

ADMINISTRATION BUDGET DOCUMENTS

OVERVIEW

Background

Budget Documents form the basis for Agency payments and for fiscal accountability for audit compliance. All expenses shown on the budget documents must directly relate to the accomplishment of the goals, objectives, activities, timelines, and outcomes identified in the Program(s) Scope of Work (SOW).

Purpose

The purpose of this Section is to provide information on the General Policies and Requirements necessary

Contents of Order

The contents of this Section are:

TOPIC	See Page
ADMINISTRATION BUDGET DOCUMENTS BACKGROUND AND PURPOSE	1
GENERAL POLICIES AND REQUIREMENTS	2
BUDGET SUMMARY PAGE	3-4
PERSONNEL PAGE	5-6
OPERATING EXPENSES AND OTHER COSTS - GENERAL	7
OPERATING EXPENSES - TRAVEL	7-8
OPERATING EXPENSES - TRAINING	9
OPERATING EXPENSES – OTHER THAN TRAVEL AND TRAINING	10
OTHER COSTS - SUBCONTRACTS	10
OTHER COSTS – OTHER CHARGES	11

ADMINISTRATION BUDGET DOCUMENTS

GENERAL POLICIES AND REQUIREMENTS

Policy

Maternal, Child and Adolescent Health/Office of Family Planning (MCAH/OFP) Branch provides a Budget/Invoice template to Agencies annually. This template contains all the necessary documents for submitting a proposed budget including justification pages to support budgeted items. These documents are a required component of the final approved Allocation Funding Application (AFA)/Grant Funding Application (GFA).

- The budget file is comprised of three budget pages three justification pages, a reconciliation page and notes page.
- Cells in the budget and invoice pages that are unlocked for data entry are shaded in yellow. All other cells are locked and password protected to prevent accidental entries. Any unauthorized changes made to the original format will require a resubmission by the Agency.
- All other data are calculated by formulas embedded in the worksheet cells.
- Total Agency General Fund and Matching Title 19 are automatically calculated and forwarded from information entered on the detail pages to the Budget Summary Page.
- Negative balances are not allowed on any Budget Document.
- The Fetal Infant Mortality Review (FIMR) is funded, in whole, by Title V and Agency funds, and cannot be matched with Title 19 funds.
- Agency's can not use federal funds derived by any other entity for purpose of matching with Title 19 funds. However, they may budget and use such funds within the Agency's unmatched funding.

Requirements

All Budget documents must include a completed Summary Page, Detail Pages and Justification Pages.

- Agencies must ensure that the most current approved version of the program budget/Invoice file is used at all times.
-

ADMINISTRATION BUDGET DOCUMENTS

BUDGET SUMMARY PAGE

Policy

The Budget Summary Page consists of the following five line items:

- Personnel
 - Operating Expenses
 - Capital Expenditures
 - Other Costs
 - Indirect Costs
-

Requirements

Indirect Costs are limited to a maximum of 10 percent of salaries excluding benefits.

- The total between Title V and State General Funds (SGF) balance listed on the budget summary page cannot be greater than \$10 when submitting your budget to MCAH for approval.
 - Individual funding balances for Title V and SGF listed on the budget summary page cannot be negative.
-

Procedures

The following provides information on formatting and input procedures

- Locate and download the most current version of the MCAH Budget template from the MCAH Website at www.mch.dhs.ca.gov
- To format your budget/invoice template to reflect the correct program, choose the macro button for your specific program located at the top of the budget summary page. Once formatted for your specific program, choose the "save as" option re-naming the file for your specific agency. Do not re-name the file with the same name as originally named by MCAH.
- All the worksheets in this file will format correctly for the selected program.
- Enter the Base Medi-Cal Factor (provided by MCAH or your MCAH pre-approved MCF) at the top right corner of the budget template.

ADMINISTRATION BUDGET DOCUMENTS

BUDGET SUMMARY PAGE

Procedures (Continued)

- Enter a percentage for Indirect Costs on the Budget Summary Page (10 percent maximum). Indirect Costs are calculated by multiplying the percentage entered into the box on the Indirect Cost line by the total wages listed at the top of the Personnel Worksheet.
- Enter program allocation totals for Title V and SGF on the Budget Summary Page. (Allocations of Title V and SGF are listed on the program specific Allocation Tables, which can be located on the MCAH website.
- Certification statements on the Budget Summary Page must be signed and dated by both the Program Director and the Agency's Fiscal Agent. (This requirement is not applicable to grant agreement program budgets for AFLP/ASPPP).
- The print command will automatically generate the Budget Summary Page and the two Budget Detail Pages; however you must select each justification page individually to print.
- Submit Budget Documents in both hard copy and electronic media, for each MCAH funded program. Each Budget/Invoice template file is used for both budgeting and invoicing purposes.
- Submit an original and two copies of the Budget (with Allocation Funding Application (AFA), to the following address:

Department of Health Services
Maternal, Child and Adolescent Health/
Office of Family Planning Branch
Attn: "Contract Manager Name"
1615 Capitol Ave, MS 8305
P.O. Box 997420
Sacramento, CA 95899-7420

ADMINISTRATION BUDGET DOCUMENTS

PERSONNEL PAGE

Policy

Personnel Costs are listed as the first line item on the Budget and Invoice Summary Pages. The Personnel Page is titled "I. Personnel Worksheet" even though it is located after the "II. Operating Expenses Worksheet" and "IV. Other Costs Worksheet". This accommodates agencies with large numbers of MCAH personnel.

