

FINANCIAL/BUDGET INSTRUCTIONS

SOCIAL SERVICE PROGRAM BUDGET INSTRUCTIONS

Note: This form is for Social Services ONLY. Congregate and Home Delivered Meal Nutrition Programs may not use this form.

Budget Summary and Budget Cost Detail Schedule

1. The Budget Cost Detail Schedule must be completed BEFORE completing the Budget Summary. The Cost Detail Schedule is designed to itemize line item costs of the proposed service. Totals from the Cost Detail Schedule must be carried forward to the Budget Summary.
2. If a service provider is submitting multiple applications for multiple services funded through Region 2 Area Agency on Aging, each of these services must submit a separate application and budget.

Completing the Budget

The following numbered instructions reference numbered lines on both the Cost Detail Schedule and/or the Budget Summary page.

Prepare the Cost Detail Schedule first. If using the Excel Budget, totals will transfer to the corresponding line on the Budget Summary. If filling out the budget on a copy, transfer totals to the corresponding line on the Budget Summary.

1. **Line Item # 1. - Agency Name (Cost Detail Schedule)**
2. **Line Item # 2. – Service (Cost Detail Schedule)**
3. **Line Item # 3. - Budget Period (Budget Summary)**
This period is typically from October 1, the beginning of R2AAA's fiscal year, through September 30, the end of R2AAA's fiscal year. Each time the budget is revised within that period, you must record the same period on this line.
4. **Line Item # 4. - Date Prepared (Budget Summary)**
Record the date that you are filling out the budget.
5. **Line Item # 5. - Salaries and Wages (Cost Detail Schedule)**
Itemize the wages paid to all full-time and part-time employees under this budget. This does not include professional fees, contractual services, or personnel hired on a personal contract basis.
 - a. **Line Item # 5a. - Standard Work Week (Cost Detail Schedule)** – Write in the standard work week for your organization.

b. Line Item # 5b. - "Position/Title" Column (Cost Detail Schedule)

The number of hourly workers should be specified, as well as, the number of hours per week and the number of weeks they are to be

employed.

Example: "\$8.00/hour, 5 aides, 20 hours per week, 52 weeks."

- c. Line Item # 5c. - FTE – The "full time equivalent" (FTE) is figured by dividing the number of budgeted work hours per week by the hours in your standard work week.

Examples:

Standard work week is 40 hours

*Employee A is budgeted for 40 hours. $40/40=1.0$ FTE
Employee B is budgeted for 12 hours. $12/40= .3$
FTE.*

Standard work week is 35 hours

Employees D, E and F are budgeted for 5 hours each, in the same position. $3 \times 5 = 15$, $15/35 = .43$ or $.4$ FTE

Employees paid hourly should also be listed, grouped by pay rate, and the total number of hours per week should be used to figure the FTE.

Example:

Standard work week is 35 hours. Four (4) Employees are budgeted for an average of 30 hours per week. $4 \times 30 = 120$ hours per week - $120/35 = 3.4$ FTE

- d. Line Item # 5d. - Total – In the total column, record the total salary amount assigned to each position. If an employee is to function in more than one service, the FTE and salary lines must reflect the percentage that applies to this service only. Sum the itemized wages. Record the total figure on the Budget Summary line 5.

6. Line Item # 6. - Fringe Benefits (Cost Detail Schedule)

This category is to include the employer's contributions for insurance, retirement, unemployment, worker's compensation, FICA, and other similar benefit expenses for all full-time and part-time employees. Enter the total dollar amount representing benefits paid to full-time and part-time

staff attributed to this budget. Calculate the percent to total salaries by dividing the total amount of fringe benefits by wages and salaries total and multiplying this figure by 100, and enter in the box before the

% sign.

7. Line Item # 7. - **Travel-Staff** (Cost Detail Schedule, itemize)

This item is for paid staff travel ONLY. Any travel costs included in this item must be for the purpose of conducting the service activities as described in the application. This includes cost for mileage, per diem, lodging, registration fees for approved conferences, and other approved travel costs incurred by employees.

Travel of consultants is included under "Other". Record the total figure on the Budget Summary line 7.

