**Budget Instructions**

**Budget Information Form**

All costs related to the program activities described in the program design must be included on the Budget Detail worksheet. All personnel costs must be included in the Personnel Detail form (see note below for instructions on how to fill out the Personnel Detail form). The line item description must include the type of cost and be representative of the cost category under which the cost is allocated. A Budget Narrative is required to substantiate the costs included in the cost reimbursement section. Providers are required to assign a monetary value to any in-kind/cash match and indicate them on this form in the appropriate in-kind/cash match section. A Budget Narrative is also required for the in-kind/cash match section and must correspond to the amounts and types of support documented by Letters of Commitment, Memorandums of Understanding, or other grant award documents submitted in the proposal program design.

**Support versus Program Costs**

Support costs are legal, human resources, finance/accounting, property management, and payroll costs. Any costs associated (rent, utilities, phone, etc.) with these functions are also deemed support versus program costs. Costs not included in the above description are program costs. 20CFR667.220 has been appended to the end of this document, please refer to this for further clarification on support versus program costs.

**The following budget categories should be used:**

\* Personnel Costs

\* Participant Costs

\* Furniture & Equipment Purchase Costs

\* Facilities/Infrastructure Costs

\* Programmatic Subcontract Costs

\* Supplies Costs

\* Staff Training and Travel Costs

\* Other Costs

**Budget Category Definitions and Instructions for Budget Narrative**

*Instructions below detail definitions for each budget category and instructions for the Budget Narrative.*

*The Personnel Detail worksheet should be completed prior to the Budget Detail, as this information will automatically fill into the Personnel Costs section of the Budget Detail.*

**How to Use the Personnel Detail Worksheet**

\* List all position titles to be funded under this contract.

\* List the annualized salary for each position listed in the first column.

Annualized Salary vs. Annual Salary: Annualized salary is the full time equivalent of an annual salary. For example, if a position is a part-time .5 FTE (20 hours/week with an annual salary of $15,000), the annualized salary would be $30,000 (0.5 x 2 = 1.0 FTE; therefore $15,000 x 2 = $30,000).

\* Insert the full time equivalent percentage in the percentage columns.

\* The amount (in last column) charged to the contract will calculate automatically and carry over to the Budget Detail worksheet.

\* Insert the appropriate fringe benefit rate. The amount charged to the contract will automatically calculate and carry over to the Budget Detail worksheet.

**Budget Category Definitions and Instructions for Budget Narrative (cont.)**

**1. Personnel Costs**

Staff salaries and associated fringe benefits necessary for direct service delivery. This category does not include subcontracted professional services or staffing (these costs should be allocated to the contractual services category and detailed/described in the line item for each cost). Please note that positions related to fundraising are not allowable under WIA.

**Personnel Costs Budget Narrative Detail**: List each individual position by title, percentage (%) of full time equivalent (FTE) to be charged to this program, and provide a brief job description including the function and responsibilities of each position. No calculations are to be provided in the Budget Narrative.

**2. Participant Costs**

Costs directly related to individual participants such as subsidized wages, supportive services (e.g. bus passes, day care costs), participant payments (e.g. stipends, incentives), participant supplies (e.g. items/equipment consumable by participants or which become their personal property), tools or clothing related to employment or training, and participant tuition and fees incurred to achieve program objectives.

**Participant Costs Budget Narrative Detail:** List each type of item with a unit cost x number of units (do not include the total costs in your narrative as it is already represented in the budget detail worksheet). Number of units should be related to the number of individuals that will receive the item.

**Subsidized wages:** Indicate the number of participants x hourly wage x fringe/tax % rate x total hours worked.

**Incentive Payments** **(for each type of payment):** Indicate the type of activity payment youth are eligible for, as well as number of participants x incentive payment.

**3. Furniture & Equipment Purchase Costs**

Non-consumable, depreciable equipment necessary for the program. Examples are: computers, printers, fax machines, and office furniture. Equipment leases should also be listed here.

**Furniture & Equipment Purchase Costs Budget Narrative Detail:**  For each type of equipment to be purchased, list the number of items and the unit cost for each item. Please note that any item with a unit cost of $1,000 or more will require prior written approval by the Workforce Partnership. Any item with a unit cost of $4,999 or more will require prior written approval by the Workforce Partnership and the State.

**4. Facilities/Infrastructure Costs**

General costs to run the program, including building rental, facilities maintenance, utilities, phones, general consumable materials and supplies related to infrastructure, Internet, etc., and other costs related to supporting and maintaining organizational infrastructure. Professional services purchased from vendors (as opposed to subcontractors) are included in this category. Costs related to technology needed to fulfill SDWP requirements can be included as part of your budget and will be reviewed for cost effectiveness and reasonableness.

**Facilities/Infrastructure Costs Budget Narrative Detail:**  As applicable, for each item list the number of items x the unit cost for each item. An alternate method of calculation, such as cost per unit of item (e.g. monthly or annual cost) or per staff would also be acceptable.

**5. Programmatic Subcontract Costs**

Costs related to services contracted to an outside organization or company necessary and related to direct service to clients. Costs related to the purchase of goods or services from a general supplier, vendor transactions or part of general operating costs should not be included in this category and instead should be listed under the Facilities/Infrastructure Costs category.

**Programmatic Subcontract Costs Budget Narrative Detail:** Any sub-contractors should also be included in the proposal narrative along with their responsibility and role. Provide the detailed name of each subcontractor and their total subcontracted cost.

**6. Supplies Costs**

Costs related to general office supplies, postage/delivery, printing, copying and other similar natured costs (used by staff as opposed to used by participants) should be included in this section.

**Supplies Costs Budget Narrative Detail:** Narrative for supplies cost should break down costs estimated per month and number of months.

**7. Staff Training and Travel Costs**

Costs related to the professional development of staff and related local or out-of-town travel expenses.

**Staff Training and Travel Costs:** Provide a description of all costs associated with staff development and travel.

**8. Other Costs**

Costs that do not belong to above categories should be included in this category. It may include Indirect Cost, Audit Cost, Insurance Cost, etc.

Note: This category may only be used by organizations with an Indirect Cost Rate approved by an authorized federal or state agency, not to exceed 15% of total budget. A copy of the Indirect Cost Rate Proposal approved by the cognizant federal agency must be attached.

**Indirect Costs:** If used, this rate should include general costs that cannot be directly identified as a cost to any specific program, but are equitably allocated to all the programs that the organization operates and therefore should not also be listed in Facilities/Infrastructure Costs category.