Requirements

All MCAH staff, regardless of time worked in the program, or funding source (unless included in indirect expense line items), must be included on the Personnel Detail Page.

- Personnel listed on the Personnel Page must meet all applicable MCAH Branch policies and requirements as detailed in the Program Section.
- The total Personnel Costs' dollar amount forwarded to the Personnel line item on the Program Budget Summary Page is the total of the information entered on the Personnel Page.
- Anticipated salary increases must be included in the initial preparation of the Personnel Page.
- MCAH allows reimbursement for fringe benefits that meet the following criteria: Necessary and reasonable for the performance of the MCAH Agreement and program budget, determined in accordance with Generally Accepted Accounting Principles, and consistent with policies that apply uniformly to all activities of the Agency.
- Fringe benefits do not include: Compensation for personal services paid currently or accrued by the Agency for services of employees rendered during the term of this agreement which is identified as regular or normal salaries and wages, vacation, sick leave, holidays, jury duty and/or military leave, Incentive or bonus pay, Relocation allowances, Hardship pay, or Cost-of-living differentials.

ADMINISTRATION BUDGET DOCUMENTS

PERSONNEL PAGE

Procedures

Information listed below will assist you with data input of personnel into your MCAH budget template.

- List each staff's initials and their job title or classification in the appropriate columns of the personnel worksheet. Enter a "Vac" in the initials column if the position is vacant.
- Enter percent of Full Time Equivalent (FTE) for each employee.
- Enter the total annual salary for employees as if they were employed full time.
- Benefit rates can be calculated in two ways:
 - To use one benefit rate for all staff, enter percentage on the Personnel Page in the benefit rate box provided.
 - For actual benefits, a Benefit Rate Per Staff or an Actual Benefit Amount Per Staff must be entered on the J-Pers Justification Page.

PLEASE NOTE: Any actual rate or amount entered on the J- Pers Justification Page will supersede the average rate entered on the Personnel Page.

- Enter the approved Medi-Cal Factor (M/F) per staff in column 16 on the Personnel Worksheet. (If it is anticipated that a staff's M/F will vary during the year, please note by placing a "V" in the appropriate column on the J-Pers Justification Page.)
 - An alternate method of determining matching rates for travel costs may be used by identifying those specific individuals for whom travel is being charged. By placing an "X" in the Staff Travel column (Column 17), the worksheet will automatically calculate matching percentages for travel expenses based upon an average of the matching percentages listed on the Personnel Worksheet for those individuals specifically identified.
-

ADMINISTRATION BUDGET DOCUMENTS

OPERATING EXPENSES AND OTHER COSTS PAGE

Policy

The Operating Expenses and Other Costs Page is comprised of five expense areas and described in the chapters listed below.

- The Operating Expenses and Other Costs pages are comprised of two sections:

Operating Expenses

- Travel and Training
- Operating Expenses (Other than Travel and Training)

Other Costs

- Subcontracts
- Other Charges (i.e, equipment)

- The total dollar amounts from the Operating Expenses and Other Costs Page are forwarded to the Budget Summary Page.
 - Operating expenses are automatically distributed to the Title V and Non-Enhanced Combined Federal/State columns according to how personnel costs are distributed. Travel and Training may also be distributed to the Enhanced combined Federal/State columns.
 - The distribution of these costs can be changed as needed by entering new percentages into the percent columns. However, the total percentage entered into the matching columns cannot exceed the percent of Personnel Match. The percent of personnel costs that are matched can be found in the Percent (%) of Personnel Matched box at the top of the Budget Summary Page.
-

OPERATING EXPENSES- TRAVEL

Policy

Travel costs are for staff listed on the personnel page who must travel to conduct MCAH business and to attend conferences and training that is directly related to the objectives described in the SOW.

The cost of travel cannot exceed the established State rates as noted in the **State Travel Reimbursement Information** form located in forms section on the MCAH Website.

ADMINISTRATION BUDGET DOCUMENTS

OPERATING EXPENSES– Travel Policy (Continued)

Out of state travel is allowed for agency leadership to travel to the following national conferences:

- Annual meetings of the National Association of Maternal, Child and Adolescent Health Programs,
- Center for Disease Control and Prevention's, MCAH Epidemiology Conference,
- Annual City Match Conference,
- American Public Health Association (APHA) Annual Meeting.

