

## **EXHIBIT I-1 INSTRUCTIONS FOR EXHIBIT I, REQUESTED BUDGET TEMPLATE**

### **Summary Budget**

The Summary Budget page and the subsequent budget pages have at least three (3) columns that allow a Grantee to accurately reflect the costs of its program.

1. Total expenditures related to the Grantee's proposed program are calculated in the "Grand Total" column.
2. If reimbursement will be at 100% for the Grantee, the amount entered in the "Reimbursable" column will normally be the same as the amount in the "Grand Total" column.
3. If there are other funds such as local donations, match or unrestricted dollars which are a part of the program and for which the Grantee is *not* requesting reimbursement, those figures go in the "Other" Column (and would also be included in the "Grand Total" Column but not under the "Reimbursable" Column).

The budget is composed of the amounts for the six-line items listed below:

- (1A) Personnel - Salaries
- (1B) Personnel - Fringe Benefits (employer's share)
- (2) Travel
- (3) Materials, Supplies and Controlled Assets
- (4) Equipment (Rent/Lease/Purchase)
- (5) Other Costs

### **(1A) Personnel - Salaries**

Position or Title - Enter the title for each staff position. These titles must match the job descriptions, organizational chart for the program, and staffing plan. Indicate the positions that are part-time and the percentage of time for each part-time position.

**Column(A) Number of Staff for Positions** - Enter the number of individuals per position, such as Executive Director 1, Program Coordinator 1, Program Managers 3, etc. If several positions within a category (e.g., Program Managers) are filled by employees making different salaries, each position at a different salary would be listed on a separate line. (Example: Program Manager I includes 1 employee at Salary Level \$2600 per month; Program Manager II includes 1 employee at Salary Level \$2,675 per month; Program Manager III includes 1 employee at Salary Level \$2,750 per month. Each of the three Salary Levels would appear as a separate line item.) Employees working either part time or full time but less than 100% on the proposed program must be listed on separate lines.

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**Column (B) Average Monthly Salary** - Enter the average monthly salary. Since pay periods vary from agency to agency, the average would be the annual total salary divided by 12. If Grantee anticipates an employee receiving a salary raise during the year, figure the average monthly salary for the entire year based on the sum of the two salary figures for the number of months the employee will receive each salary. (Example: Program Manager I will be upgraded to a Program Manager II six months after grant signing. Her/his average salary would be based on six months of salary at \$2,600 and six months at \$2,675. Average monthly salary would be entered as \$2,637.50.)

**Column (C) Percent of Time on Contract** - Enter the percentage of time the person is working in the proposed program as opposed to the time working in other programs. Employees, full or part time, working wholly within the budgeted program would be shown as 100%. Part-time positions would be designated in the *Position or Title* column. The budget narrative must identify how time is allotted for positions only partially allocated to the program. [Note: Allocated time sheets or activity reports must be maintained for all employees.]

Employees working part time but dedicating all (100%) of their time to the proposed program--or working full or part time but dedicating only a percentage of their time to the program--should be shown on separate lines from full-time employees dedicating 100% of their time to the program, even if they are filling comparable positions. [Example: One Program Manager I work 20 hours per week, 100% on the program. Average Monthly Salary is \$1300 (as opposed to \$2600 for a full-time Program Manager) but % Time on Contract is 100%. List on a separate line from the other Program Manager positions. Another Program Manager I work full time but only 50% of her/his time on the program. Average Monthly Salary \$2,600 but % Time on Contract is 50%. List also on a separate line from the other Program Manager I positions].

**Column (D) Number Months of Service** - Enter the number of months the position is projected to be filled during the grant period. If Grantee has more than one employee in the same position at the same salary level, but they are employed for different periods (e.g., one for 9 months and one for 12 months), each employee is entered on a separate line.

**Column (E) Total Column** - The total which is the product of columns AxBxCxD for each line, is automatically calculated.

**Column (F) Reimbursable Column** - Enter the amount for which the Grantee is requesting reimbursement from the grant.

**Column (G) Other Column (Match)** - Enter zero (0) unless another funding source is paying for an employee's time spent on the program, or unless a

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portion of a person's salary is paid/donated by another source, which may be used as match.

