



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE:

November 30, 2017

SUBJECT:

FY 2017 CDBG Budget Amendment for Racine Vocational Ministry

PREPARED BY:

Laura Detert, Manager of Housing and Community Development

EXECUTIVE SUMMARY:

Racine Vocational Ministry is requesting a budgetary line shift of \$825 from Audit Fees to Employee Benefits (Health Insurance) for their FY 2017 CDBG Budget.

BACKGROUND & ANALYSIS:

The Racine Vocational Ministry (RVM) Community Development Block Grant (CDBG) FY 2017 Contract states:

D. Line Item Budget Adjustments

CONTRACTOR agrees that each line in the budget, except salaries and benefits, may be adjusted ten (10) percent over the term of this Agreement without prior approval as long as the total contract amount is not exceeded. CITY's prior written approval is required for any of the following:

- a) Adjustments of more than ten (10) percent*
- b) Expenses to line items not included as part of the approved budget*
- c) Any changes related to salary and/or benefits (including contracted positions)*

RVM is requesting a budgetary change to salary and/or benefits. RVM requests a line item shift of \$825 from Audit Fees to Employee Benefits (Health Insurance) for the FY2017 CDBG Budget.

§2 CFR 200 (*Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards*) regulates all CDBG funds and does not allow contractors receiving below \$750,000 in Federal Funds to charge for audit fees within their contract.

BUDGETARY IMPACT:

The total FY 2017 CDBG budget Racine Vocational Ministry will remain \$48,962.

RECOMMENDED ACTION:

Approve the \$825 Audit Fees line item decrease and \$825 Employee Benefits (Health Insurance) line item increase for the Racine Vocational Ministry FY 2017 CDBG Budget.