted with the Start-Up Program Development Plan will be for Year 1 of the project. The tribe must submit a budget to OCSE for the second year of the project at least 90 days before the end of Year 1 of the start-up phase. As your Start-Up Program nears the end of the two-year project period and you prepare your application to transition to a comprehensive program you will need to develop a budget to submit with the Comprehensive Program Plan.

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### COMPREHENSIVE PROGRAM PLAN BUDGET

As you develop your budget for the first year of your comprehensive program, you must include information on how you will meet the required 10% non-federal share match. Each year thereafter, following the approval of your Plan, you must submit an annual budget to OCSE and OGM by August 1 for the next FFY. After review and approval of your initial Plan and budget, OGM will issue a Notice of Award letter. OGM will send the letter to the tribal contact person listed in GrantSolutions or on the SF-424. OCSE's Tribal Coordinator will email a courtesy copy to the child support director and the assigned Regional Program Specialist.

The initial grant award for a Comprehensive Program may be for a funding period of less than one year, but at least 6 months, or more than one year but not to exceed 17 months, to enable the program funding cycle to align with the FFY. Once aligned, pursuant to [45 CFR 309.135\(a\)](#), funding will be awarded to tribes and tribal organizations for use during a 12-month period equivalent to the federal fiscal year of October 1 through September 30. Beginning the fourth year of your comprehensive program, your tribal match will increase to 20%.

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### ALLOWABLE COSTS

To ensure that your child support budget includes allowable costs, OCSE recommends reading:

- [45 CFR 309.145](#) regarding what costs are allowable for tribal child support programs
- [AT-05-02 -Final Rule: Tribal Child Support Program - Systems and Financial Policy Questions](#)
- [45 CFR 75 - Uniform Administrative Requirements, Cost Principles, and audit Requirements for HHS Awards](#)<sup>6</sup>

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<sup>6</sup> Budgets must meet the standards set forth in the regulations and OMB cost principles outlined above. You might also find useful information regarding [OMB 2 CFR Part 200 - Super Circular](#).

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### NON-FEDERAL SHARE OF PROGRAM EXPENDITURES (TRIBAL MATCH)

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Each tribal grantee operating a comprehensive child support enforcement program under Title IV-D and 45 CFS 309.65(a) must contribute toward the operational costs of the program. This contribution is called the non-federal share of program expenditures and can be met with cash or in-kind donations.

The amount of the non-federal share for a comprehensive tribal child support program depends on the year of operation.

- Years 1 – 3 of operation require a 10% contribution.
- Year 4 of operation and beyond requires a 20% contribution.

It is important for you to know when your tribe's contribution shifts from 10% to 20%, so you can adjust your budget and make plans accordingly within your tribal government.

Non-federal share expenditures must meet the guidelines for allowable costs. They must also be reasonable and allocable to the child support program. Items that are paid from other federal funds cannot be used to meet the non-federal share of your child support match with the exception of items paid with PL 9-638 funding. The Indian Self-Determination and Education Assistance Act (ISDEA), (Pub. L. 93-638)<sup>7</sup> is often called simply "638". Programs are eligible for contracting under Pub. L. 93-638 because they are programs, services, or functions otherwise provided by the Federal government under Federal statute for tribes. The child support program is not a program which is eligible for 638 contracting. However, Tribes may use Federal grant dollars received under Public Law 93-638 to meet the Tribe's non-federal share of expenditures for Federal and non-Federal programs. Pursuant to 25 U.S.C. 450(j) – 1(j), notwithstanding any other provision of law, a tribal organization may use funds provided under a self-determination contract to meet matching or cost participation requirements under other Federal and non-Federal programs.

### DETERMINING NON-FEDERAL SHARE OF PROGRAM EXPENDITURES

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Ask the following questions to help determine whether your non-federal share contribution is reasonable, necessary, and allocable to the tribal child support program. Is the expenditure:

- Necessary to carry out a child support function, such as paternity establishment, order establishment, enforcement, or modification?
- Compliant with the requirements described in the tribal IV-D regulations and the uniform guidance?
- Directly related to the establishment and administration of the tribal IV-D plan?
- Directly related to providing child support services?

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<sup>7</sup> The ISDEA is fundamentally different from Tribal IV-D programs which are operated by Tribal governmental entities under section 455(f) of the Social Security Act. In addition, we have determined that an effective program that efficiently delivers needed child support services to all families, including the effective processing of inter-jurisdictional cases, must be governed by the requirements and objectives of the IV-D program rather than those of Indian-related programs.