### **(1B) Personnel - Fringe Benefits (Employer's Share)**

Enter under the column entitled "Type of Fringe Benefits" the name of the fringe benefit. The staff position(s) or title(s), and the detailed computations justifying the amounts budgeted should be included in the budget narrative. The following are examples of common fringe benefits and their required computations:

FICA - The amount budgeted for FICA (Federal Insurance Contributions Act - Social Security) is detailed as follows:

FICA rate times (X) total salary (up to the minimum base for the current year) equals (=) the respective amount budgeted.

TUCA (Texas Unemployment Compensation Act) - Rate (rate is assigned by TWC) times (X, or a set portion of) covered salaries.

Health Insurance - Individual premium per month times (X) number of employees times (X) number of months. (If all employees are **NOT** included, specify to whom it applies in the Budget Narrative tab).

Worker's Compensation - Professional rate per \$100 X salaries; clerical rate per \$100 X salaries; maintenance rate per \$100 X salaries. Worker's Compensation is purchased through private insurance firms that determine the appropriate employment classification and rates.

Retirement - Rate (depending on type of plan) X salaries (if all employees are **NOT** included, specify to whom it applies in the Budget Narrative tab).

Accrual of Leave (e.g., annual or sick leave) - Rate per employee per month.

The total amount of fringe benefits being provided for staff charged to the program will be automatically calculated. Under "Reimbursable," enter the total amount for which the Grantee is requesting reimbursement from the grant. Under the "Other" Column, enter zero (0) unless another funding source is paying part of an employee's fringe benefits, or unless a portion of an employee's fringe benefits is being paid/donated by another source.

[Note: The percentage (time) of funding allocated to the *Fringe Benefits* of a specific employee does not exceed the time percentage allocated to that same employee on the *Salaries* budget page.]

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#### **(2) Travel**

Type of Expense - Enter the type of travel expense being budgeted, such as mileage, food, transportation, or lodging. Meals may be computed on a flat per diem basis\* or a cost-incurred basis.\*\* The Grantee may use either method but must use the same method consistently to compute all costs for meals. Specify in the budget narrative which method is being used.

**\*Per diem rate** - Budgeting and reimbursement are computed on a per diem rate not to exceed actual costs and the DFPS per diem rate currently in effect. Reimbursement must be substantiated by adequate documentation. (Note: If the Grantee's policy includes making travel advances, there must be proof of the reconciliation and any appropriate repayment necessary.)

**\*\*Cost-incurred basis** - receipts documenting actual costs and expenses claimed must substantiate budgeting and reimbursement using this method. The costs must be reasonable, and applicable costs may not exceed the DFPS employee per diem and mileage rate. Meal receipts are required only if a Grantee's policy requires them.

Purpose (Destination and Benefits to the Program) - Enter detailed computations justifying the respective amounts budgeted in the budget narrative tab. Items normally included would be positions authorized to travel, number of miles to be traveled per unit (month, trip, etc.), number of units, and rate of reimbursement per mile. Mileage is computed on a per mile rate and should reflect actual miles to be traveled conducting official Grantee business (e.g., traveling to visits with clients, attending training sessions, meetings, conferences, etc.).

**Mileage, food and lodging rates must not exceed official DFPS rates in effect at the time of travel. Reimbursement for employees' meals is allowable only in conjunction with overnight travel of more than 50 miles from their office or residence. Both primary Grantee and subcontractors are subject to these rates and limitations.**

The total amount of travel costs for staff charged to the program will automatically be calculated. Under "Reimbursable," enter the total amount for which the Grantee is requesting reimbursement from the Grantee. Under the "Other" Column, enter zero (0) unless another funding source is paying part of an employee's travel costs, or unless a portion of an employee's travel is being paid/donated by another source.

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### (3) Materials, Supplies and Controlled Assets

Certain types of items are classified as "controlled assets." In contrast to materials and supplies, a **controlled asset** is an item of real or personal property with an estimated life of greater than one year, but an acquisition cost of less than \$5000. These items are considered high risk and have a high potential for loss; therefore, controlled assets must be maintained in a Grantee's inventory system and tagged accordingly based on specified acquisition costs.

