



Budget Guidelines Program Year 2011

Use this information as you complete the budget table and budget justification that are required in the “Proposal Narrative” section of the *Grant Proposal*.

Overview

Purpose of the Budget Table and Budget Justification

The purpose of the budget table and budget justification is to show how much your project will cost, where the money will come from, and how the money will be used.

- The budget table shows how much money you need (expenses) and where the money will come from (revenues).
- The budget justification explains in detail the line items in the budget table.

Samples of the Budget Table and Budget Justification

A sample budget table and a sample budget justification are available for downloading at www.endowmentforhealth.org in the “Grant Center” section. Blank templates of the budget table and budget justification are also available. The budget tables are Microsoft® Excel™ files, and the budget justifications are Microsoft Word™ files.

Budget Table Instructions

Create a separate budget table (a “Worksheet” in Excel) for each project year. In addition, for multi-year grants, create a consolidated budget table to provide the sum of each line item for all project years.

Use those line items in the budget table template that are appropriate for your project; these line items are described below in the section, “Definitions”.

Regarding the adding or deleting of line items:

- You may add line items that are unique to your project and delete unused line items.
- If you add or delete a line item (row) for one year/worksheet, remember to add or delete that line item in the same position for all years/worksheets (or the “roll-up” spreadsheet formulas will not work correctly). Also, after adding or deleting a row, check the formulas to be sure the software handled the change correctly.
- If you add a unique line item, be sure to define it in the budget justification.

Itemize each contributing organization separately under Revenue Sources.

Itemize employees separately under Total Salaries and Wages, and itemize each contractor separately under Total Contracted Services.

Be sure that Total Revenues equals Total Expenses in every column. If they are not the same, explain why in the budget justification.

Indirect Expenses

As of October 2008, the Endowment will fund indirect (administrative overhead and facility costs) expenses for up to 15% of the request excluding contracted services (consultants and service providers), furniture, computer equipment and computer software expenses. General administrative and facility (except conference/meeting space) costs are considered indirect costs and will not be funded separately as a direct expense.

Budget Justification Instructions

You must provide a narrative justification for *every* revenue line item and *every* expense line item in *each* year of the budget table. Each statement should describe, as demonstrated in the sample budget justification, each of the following:

- A general description of the line item.
- How the item relates to the project inputs (resources) and activities outlined in the workplan.
- How the amount shown in the budget table was arithmetically determined. List separately each of the costs that add up to the amount shown in the table, and include their calculations. For example, each contracted service should be listed separately and include their rate and number of hours. The budget justification will be thoroughly reviewed by Endowment staff for accuracy and applicability to the project. In addition, you might be requested to provide additional information regarding statements given in the budget justification.

Definitions

The following terms, in alphabetical order, are used in the budget table template, sample budget table, and budget justification.

Committed Revenues

Income for which you have received a binding commitment.

Direct Expenses

Direct expenses are those costs directly attributed to a specific project. Sometimes different expenses of the same type (for example, postage) qualify as direct *and* indirect expenses. For example, the cost to mail 200 brochures directly related to a project would be a direct expense, and the cost of the project's share of general postage would be an indirect expense.

Equipment and Furniture

Rental and purchase of related office furnishings and equipment, including computer and telephone equipment that directly relate to the project.

Fringe Benefits

FICA, health insurance, disability insurance, workers' compensation, retirement contributions, etc. for employees working directly on the project.

Indirect Expenses

Expenditures for which it is often impractical to calculate dollar amounts and itemize as direct expenses, because while these expenses are necessary to support a project, they are also shared across the organization and are therefore not easily identified with a specific project.

Indirect expenses usually involve paying a share of the following: accounting; administrative and clerical staff, including fiscal management and development; attorneys; communication expenses (telephone and computer access); computer supplies; equipment maintenance; general office supplies; general copying and printing; general postage; non-property insurance; facility costs (rent, utilities, and facilities maintenance and property insurance) that are shared across the organization.

In-Kind

Contributed goods and services (such as, salaries, fringe benefits, and rent), rather than the money to pay for those goods and services.

Meeting Costs

Food, meeting space, and rental equipment (LCD, microphones, ect.)

Office Operations

Copying, printing, supplies, and postage that directly relate to the project.

Project Revenue

Income generated by the project, such as, money received from Medicaid, client fees, and private insurance.

Total Contracted Services

Sum of the costs of all outsourced services or workers, including consultants, professional fees, and volunteers.

Total Salaries and Wages

Sum of the salaries and wages of all full-time, part-time, and temporary employees who are directly related to the project.

Travel/Conference

Conference expenses (including all fees and travel), and general travel expenses that directly relate to the project.