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When including the non-federal share expenses in your budget, be sure to include calculations and supporting documentation for each expense item. Items paid for from Indirect Costs cannot be used for the non-federal match. For information about possibly meeting the tribal match requirement with in-kind donations rather than cash dollars, contact your Regional Program Specialist. You must keep records of the in-kind donations for auditing purposes or to provide documentation to OGM when requested.

For more information on the Non-Federal Share requirement, including examples and suggested in-kind donation contract language, please see the Non-Federal Share of Child Support Expenditures Fact Sheet in the [Tribal Child Support Budget Toolbox](#) on the OCSE website.

### WAIVER OF THE NON-FEDERAL SHARE OF PROGRAM EXPENDITURES (TRIBAL MATCH)

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Under certain circumstances, the tribe may be granted a temporary waiver of the non-federal share of expenditures. There are two situations in which a tribe may request a temporary waiver of the non-federal share of expenditures:

1. If a Tribe or Tribal organization anticipates that it will be temporarily unable to contribute part or all of the non-Federal share of their current funding. In this case, the tribe must submit a waiver request 60 days prior to the start of the funding period.
2. If, after the start of the funding period, an emergency situation arises the tribe can request a waiver of the non-Federal costs.

If you anticipate that you will temporarily be unable to contribute part or all of the non-federal share of funding, you must submit a written request that this requirement be temporarily waived. The request must include:

- a statement of the amount to be waived;
- a narrative statement describing the circumstances and justification for the waiver;
- portions of the tribal budget to demonstrate the funding shortfall is not limited to the tribal child support program; and
- any other documents in support of the request.

Please refer to the waiver regulation at 45 CFR §[309.130\(e\)](#) for additional information and [TDCL-15-01: Tribal Child Support Program Waiver Request](#).

### INDIRECT COSTS

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The child support grant includes indirect cost reimbursement; however, the calculation of this rate will depend on the internal fiscal policies of the tribe and the Department of Interior, Bureau of Indian Affairs negotiated Indirect Cost Rate Agreement.

When developing your program budget, you will need to discuss your tribe's Indirect Cost Rate Agreement with your tribe's financial staff. They can explain how the tribe calculates indirect costs (i.e., what activities/items are included in the indirect cost pool, which are direct charges that the indirect cost rate is applied to, etc.). This can vary from tribe to tribe. For example, some tribes might apply the rate to all direct costs, while others apply it to direct costs minus equipment and contracts. It is

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recommended that you review Section I and Section II of the indirect cost negotiation agreement to determine how your tribe should apply the rate.

Please note that indirect cost rates do not increase the federal share of funding. Rather, it tells how much of the federal share can be charged as indirect costs. Changes to the indirect cost rate have no impact on the amount of the federal award. Please refer to the Frequently Asked Questions in [45 CFR 75.414](#) for additional information.

## BUDGET SUBMISSION

The original, signed [SF-424](#), [SF-424A](#), Budget Justification Narrative and supporting documentation that make up your budget **must be submitted to OGM by August 1 each year pursuant to 45 CFR 309.130(b)(2).**

While not mandated, you may want to consider submitting your annual budget through [GrantSolutions](#):

- Tribal programs can use this automated tool to upload and submit their annual budgets. You can apply for and receive a USER ACCOUNT through the [GrantSolutions website](#).
- There are many advantages of submitting your budget via GrantSolutions including the ability to view the status of your grant and having access to the Notice of Award as soon as it is issued.
- Training on how to use GrantSolutions is also available.

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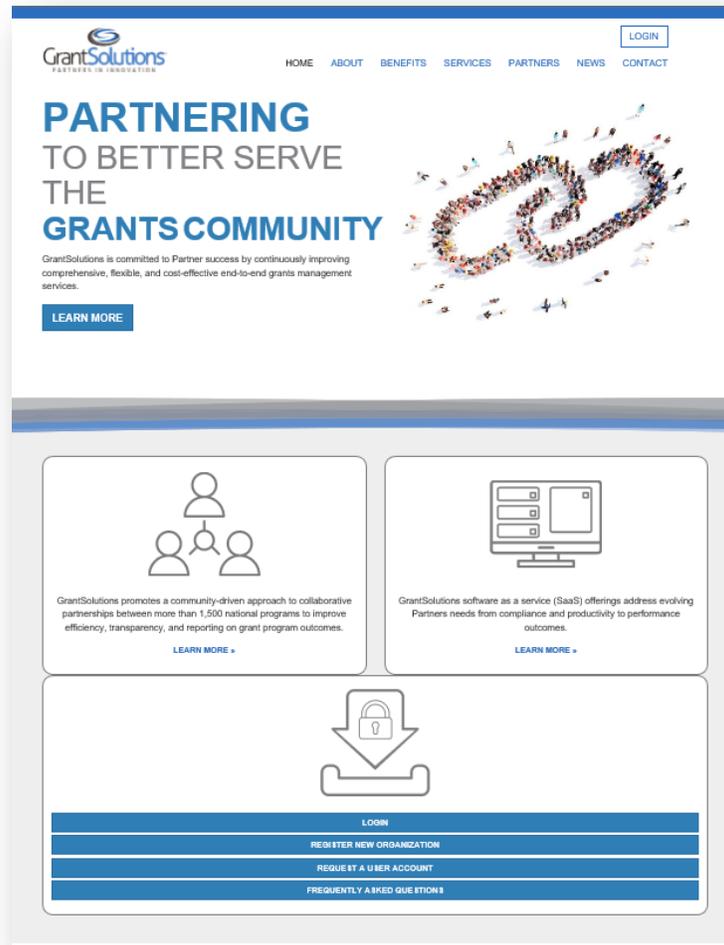