Description and Basis for Cost - For each of the supply categories used (office supplies, maintenance supplies, program supplies, etc.) enter the computations justifying the respective amounts budgeted. The basis for all estimates must be explained and justified for use in the program as part of the budget narrative tab. The following are examples of budget descriptions for amounts budgeted for materials, supplies and controlled assets that may be included in the budget narrative:

| <b>Description And Basis For Cost</b>   | <b>Total</b> |
|---|--------------|
| <b>Office supplies</b> - Estimated at \$75.00 per year per staff person X 5 staff, base on previous year's costs                | \$ 375.00    |
| <b>Staff Training Supplies</b> - Estimated at \$15 per person per training session X 100 staff                                  | \$1,500.00   |
| <b>Maintenance and Cleaning Supplies</b> - Based on previous year's costs for similar program plus 10% projected price increase | \$ 740.00    |
| <b>Camera</b> - 2 Canon Digital Rebel Xti Cameras purchased at a discounted price of \$798                                      | \$ 1,596.00  |

The total amount for materials, supplies and controlled assets charged to the program is automatically calculated. Under "Reimbursable," enter the total amount for which the Grantee is requesting reimbursement from the grant. Under the "Other" Column, enter zero (0) unless another funding source is paying part of the costs of supplies, or unless a portion of cost is being paid/donated by another source. [Note: A more detailed description/justification of representative items in each line item should be provided, along with purposes/uses of items, in the budget narrative tab.]

### (4) Equipment

State and federal laws define equipment as follows: "Equipment means an article of non-expendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the

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lesser of the capitalization level established by the organization for the financial statement purposes, or \$5,000.00. "

Equipment purchased through DFPS funds must be tagged by the Grantee and must be inventoried on at least an annual basis.

Description and Basis for Valuation - Enter the quantity and description of each item budgeted. Unless otherwise stated, the basis of valuation is assumed to be the cost basis.

Method Used - Enter the method used to secure the budgeted equipment from the following:

- a. Equipment may be purchased, rented, or leased (without the intention of an eventual purchase). Copies of lease agreements must be viewed by the contract manager and kept on file by the agency. Equipment cannot be leased if the cost of leasing exceeds the cost of purchase over the life of the grant.
- b. If the agency already owns items of equipment that are to be used in the grant, a use charge can be budgeted according to DFPS regulations.

**List equipment costs *only* on this page. Office/space rental costs should be listed on the (5) "Other Costs" budget page. Items typically categorized as "equipment" which do not meet the Code of Federal Regulations (CFR) definition of \$5,000.00 (such as most computers and printers) are to be shown on the "Materials, Supplies and Controlled Assets" budget page (even though life expectancy is more than one year), unless the items fall within a Grantee's definition of equipment at an amount less than \$5,000 or unless the Grantee specifically classifies these types of items as equipment.**

### ***Examples of Equipment Costs:***

| <b>Description And Basis of Cost</b>                                       | <b>Method Used</b>    | <b>Total</b> |
|--|-----------------------|--------------|
| One Local Area Network Automation System                                   | Purchased Outright    | \$5,279.00   |
| One Executive Model High Speed Copier<br>(purchase price would be \$6,300) | Monthly Lease<br>X 12 | \$2,100.00   |

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The annual amount of equipment that is charged to the program is automatically calculated. Under "Reimbursable," enter the total amount for which the Grantee is requesting reimbursement from the grant. Under the "Other" Column, enter zero (0) unless another funding source is paying part of the costs of equipment, or unless a portion of costs of equipment is being paid/donated by another source.

#### **(5) Other Costs**

##### **Description and Basis for Cost**

Enter the items that do not fit under any other cost categories, such as telephone expenses, space rental or lease, professional dues, professional fees, postage, etc. **Costs of the Grantee's subcontracted services should be shown on this page, with a full explanation in the *budget narrative tab*.**

The total amount for "Other Costs." which are charged to the program are automatically calculated. Under "Reimbursable," enter the total amount for which the Grantee is requesting reimbursement from the grant. Under the "Other" column on the "Other Costs" budget page, enter zero (0) unless another funding source is paying part of the costs of items/services, or unless a portion of costs of items/services is being paid/donated by another source.

If space rental/lease costs are entered, the Grantee must break down costs to show the amount per square foot for the program costs that are being budgeted.

##### **Budget Narrative Tab**

The budget narrative tab must accompany the Form 2030 budget pages and must explain in detail each item and provide justification for the cost. When costs are distributed between programs or cost centers, a description must be provided of the allocation methodology used (including specific program areas involved) and provide *justification* of the allocation methodology (including any formulas).