Please Note: Travel to other national conferences may be approved on a case-by-case basis and requires prior MCAH Branch approval.

Travel can be matched at an Enhanced rate. Travel cannot be matched at a higher percentage than what is listed on the Personnel Worksheet for those staff for whom travel is being budgeted.

Requirements

There are two methods that may be used for determining matching rates for travel costs:

- When using employee specific costs, each individual for whom travel is being charged must be identified by an "X" in Column 17 of the Personnel Worksheet. The spreadsheet will automatically calculate matching percentages for Travel expenses based upon the FTE and average of the matching percentages listed on the Personnel Worksheet for those individuals specifically identified.
 - When no X is placed in column 17 the spreadsheet will automatically calculate matching percentages based upon an average of all staff listed on the personnel page of the budget.
 - Prior MCAH written approval is required for travel and training costs for staff not listed on the Program Budget, but who contribute a portion of their time to the MCAH program.
 - Any written approval from MCAH as well as any receipts or information required for Travel Reimbursement must be retained by the Agency for audit purposes.
-

ADMINISTRATION BUDGET DOCUMENTS

OPERATING EXPENSES – TRAINING

Policy

Information listed below will assist you in identifying MCAH's policy's regarding all aspects of training, seminars, workshops and conferences.

- Local MCH Programs may host or sponsor MCAH related trainings, seminars, workshops or conferences.
 - Training can be matched at an Enhanced rate. Training can not be matched at a higher percentage than what is listed on the Personnel Worksheet for those staff for whom training is being budgeted.
-

Requirements

- Prior MCAH written approval is required for training and associated travel and per diem costs for staff not listed on the budget, but who contribute a portion of their time to the MCAH program.
 - Prior written MCAH Branch approval is required to host trainings, seminars, workshops, or conferences.
-

Procedures:

Agencies requesting approval to host trainings or seminars must:

- Describe the proposed training or seminar in the Program Budget Justification Narrative.
- Submit to the Contract Manager a written request not less than 60 days prior to the proposed training or seminar date(s) which includes:
 - The date of proposed training or seminar location
 - Subject matter of the training or seminar draft of agenda List of instructors
 - Draft of instructional/educational materials
 - Targeted audience and projected number of attendees
 - Draft of publicity materials
 - Total cost

ADMINISTRATION BUDGET DOCUMENTS

OPERATING EXPENSES-- OTHER THAN TRAVEL AND TRAINING

Policy

- Other Operating Expenses include, but are not limited to, items such as space rental, office supplies, computer software, educational materials, duplication, postage and other operating costs
- Except for Travel and Training, each matchable Operating Expenses may be matched at the Non-Enhanced rate. The total percentage of the Non-Enhanced Combined Federal/State and Combined Federal/Agency columns in each line item cannot exceed the percent of Personnel Match allowed as indicated at the top of the Budget Summary Page.
- Enhanced funding is not allowable for Other Operating Expenses.

Requirement:

Other Operating Expenses listed on the Budget must be explained and justified on the J-Oper Justification Page.

OTHER COSTS - SUBCONTRACTS

Policy

Subcontracts/consultant services can be used only for activities directly related to meeting the goals and objectives of the primary SOW.

Subcontractors may match federal funds at the Enhanced rate only if the subcontractor is performing Enhanceable activities AND IS A GOVERNMENTAL AGENCY.

If a subcontractor is matching at either the Enhanced or Non-Enhanced rate, they are subject to the all guidelines stated in the Fiscal section (FFP Guidelines for MCAH Programs) of this Policy and Procedure Manual.

Requirement

The use of a subcontractor or consultant must be explained and justified on the J-Other Justification Page. Refer to the Subcontracts sections of this Policy and Procedure Manual for additional information regarding subcontracts/consultant services.

ADMINISTRATION BUDGET DOCUMENTS

OTHER COSTS - OTHER CHARGES

Policy

Other Charges include but are not limited to the items listed below and should be entered into the Other-Other Costs Section:

- Indirect Expenses.
- Computers.
- Audio/Visual equipment or Telecommunication items (including personal digital assistants (PDA's), phone systems, and teleconferencing equipment) having a base unit cost of less than \$5,000.
- Furniture with a base unit cost of more than \$500.
- Services such as development costs of media campaign advertising.
- Indirect Costs are distributed among the unmatched and Non-Enhanced Budget columns based upon the average distribution of all personnel listed on the Personnel Detail Page.
- Indirect Costs are not matched at the Enhanced (75/25) rate.

Procedures

- Enter total Indirect Expenses. Indirect Expenses allowed on the Budget Summary Page will be deducted from this total. The remaining balance is the unreimbursed Indirect.
- The unreimbursed Indirect is distributed between Unmatched and Non-Enhanced (50/50) columns using Agency funds only.