Figure 15: GrantSolutions.gov Home Page

If you choose not to use [GrantSolutions](https://www.grantsolutions.gov), you must mail a hard copy of your annual budget to the following address:

**Commissioner, Office of Child Support Enforcement  
ATTN: Tribal Child Support Program  
Administration for Children and Families  
330 C Street, SW, 5th Floor  
Washington, DC 20201**

Send the original hard copy of your budget packet to OCSE and a copy to your Regional Program Specialist. Upon receipt, OCSE will upload all of your budget information into GrantSolutions for processing; however, you will be unable to access the information unless you sign up to use [GrantSolutions](https://www.grantsolutions.gov).

## BUDGET REVIEW, APPROVAL, AND AWARDS

### BUDGET REVIEW

OGM will review your annual budget submission to ensure that:

- the tribe appropriately completed and signed the SF-424;
- the tribe completed the SF-424A correctly in accordance with the instructions;
- the numbers add up across all documents;
- the narrative supports the line item amounts requested;
- the non-federal share amount is calculated accurately and represents the appropriate (i.e., correct) non-federal share;
- the Indirect Cost Rate Agreement is applicable to the fiscal year; and
- all supporting documents have been included.

If your submission is complete and accurate, OCSE and OGM will approve the requested budget amount and issue an award letter. ***Please note: if additional information is needed, funding may not be approved for that item until OGM receives the additional information.***

### NOTICE OF AWARD

Unless OGM requires additional information, they will issue a Notice of Award letter in early October to your tribal leader. OCSE will send an electronic-copy to the child support director. The Notice of Award establishes the amount of the award and the time period during which funds may be spent. The letter will also include a list of categories indicating how much money you requested for each line item and how much was approved and awarded. Important items to look for in your award letter are:

- award computation amounts;
- indirect cost rate;
- award number; and
- remarks with additional information.

By accepting federal funding, a tribe agrees to the [Terms and Conditions](#) which contains useful information, such as a list of regulations and policies that pertain to the grant, how and when to report financial data, etc. The Terms and Conditions are no longer appended to the Award Letter but may be found online.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES ADMINISTRATION FOR CHILDREN AND FAMILIES NOTICE OF AWARD				SAI NUMBER:		
				PMS DOCUMENT NUMBER:		
1. AWARDING OFFICE: Office of Child Support Enforcement - Tribal IV - D		2. ASSISTANCE TYPE: Entitlement	3. AWARD NO.:	4. AMEND. NO. 0		
5. TYPE OF AWARD: Service		6. TYPE OF ACTION: New	7. AWARD AUTHORITY: 42 USC 655			
8. BUDGET PERIOD: 10/01/2016 THRU 09/30/2017		9. PROJECT PERIOD: 10/01/2016 THRU 09/30/2017		10. CAT NO.: 93.563		
11. RECIPIENT ORGANIZATION: [REDACTED]			12. PROJECT / PROGRAM TITLE: [REDACTED]			
13. COUNTY: [REDACTED]		14. CONGR. DIST: [REDACTED]	15. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR: [REDACTED]			
16. APPROVED BUDGET:			17. AWARD COMPUTATION:			
Personnel..... \$ 600,090.00			A. NON-FEDERAL SHARE..... \$ 212,043.00 20%			
Fringe Benefits..... \$ 156,023.00			B. FEDERAL SHARE..... \$ 848,173.00 80%			
Travel..... \$ 50,250.00			18. FEDERAL SHARE COMPUTATION:			
Equipment..... \$ 0.00						
Supplies..... \$ 22,000.00			A. TOTAL FEDERAL SHARE..... \$ 848,173.00			
Contractual..... \$ 73,441.00			B. UNOBLIGATED BALANCE FEDERAL SHARE..... \$ 0.00			
Facilities/Construction..... \$ 0.00			C. FED. SHARE AWARDED THIS BUDGET PERIOD...\$ 0.00			
Other..... \$ 6,147.00			19. AMOUNT AWARDED THIS ACTION:		\$ 848,173.00	
Direct Costs..... \$ 907,951.00			20. FEDERAL \$ AWARDED THIS PROJECT PERIOD:		\$ 848,173.00	
Indirect Costs..... \$ 152,265.00			21. AUTHORIZED TREATMENT OF PROGRAM INCOME:			
At % of \$			Additional Costs			
In Kind Contributions..... \$ 0.00			22. APPLICANT EIN: [REDACTED]	23. PAYEE EIN: [REDACTED]	24. OBJECT CLASS: [REDACTED]	
Total Approved Budget..... \$ 1,060,216.00						
25. FINANCIAL INFORMATION:						
ORGN	DOCUMENT NO.	APPROPRIATION	CAN NO.	NEW AMT.	DUNS UNOBLIG.	NONFED %
	[REDACTED]	[REDACTED]	[REDACTED]	\$848,173.00	[REDACTED]	
26. REMARKS: (Continued on separate sheets)						
27. SIGNATURE - ACF GRANTS OFFICER			DATE:	28. SIGNATURE(S) CERTIFYING FUND AVAILABILITY		
[REDACTED]			[REDACTED]	[REDACTED]		
29. SIGNATURE AND TITLE - PROGRAM OFFICIAL(S)				DATE:		
-						
DGCM-3-785 (Rev. 86)						