8. Line Item # 8. - **Supplies** (Cost Detail Schedule, itemize)
Supplies are items that are consumed or expended when put to use, or non-consumable items that cost less than \$500 per unit. This includes items such as office, janitorial, or educational supplies. Maintenance contracts for equipment should NOT be included in this item; rather, they should be listed under "Service Contracts." Record the total figure on the Budget Summary line 8.
9. Line Item # 9. - **Equipment** (Cost Detail Schedule, itemize)
Include all equipment with an acquisition cost greater than \$500.
 - a. The cost of each unit or piece of equipment is to include the necessary accessories, installation costs, and taxes.
 - b. The description of the item, the accessories, and installation requirements are to be detailed.
 - c. Maintenance contracts for equipment should be listed under "Service Contracts." Lease and rental of equipment should be listed under "Other". Record the equipment total on the Budget Summary, line 9.
10. Line Item # 10. – **Rent/Utilities/Space** (Cost Detail Schedule, itemize)
Include rent and utilities (heat, electricity, and water).
 - a. Rent – Indicate cost per square foot.
 - b. Utilities – Identify total cost per month for heat, electricity, and water.

Record the total figure for Rent/Utilities/Space on the Budget Summary line 10.
11. Line Item # 11. - **Communications** (Cost Detail Schedule, itemize). Itemize telephone, postage, and copying (which includes all printing).
Record the total figure on the Budget Summary line 11.
12. Line Item # 12. - **Service Contracts** (Cost Detail Schedule, itemize)
Include all contracts for specific services such as equipment maintenance, janitorial, etc., in which the applicant agency pays another agency or organization for the provision of services. Record the total figure on the Budget Summary line 12.
13. Line Item # 13. - **Other** (Cost Detail Schedule, itemize)
This is to include cost not included in the previous categories. Examples are liability insurance, bonding, consultant fees, equipment rental/lease, volunteer travel, and supervision. Record the total figure on the Budget Summary line 13.
14. Line Item # 14. - **Total Budget** (Budget Summary)

Add all the line items (lines 5-13) on your Budget Summary. Record the total figure on line 14. This total should equal line 21 (line 21 is the **sum** of lines 18 thru 20).

15. Line Item # 15. - **Less: Program Income** (Budget Summary)
Program income is defined as "earnings or contributions provided by or on behalf of an elderly client for a direct service received." Program income also includes proceeds from the sale of equipment and/or supplies purchased with federal or state funds, and interest income earned.

Note: This number should also be recorded on line 19 of the Budget Summary.

16. Line Item # 16. - **Less: Program Cost Share** (Budget Summary)
The cost-share line item is currently only used by Adult Day Service and Respite providers. Participants with incomes over 150% of the federal poverty level must participate in mandatory program cost share. Contact the Grants Manager at

(517) 592-1922 for information on the R2AAA Cost Share Guidelines.

Note: Adult Day Service providers should also record this number on line 20 of the Budget Summary.

17. Line Item # 17. - **Net Costs** (Budget Summary)
Subtract Program Income and Program Cost Share from TOTAL BUDGET. This figure represents dollars that will be used to operate the service.

18. Line Item # 18. - **Source of Funds** (Budget Summary)
Leave this line blank.

Itemize each source of funding on the lines provided below # 18 a. giving the title of each source and the amount.

- a. Line Item # 18 a. - **Title III/State** – This must equal the total amount of funding for which you are applying for. This total will automatically appear by formula if using the excel budget form.

- b. Line Item # 18 b. – **Match Total**

- i. On the Cost Detail Schedule, list by source the type of funds and the amounts proposed as non-federal match. Enter these under Local Cash Match or In-Kind Match, as appropriate. Add the totals, and record these totals on both the Cost Detail Schedule and the Budget Summary.

2. Cash or Hard Match includes money that has been designated by the cooperation for the service funded through the R2AAA. Such cash funds cannot be federal monies, except in instances where clearance is allowed, such as in General Revenue Sharing Funds.

3. In-Kind or Soft Match includes resources other than cash,

which used in providing the service. These may include, but are not limited to: donated rent and/or utilities; recorded hours of volunteers working on the project activities; donated consultant time; donated equipment or supplies; donated secretarial time. The value of in-kind donations should relate to

real costs, for example the per-hour value of the work done by a volunteer or the fair market value of donated office space.

