

ii. Fringe Benefits

Include fringe benefit expenses including, but not limited to, costs for worker's compensation insurance; unemployment insurance, health, dental, vision and/or life insurance; disability insurance; pension plan/retirement benefits; etc.

- A. Display fringe benefit costs as a percentage rate of the total personnel costs.
- B. If applicable, enter \$0 if no fringe benefit costs will be incurred.

iii. Operating Expenses (also referred to as General expenses)

Identify all direct project costs. Direct project costs may include but are not limited to the following expense items:

- A. Facility rental (i.e., office space, storage facilities, etc.) should be included in the amount of \$8,700 per person for Budget Year 1. For subsequent Budget Years, this item should be budgeted at an increased rate of five percent per year. Include the amount of square footage and the rate per square foot.
- B. Consumable office supplies should be included in the amount of \$3,600 per person per year.
- C. Minor equipment purchases (i.e., items with a unit cost of less than \$5,000 and a useful life of one year or more).
- D. Telecommunications (i.e., telephone or cellular telephones, fax, Internet service provider fees, etc.) should be included at ~~\$2,500~~ \$2,400 per FTE per year.
- E. Reproduction/printing/duplication should be included at \$1,500 per person per year.
- F. Postage or messenger/delivery service costs.
- G. Equipment/furniture rental/lease and maintenance.
- H. Software (including license fees, upgrade/maintenance fees, etc.)
- I. If applicable, enter \$0 if no operating expenses will be incurred.

iv. Equipment Expenses

- A. CDPH will reimburse major equipment purchases under the resulting contract.

CDPH primarily classifies equipment as Major Equipment, Minor Equipment, and Miscellaneous Property. Major Equipment is defined as a tangible or intangible item with a base unit cost of \$5,000 or more and a life expectancy of one year or more that is purchased or reimbursed with agreement funds. Major equipment is budgeted in this expense line item. Minor Equipment is defined as a tangible item with a base unit cost of less than \$5,000 and a life expectancy of one year or more and is on CDPH's