

**HIV Prevention Demonstration Projects RFA #14-10607**  
**Budget Justification Narrative Guidance**

Format may vary, but below is guidance for the preparation of a budget request and examples to help with the process.

**Salaries and Wages**

For each requested position, provide the following information: 1) classification; 2) annual salary; 3) percentage of time budgeted for this program; 4) total months of salary budgeted; and 5) total salary requested. Also provide a justification and describe the scope of responsibility for each position relating it to the accomplishment of specific program objectives.

**Sample Budget**

Position Title	Annual Salary	Time	Months	Amount Requested
<i>Project Coordinator</i>	<i>\$45,000</i>	<i>100%</i>	<i>12 months</i>	<i>\$45,000</i>
<b>Total Personnel</b>				<b>\$45,000</b>

**Sample Justification**

Project Coordinator - This position directs the overall project operation: overseeing the implementation of project activities, coordination with other agencies, materials developments, provisions of service and training, collects, tabulates and interprets data, program evaluation and staff performance evaluation. This position relates to all program objectives.

**Fringe Benefits**

Fringe benefits are usually applicable to direct salaries and wages. Provide information on the rate of fringe benefits used and the basis for their calculation. If a fringe benefit rate is not used, itemize how the fringe benefit amount is computed.

**Sample Budget**

Fringe benefits computed by an established rate

*25% of Total salaries = Fringe Benefits*

*Fringe Benefits            Total \$ \_\_\_\_\_*

If not calculated using a percentage of salaries, itemize how determined for each salary and wage.

**Project Coordinator Salary - \$45,000**

Fringe Benefit	Percentage of Salary	Amount Requested
<i>Retirement</i>	<i>5%</i>	<i>\$2,250</i>
<i>FICA</i>	<i>7.65%</i>	<i>\$3,443</i>
<i>Insurance</i>	<i>N/A</i>	<i>\$2,000</i>
<i>Workers Compensation</i>	<i>N/A</i>	<i>\$</i>
<b>Total Fringe</b>		<b>\$7,693</b>

## Consultant Costs

This category should be used when hiring an individual to give professional advice or services (e.g., training, expert consultant, etc.) for a fee, but not as an employee of the contractor. Written approval must be obtained from OA prior to establishing a written agreement for consultant services, and must be obtained annually in order to re-establish the written agreement. Approval to initiate or continue program activities through the services of a consultant requires submission of the following information for each consultant:

1. **Name of Consultant:** Identify the name of the consultant and describe his or her qualifications.
2. **Organizational Affiliation** (if applicable): Identify the organization affiliation of the consultant.
3. **Nature of Services to Be Rendered:** Describe the consultation that will be provided, including the specific tasks to be completed and specific deliverables. A copy of the actual consultant agreement should not be sent.
4. **Relevance of Service to the Project:** Describe how the consultant services relate to the accomplishment of specific program objectives.
5. **Number of Days of Consultation** (basis for fee): Specify the total number of days of consultation.
6. **Expected Rate of Compensation:** Specify the rate of compensation for the consultant (e.g., rate per hour, rate per day). Include a budget showing other costs (e.g., travel, per diem, supplies, and other related expenses) and list a subtotal.
7. **Method of Accountability:** Describe how the progress and performance of the consultant will be monitored. Identify who is responsible for supervising the consultant agreement.

If the required information described above is not known at the time the application is submitted, the information may be submitted later as a budget revision. In the body of the budget request, a summary should be provided of the proposed consultants and amounts for each.

## Equipment

Equipment is defined as tangible, non-expendable personal property (including exempt property) that has a useful life of more than one year AND an acquisition cost of \$5,000 or more per unit. All budget requests should individually list each item requested, and include: 1) number needed; 2) unit cost of each item; and 3) total amount requested. Also, provide a justification for the use of each item and relate it to specific program objectives. Maintenance or rental fees for equipment should be shown in the *Other* category.

### Sample Budget

Item Requested	Number Needed	Unit Cost	Amount Requested
Computer Workstation	2 ea.	\$5,500	\$11,000
<b>Total Equipment</b>			<b>\$11,000</b>

### Sample Justification

The computer workstations will be used by the statistician to collect required data, perform data analysis, and generate reports.

## Supplies

Individually list each item requested, and provide the following information: 1) specify the type of item, as appropriate; 2) number needed; 3) unit cost of each item; and 4) total amount requested. If appropriate, General office supplies may be shown by an estimated amount per month times the number of months in the budget category. Also, provide a justification for the use of each item and relate it to specific program objectives.

### Sample Budget

Item Requested	Type	# Needed	Unit Cost	Amount Requested
Educational Pamphlets	N/A	3,000 copies	\$1	\$3,000
General Office Supplies	Pens, pencils, paper	12 months	\$20/month, per person, 10 people	\$2,400
<b>Total Supplies</b>				<b>\$19,900</b>

### Sample Justification

Office supplies will be used by staff members to carry out daily activities of the program. The education pamphlets and videos will be purchased from Vendor X and used to illustrate and promote safe and healthy activities.