Remember: a letter verifying Local Match contributions for sources listed on this page must be attached to this application.

19. **Line Item # 19. – Program Income**
Record the total from line 15.

20. **Line Item # 20. – Program Cost Share.**
Record the total from line 16.

21. **Line Item # 21. - Total Budget**
Add lines 18a, 18b, 18c, 19 and 20. If your budget is calculated correctly, line 21 will equal the sum of line 18a through 20, **AND** will equal the number on line 14. If the figure on line 14 and 21 are not the same, an error in calculation has occurred, and should be identified and corrected.

22. **Line Item # 22. - Total Budgeted Clients (Budget Summary)**
Enter either the total number of clients for which you are applying.

23. **Line Item # 23. - Total Budgeted Units (Budget Summary)**
Enter the total number of units for which you are applying for.

24. **Line Item # 24. - Total Unit Cost (Budget Summary)**
Total Unit Cost is calculated by dividing the total of ALL funds (Total Budget and Additional/Resources) by the Total Budget Units (line 14 plus all Additional Resources divided by line 24).

25. **Line Item # 25. - Unit Share/Unit Rate (Budget Summary)**
The Unit Share or Unit Rate is calculated by dividing ONLY the R2AAA Title III/ State funds by the projected number of units (line 10a divided by line 24). "Unit Rate" is a term and reimbursement system used for the following service categories:
 - a. Respite Care
 - b. Home Care Assistance
 - c. Case Coordination and Support
 - d. Peer Support
 - e. Legal Assistance
 - f. Adult Day Care
 - g. Outreach
 - h. Demand Transportation

Note: Unit rate service contracts must serve all projected units in order to receive full reimbursement from the R2AAA.

All other services use the term "Unit Share" to denote the R2AAA portion of the unit cost.

26. Line Item # 26. - Signature, Printed/Typed Name, Title, and Date of Signature

At least one copy of the Budget Summary must have an original authorized signature (use blue ink). Applications without an original authorized signature on at least one copy of the Budget Summary will NOT be accepted for review.

27. Line Item # 27. – R2AAA Use Only

Leave this section blank.

NUTRITION SERVICE PROGRAM BUDGET INSTRUCTIONS

Applicants are to include all costs of Nutrition Services on the appropriate supporting pages and schedules of the budgets. This includes all expenses as well as the value of donated space, volunteer labor and other donated products and services, which will be used to support the projected service units. Omitting any of the resources listed above will result in the TOTAL MEAL COST on the Budget (Line 20) being under-stated and may adversely affect future federal and state funding decisions. The value of donated space, volunteer labor and other donated products and services, however, is not reimbursable under Title IIIC. Therefore, the value of all donations must be listed on Supporting/Detail Budget Page as Local Non-Federal Participation. You will find further information in the Budget instructions that follow.

INSTRUCTIONS FOR COMPLETING THE NUTRITION BUDGET

1. Use of the R2AAA Budget file is recommended.
2. Applications without original signatures on at least one (1) copy the budget summary page will not be accepted for review.
3. The Budget Summary Page computes all costs of the proposed service on a single page. Therefore some of the amounts can only be completed AFTER you have completed the supporting budget schedule pages.
4. All lines and columns will total automatically down and across when using the R2AAA provided nutrition budget spreadsheet file.

COMPLETING THE BUDGET SUMMARY PAGE

1. **Agency/Grantee Name** - Enter at the top of the page.
2. **Service** - indicate for each budget as *Congregate Meals or Home Delivered Meals*.
3. **Budget Period** - Enter the correct fiscal year period. This period is typically from October 1, 2013; the beginning of the R2AAA's fiscal year; through September 30, 2014; the end of the R2AAA's fiscal year. Each time the budget is revised within that period, you must record the same period on this line.
4. **Date prepared** - Enter the date you are preparing the budget.
5. **Revision number** – If this is the original budget, indicate by entering "0". For all revisions, enter the revision number.

