

## **Guide to Completing the DHH Budget Form**

### **for the Quality Initiative Grants**

---

The budget outlines the money to be spent on a project by category. Contractors may not exceed the amount budgeted for any particular category without prior approval through budget revision or amendment. Cost reimbursement method of payment cannot be combined with any other type of method of payment.

A justification must be provided for each category used. A justification is typically a further explanation of the requested expense.

The number in parentheses refers to the expense category on the form.

#### **Salaries and Wages (11):**

**NOTE:** CMS will not approve staff salaries. Use this category only if you wish to demonstrate match in the way of salaries. Percent requested from DHH should be 0.

Salaries and wages for all part time and full time employees actually engaged in the performance of the contract work.

#### **How to show salaries and wages:**

List each position separately. If individuals are named, include resumes or licenses.

List the hourly rate of the individual performing services. To determine the hourly rate, divide the annual salary rate by 2080.

Determine the number of hours the individual will be working on the contract. (2080 hours is considered full-time employment.)

The total salary to be paid will automatically fill in.

List the percentage of funds requested from DHH. The amount requested from DHH and the amount of non-DHH funds will automatically fill in.

Examples completed for all columns on the budget form for salaries and wages are as follows:

	Hourly Rate	Estimated Hours to be Worked	Total Salary to be Paid	% Requested from DHH	Non-DHH Funds	Amount Requested from DHH
Program Director	25.00	2080	\$52,000	100%		\$52,000
Social Worker	35.00	1040	\$36,400	50%	\$18,200	\$18,200
Clerical	9.00	2080	\$18,720	100%		\$18,720
Total			\$107,120		\$18,200	\$88,920

**Related Benefits (41):**

Includes all employer costs for employee related benefits: FICA, FUTA/SUTA\* (FUTA and SUTA are unemployment taxes), health insurance costs, retirement plan, etc. Related benefits are limited to no more than 35% of the salary or wage expense. A list of benefits shall be included with overall percentage of stated benefits.

\*Note: a contractor can provide the exact percentage of unemployment taxes used in relation to wages in order to calculate the amount paid.

**Travel (12):**

Travel expenditures are disbursements made to pay for travel expenses as defined by General Travel Regulations, State Policy and Procedure Memorandum #49. Some allowable expenses include lodging, meals, common carrier fares, and personal auto mileage.

DO NOT specify the travel rate as this rate can change during the contract dates. State that travel will be reimbursed “within the guidelines established by the General Travel Regulations, State Policy and Procedure Memorandum #49”.

Cost reimbursement contractors may only be reimbursed at the rates and terms specified in the current State Travel Regulations. A full copy of the State Travel Regulations may be accessed through the Internet as follows:

<http://www.doa.louisiana.gov/osp/travel/travelpolicy/travelguide.pdf>

Due to the fact that determining allowable reimbursement under State Travel Regulations can be complex, all expenses should be shown on the **Travel Expense Account Form**, which is to accompany the invoice submitted for reimbursement.

**Operating Services (13):**

Expenses incurred for outside services, other than personal or professional, required by the contract or program in the administration of its assigned or legally obligatory functions. Line items can include:

- Insurance-surety bonds, general liability
- Worker's compensation\*
- Printing/advertising
- Postage
- Maintenance of property and equipment
- Rental (building, land, auto, equipment)
- Utilities and telephone/cell phone expenses

\*Note: a contractor can provide the exact percentage of worker's compensation payments made in relation to the wages paid.

**Supplies (14):**

Articles and commodities that are consumed or otherwise materially altered in contract operations. Line items can include:

- Office supplies
- Medical supplies
- Automotive supplies
- Repair and maintenance supplies

**Professional Services (15):**

Services provided in specialized or highly technical fields by sources outside of contractor operations. All professional services must be itemized and explained in the budget justification. Line items can include:

- Accounting services
- Medical services
- Legal services
- Consultants' services
- Trainer's services

**Capital Assets (16):**

Expenditures in this category result in the acquisition of, additions to, or replacement of fixed or movable property. These are items that would be capitalized by the contractor. Line items can include:

- Office equipment
- Medical equipment

**Administrative/Indirect Costs (17):**

Indirect costs represent the expenses of doing business that are not readily identified with a particular budget category but are necessary for the general operation of the contractor. Indirect costs should be avoided whenever possible. Any cost that can be directly related to the services in the contract should be represented in a specific budget category. Costs not specific to program's operation and are charged on a % basis are listed in this category (not to exceed 12%). Administrative costs are not necessarily overhead costs. **The basis for administrative costs must be explained.**