## Travel

Dollars requested in the Travel category should be for **recipient staff travel only**. Travel for consultants should be shown in the Consultant category. Travel for other participants (e.g., advisory committees, review panel, etc.) should be itemized as specified below and placed on the *Other* category.

For In-State Travel, provide a narrative justification describing the travel staff members will perform. List where travel will be undertaken, number of trips planned, who will be making the trips, and approximate dates. If mileage is to be paid, provide the number of miles and the cost per mile. If travel is by air, provide the estimated cost of airfare. If per diem/lodging is to be paid, indicate the number of days and amount of daily per diem, as well as the number of nights and estimated cost of lodging. Include the cost of ground transportation, when applicable.

For Out-of-State Travel, provide a narrative justification including the same information requested above. Include required OA meetings, conferences, and workshops. Itemize Out-of-State Travel in the format described above.

### Sample Travel Budget

Travel (In-State and Out-of-State) Total \$ \_\_\_\_\_

**Sample In-State Travel Budget** **Travel (In-State): Total \$ \_\_\_\_\_**

# of Trips	# of People	Cost of Airfare	# of Total Miles	Cost per Mile	Amount Requested
25	1	N/A	300 mi.	\$027	\$2,025
<b>Total</b>					<b>\$2,025</b>

Per Diem or Lodging	# of People	# of Units	Unit Cost	Amount Requested
Per Diem	2	2 days	\$37/day	\$148
Lodging	2	1 night	\$67/night	\$134
<b>Total</b>				<b>\$282</b>

### Sample In-State Travel Justification

The Project Coordinator will make 25 trips to local sites to monitor program implementation.

**Sample Out-of-State Travel Budget**

Travel (Out of-State): Total \$ \_\_\_\_\_

# of Trips	# of People	Cost of Airfare	# of Total Miles	Cost per Mile	Amount Requested
1	1	\$500	N/A	N/A	\$500

Item	# of People	# of Units	Unit Cost	Amount Requested
Per Diem	1	3 days	\$45/day	\$135
Lodging	1	1 night	\$88/night	\$88
Ground Transportation	1	1	\$50	\$50

**Sample Out-of-State Travel Justification**

The Project Coordinator will travel to (city, state) to attend a (specify) conference.

**Other**

This category contains items not included in the previous budget categories. Individually list each item requested and provide appropriate justification related to the program objectives.

**Sample Budget**

Item Requested	# of Months	Est. Cost per Month	# of Staff	Amount Requested
Example		\$		\$
<b>Total Other</b>				<b>\$</b>

Item Requested	#Needed	Unit Cost	Amount Requested
Printing	___ documents	\$	\$

**Sample Justification**

For printing costs, identify the types and number of copies of documents to be printed (e.g., procedure manuals, annual reports, materials for media campaign).

**Contractual Costs**

Contractors must obtain written approval from OA prior to establishing a third-party contract to perform program activities. Approval to utilize funds and initiate program activities through the services of a contractor requires the submission of the following information for each contract:

1. **Name of Contractor:** Identify the name of the proposed contractor and indicate whether the contract is with an institution or organization.
2. **Method of Selection:** State whether the contract is sole source or competitive bid. If an organization is the sole source for the contract, include an explanation as to why this institution is the only one able to perform the services.
3. **Period of Performance:** Specify the beginning and ending dates of the contract.
4. **Scope of Work:** Describe the specific services/tasks to be performed by the contractor and relate them to the accomplishment of program objectives. Deliverables should be clearly defined.
5. **Method of Accountability:** Describe how the progress and performance of the contractor will be monitored during and on close of the contract period. Identify who will be responsible for supervising the contract.
6. **Itemized Budget and Justification:** Provide and itemized budget with appropriate justification. If applicable, include any indirect cost paid under the contract and the indirect cost rate used.

If the information described above is not known at the time the application is submitted, the information may be submitted later as a revision to the budget. Copies of the actual contracts should not be sent, unless specifically requested. In the body of the budget request, a summary should be provided of the proposed contacts and amounts.

## Indirect Costs

Attached is the CDPH Local Health Department Indirect Cost Policy. If the applicant organization does not have an approved indirect cost rate agreement, either: (1) up to 15% of Salaries/Wages and Fringe Benefits can be claimed for identified Indirect Costs; or (2) costs normally identified as indirect costs (overhead costs) can be budgeted and identified as direct costs.

### Sample Budget

Salaries/Wages Total	\$10,000
<b>Fringe Benefits Total</b>	\$3,000
<b><i>Total Salaries/Wages + Personnel</i></b>	<b>\$13,000</b>
Indirect Cost Rate	15%
<b>Total Indirect Costs</b>	<b>\$1,950</b>

### Sample Justification

Project Coordinator - This position directs the overall project operation: overseeing the implementation of project activities, coordination with other agencies, materials developments, provisions of service and training, collects, tabulates and interprets data, program evaluation and staff performance evaluation. This position relates to all program objectives.