SUPPORTING BUDGET SCHEDULES (DETAIL PAGES)

1. These two pages (detail pages 1-3) indicate the plan to expend funds within each Line Item by Program Function. Information from the Supporting Budget Schedules automatically carries forward on to the Nutrition Budget Summary page when using the R2AAA provided budget spreadsheet file. Supporting Budget Schedules (line items) include the following categories:

Line #6 - Salary and Wages

Line #7 - Fringe Benefits

Line #8 - Raw Food

Line #9 - Travel Line

#10 - Supplies Line

#11 - Equipment

Line #12 - Rent/Utilities/Space

Line #13 - Communications

Line #14 - Other

Line #24 - Local Matching Funds

2. Supporting/Detail Budget Categories are divided into functional areas. If required, the program functions are listed on the Supporting/Detail Budget Schedule pages.

PROGRAM FUNCTIONS

1. **Meal Production** - Expenditures related to production of a meal, inventory, serving and cleaning in production and service sites.
2. **Program Management/Administration** - Expenditures for salaries and wages for non-food service operations of the program such as administration, clerical activities, and other administrative expenses (i.e., insurance).
3. **Meal Delivery** - Expenditures for salaries and wages related to the delivery of meals and all nutrition supplements under the Liquid Nutrition Program, vehicle insurance, and leased vehicles.
4. **Nutrition Education** - Expenditures for salaries and wages for educational services of the program such as support groups, set-up, surveys, presentations, and clerical activities.
5. **Nutrition Assessment** - Expenditures for salaries and wages for non-food service operations of the program such as intake, client assessment and client related clerical activities.

Note: Some line items may serve more than one program function on the page and others may have 100% of the cost expended on a single program function.

LINE ITEMS

Enter the appropriate dollar amounts (**rounded to the nearest whole dollar**) from each program function on Supporting Budget Schedule that corresponds to each Budget Category as indicated in the allowed functions below:

6. **Salary** - Determine the percent of salary cost for each function for both congregate and home delivered meals.
 - a. This schedule reflects the total wages paid to each permanent and part-time employee for the budget year.
 - b. If you intend to use volunteers:

Local Sources of Funding as Non-Federal Share Participation, indicate position titles and the fair market value of the labor.
 - c. This schedule must **not** include professional fees, contractual services, or personnel hired on a personal contract basis.
7. **Fringe** - Fringe expenditures are to include employer's cost of contributions or **health insurance, retirement, unemployment, worker's compensation, FICA, and other similar benefits for permanent and part-time employees.**
8. **Raw Food** - Complete the Supporting Budget Schedule as follows:

Include all foodstuffs used in preparation and serving of meal. Cost are to be separated into the following types:
 - a. **Food for catered food or scratch cooking** – Each site/caterer should be entered on a separate line with attendant costs and numbers of meals.
 - b. **Shelf Stable or Emergency Meals** - Indicate if frozen.
 - c. Indicate Meal Type as: (B) Breakfast, (H) Hot, (C) Cold.
 - d. Average Cost/Meal is calculated automatically after you enter Meal Production Cost, and the Annual Number of Meals.
9. **Travel** - Indicated for staff and/or volunteers with purpose of conducting

service activities as described in the application.

- a. Include costs for mileage, per diem, lodging, registration fees for approved conferences, and other approved travel costs incurred by employees and/or volunteers.
 - b. Travel of consultants is included under "Other Expenses - "Consultant Fees."
10. **Supplies** - Include items which are consumed or expended when put to use, and have a per unit cost of less than \$1,000 per unit.
- a. Include food service disposables and janitorial supplies under the Meal Production Function and client educational materials under Nutrition Education, etc.
 - b. Maintenance contracts for equipment should NOT be included in this item. They should be listed under the function related to its business use (i.e., NAPIS software would be Program Management/Admin).
11. **Equipment** - The justification and description of the item, including accessories and installation requirements, are to be detailed on SUPPORT SCHEDULE.
- a. Include all stationary and moveable equipment with an expected service life of more than one year and/or an acquisition cost greater than \$1,000 per unit.
 - b. The cost of each unit or piece of equipment is to include the necessary accessories, installation costs and taxes.
 - 1. The description of the item (i.e., model and size), the accessories (both standard and optional if purchased), and installation requirements are to be detailed on the SUPPORT SCHEDULE. Attach supporting documentation of items budgeted.
 - 2. Capital expenditures for equipment are to include the purchase of equipment only. The costs of Equipment Maintenance contracts and Lease and rental of equipment is to be listed in line item Other Costs under budget category (B) Program Management.
12. **Rent /Utilities/Space** - Include rent and utilities (heat, electricity and water) and space and utilities donated by the community.