Figure 16: Example of a Notice of Award generated from GrantSolutions

## BUDGET REVISIONS

Just as a [Plan Amendment](#) may be required if the structure of your approved plan changes, there may be times when you have to make changes to your budget – this may require “prior approval” or a request for budget modification through OGM. Examples include when you are requesting additional federal dollars for such things as additional IT purchases (you must include a copy of “specs” for OGM review), or you have new or revised contracts or personnel positions, etc.

Your budget is a projection for your anticipated expenditures during the budget period. Pursuant to [45 CFR 75.308](#), there are revisions that do not require prior approval from OGM, and those that do.

### BUDGET REVISION (NON-PRIOR APPROVAL)

A budget revision does not always involve a request for additional federal funding. A revision of a budget simply consists of moving money from one line item to another and must be 10% or less of the total budget. For example, you anticipated entering into a contract with a consultant during your budget year but find you no longer need one. You have \$30,000 in the Contractual line item that you no longer need to use for the consultant. However, due to an increase in your caseload, you decide to hire another full time caseworker. The salary for that position will be \$28,000. Completing and submitting a revision can be as simple as sending an email to OGM informing them that you are moving \$28,000 from your Contractual line item into your Personnel and Fringe line items. Be sure to include your calculations that indicate that the amount is less than 10% of your total budget so that prior approval is not required.

### BUDGET REVISION (PRIOR APPROVAL)

When you need additional funding, or the money you want to move from one line item to another exceeds 10% of the total budget, you must submit a budget revision request to OGM. Using the same example above of hiring an additional case worker, look at this scenario: You already have an approved budget that includes four full-time child support staff. Mid-year you find that due to transfers of cases, your program’s caseload has significantly increased and you need to hire a fifth staff person. You will need to submit a budget revision request that includes the following:

- SF-424;
- SF-424A;
- budget revision worksheet indicating what line items need additional funds; and
- budget justification narrative describing why you need the additional funds.

The example below can be included with your narrative to provide a snap-shot of the revisions you want to make in an easy-to-view format.

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<b>COMPREHENSIVE PROGRAM BUDGET REVISION REQUEST</b>			
<b>Line Item</b>	<b>OGM Approved Budget 10/01/17 to 09/30/18</b>	<b>Additional Amounts Being Requested</b>	<b>Revised Budget</b>
Personnel	\$ 65,500.00	\$ 20,000.00	\$ 85,500.00
Fringe Benefits	\$ 38,479.00	\$ 10,000.00	\$ 48,479.00
Travel	\$ 24,550.00	\$ 3,000.00	\$ 27,550.00
Equipment	\$ -	\$ -	\$ -
Supplies	\$ 5,000.00	\$ 800.00	\$ 5,800.00
Contractual	\$ 38,386.00	\$ -	\$ 38,386.00
Other	\$ 41,092.00	\$ 5,000.00	\$ 46,092.00
Total Direct Costs	\$ 213,007.00	\$ 38,800.00	\$ 251,807.00
Indirect Cost	\$ 23,967.00	\$ 4,908.00	\$ 28,875.00
<b>Totals:</b>	<b>\$ 236,974.00</b>	<b>\$ 43,708.00</b>	<b>\$ 280,682.00</b>