**BULLETIN NUMBER:** 13-07

**RELEASE DATE:** October 17, 2013

**APPLIES TO:**  Contract Management Unit (CMU)  
 Purchasing Services Unit (PSU)

**SUBJECT:** Indirect Cost Rates for Contracts with Local Health Departments

<b>EFFECTIVE DATE:</b>	This bulletin is effective July 1, 2014 and supersedes <a href="#">CPSS Bulletin 10-08</a> .
<b>PURPOSE:</b>	This bulletin announcing the standardization of the Indirect Cost Rates (ICR) for California Department of Public Health (CDPH) agreements with Local Health Departments (LHD). Agreements include, but are not limited to, Subvention/Local Assistance contracts, Allocations and Grants.
<b>BACKGROUND INFORMATION</b>	<p>The ICR represents the expenses of doing business that are not readily identified within a grant or contract, but are necessary for the general operation of the organization and the conduct of activities it performs.</p> <p>The ICR is usually expressed as a percentage and is applied to either:</p> <ul style="list-style-type: none"> <li>• The total of Personnel Services (Salary and Benefits) or</li> <li>• The total Allowable Direct Cost of the contract.</li> </ul> <p>Beginning January 1, 2014 and each year thereafter, CDPH will require each LHD to submit their proposed ICR percentage and application using either the contract(s) personnel services or total allowable direct cost.</p> <p>Each LHD's ICR percentage and application will be reviewed and verified by CDPH Financial Management Branch (FMB) and posted on the <a href="#">CDPH Intranet website</a> for use by CDPH Programs agreements for the upcoming State Fiscal Year.</p> <p>For example, the county ICRs posted in January 2014 are to be applied to all CDPH agreements (including amendments) with LHD for the 2014/15 State Fiscal Year (SFY) i.e. with a July 1, 2014 contract start date or within the SFY 2014/15.</p>

<p><b>ACTIONS:</b></p>	<p>When executing agreement(s) with an LHD, CDPH Programs shall apply the respective County's ICR published on the <a href="#">CDPH Intranet website</a>.</p> <p>For example, XYZ County's CDPH published ICR is 20% of the Personnel Services; therefore, the ICR for all CDPH contracts with XYZ county will be 20% of the total budgeted Personnel Services total.</p> <p><b>REDUCED ICR</b></p> <p>LHDs may elect to reduce their published ICR percentage with CDPH programs on a case-by-case basis; however how the ICR is applied (Total Personnel Services or Total Allowable Direct costs) cannot be changed from what's published on the CDPH Intranet site.</p> <p><b>FUNDING RESTRICTIONS</b></p> <p>Any Federal or State funding restrictions and/or requirements shall supersede the CDPH Published ICR rates and application.</p> <p><b>FREQUENTLY ASKED QUESTIONS</b></p> <p>The attached Frequently Asked Questions (FAQ) has been developed to provide clarification, additional guidance and shall be incorporated as part of this Bulletin.</p>
<p><b>QUESTIONS:</b></p>	<p>Please direct any questions to this Bulletin to through your assigned <a href="#">CMU analyst</a>.</p>

**CALIFORNIA DEPARTMENT OF PUBLIC HEALTH  
COUNTY INDIRECT RATES TO BE APPLIED TO CONTRACTS AND ALLOCATIONS  
FY 2014-15**

County/City	Total Personnel Cost	Total Allowable Direct Cost
Alameda		14.02%
Alpine	25.00%	
Amador		15.00%
Butte	25.00%	
Berkeley (City of)	15.00%	
Calaveras	25.00%	
Colusa	25.00%	
Contra Costa	17.40%	
Del Norte	25.00%	
El Dorado	25.00%	
Fresno		15.00%
Glenn	25.00%	
Humboldt	25.00%	
Imperial	25.00%	
Inyo	15.00%	
Kern	24.00%	
Kings	19.28%	
Lake	15.00%	
Lassen		15.00%
Los Angeles		15.00%
Long Beach (City of)	15.00%	
Madera	25.00%	
Marin	25.00%	
Mariposa	15.00%	
Mendocino	23.05%	
Merced	25.00%	
Modoc	25.00%	
Mono	15.73%	
Monterey	17.91%	
Napa	25.00%	
Nevada	25.00%	

County/City	Total Personnel Cost	Total Allowable Direct Cost
Orange	22.43%	
Pasadena (City of)	15.00%	
Placer	25.00%	
Plumas	25.00%	
Riverside	23.92%	
Sacramento	14.92%	
San Benito	25.00%	
San Bernardino	15.00%	
San Diego	25.00%	
San Francisco	24.03%	
San Joaquin	25.00%	
San Luis Obispo	25.00%	
San Mateo	18.95%	
Santa Barbara	17.62%	
Santa Clara	25.00%	
Santa Cruz	18.93%	
Shasta	25.00%	
Sierra	25.00%	
Siskiyou	25.00%	
Solano		15.00%
Sonoma	18.43%	
Stanislaus	25.00%	
Sutter		15.00%
Tehama	25.00%	
Trinity	25.00%	
Tulare	19.40%	
Tuolumne	25.00%	
Ventura	17.90%	
Yolo	25.00%	
Yuba	25.00%	