- a. Rent: Identify the cost per square foot and the number of square feet occupied and multiply to obtain the total annual cost.
 - b. Utilities: Identify heat, electricity, water, etc., at cost per month, indicate the number of months used and multiply to obtain the total annual cost.
 - c. The Value of Donated Space and Utilities: Local Sources of Funding, as Non-Federal Share Participation.
13. **Communications**: Includes telephone, paper and office supplies (including stationary and other paper), postage, copying and printing.
14. **Other** - Attach itemized costs not included in the previous categories. These may include, but are not limited to:
- a. Project Liability Insurance
 - b. Bonding Insurance
 - c. Vehicle Insurance
 - d. Other Insurance
 - e. Equipment Repair and Maintenance, Rental and Leasing (unless itemized in line # 12 under a contract)
 - f. Volunteer Travel
 - g. Catering Labor Costs

Items that follow are calculated automatically using the R2AAA Provided Budget Spread Sheet, except where noted.

15. **GROSS TOTAL** - Add the line amounts of line 6–14, under each Function column, to get the Gross Total for each Function column.
16. **Program Income** - (Enter under Meal Production and/or Program Mgt/ Adm Function)
- a. Earnings or contributions provided by or on behalf of an elderly client for a direct service received;
 - b. Proceeds from the sale of equipment and/or supplies purchased with Federal or state funds; and
 - c. Interest income earned.

Note: Do not include monies earned from fundraisers unless fundraisers were supported by: 1) federal/state funds, or 2) donations from individuals for services supported by other funding.

17. **NET BUDGET** - The Net Budget is derived by subtracting Line 16 from Line 15 and entered on Total in Line 17.
18. **TOTAL BUDGETED CLIENTS** - Enter the unduplicated number of clients to whom you propose to deliver service during the first budget year for which you are requesting funds. This figure is not in the detail pages, but is the basis for the number of units requested and is used to develop the Targeting Plan.
19. **TOTAL BUDGETED MEALS** – This number will determine your USDA reimbursement currently calculated at \$0.575536 per meal.
20. **TOTAL MEAL COST** - Calculates the following formula:
NET BUDGET divided by the total by the number of annual meals you plan to deliver from line 19.
21. **MEAL SHARE/MEAL RATE** - This is line 25. (Federal Share) plus line 26. (State Share) divided by the number of annual meals you plan to deliver from line 19.
22. **USDA Cash** – This is the number of annual meals you plan to deliver from line 19. times the meal reimbursement rate of \$0.575536.

Applicants should contact the Grant Manager at (517) 592-1922 for the current funding rate, if you have not already been notified. If there is a meal reimbursement rate changes, the formula in cell I31 (from line 22. Less: USDA CASH, Column F) **must** be adjusted to reflect the change.

23. **Sub-Total** - Sub-Total equals Net Budget (line 23. Column F) minus USDA cash (line 24 Column F).
24. **Non-Federal Share** -15% of Line 23. This is to match the total of the Local Non-Federal Cash and In-kind match amounts of the budget.

Note: A letter verifying local match contribution must be attached to this application.

25. **Federal Share.**
Enter the federal portion of the total grant funding. For Congregate Meals, it is Title IIIC-1. For Home Delivered Meals, it is Title IIIC-2
26. **State Share.**
Enter the state portion of the total grant funding. For Congregate Meals, it is State Congregate Meals. For Home Delivered Meals, it is State Home Delivered Meals.

- a. These amounts cannot exceed the amount designated to your geographic area by the Funding Formula.
- b. Applicants should contact the Grants Manager at (517) 592-1922 for the current funding level if you have not already been notified.

Please complete the following formula in order to confirm your budget summary page:

Line 16 (Program Income Total, column F)
+ Line 22 (USDA Cash)
+ Line 24 (Non-Federal Share)
+ Line 24 (Federal Share)
+ Line 26 (State Share)
= 15 (GROSS TOTAL, column F)

Note: Please review and correct your budget if the Gross Total does not agree with 15.

