

Minnesota Department of Health
Community HIV Health Education and Risk Reduction Project
Project Budget Narrative

(10 point value combined Project Budget and Project Budget Narrative)

- A. Please present a brief justification for the budget items requested. Include an explanation of how costs were determined. If more space is required, attach another sheet. Keep in mind that this is a 12-month budget.

List Project Name and Target Population:

1. **Salaries:** Indicate for each position the name and title, the full time equivalent on this project, the expected rate of pay, and the total amount for a 12-month period. State each staff person's salary per year. Funds can be used for salary of staff members directly involved in the proposed project (planning, developing, delivering, or evaluating). Salaries should be based on qualifications and experience.

“Full time equivalent” (or FTE) is defined as the percentage of time a person will work on the proposed project. To calculate the FTE, divide the hours the person will work by the standard number of work hours, which is 40 hours per week, 174 hours per month, or 2,088 hours per year. For example, a person who works 20 hours per week on this project is a 0.5 FTE ($20/40 = 0.5$).

Example: .75 FTE Health Educator, \$35,000 per year x 12-months = \$ 26,250

2. **Fringe:** All other costs, except for compensation, for full- or part-time employees of the applicant agency with project responsibilities, except those funded from administrative costs. These may, but do not have to, include: employer portion of FICA and Medicare, medical and dental insurance, long-term disability insurance, life and accidental death and dismemberment insurance, workers compensation insurance, and unemployment insurance. State each staff person's fringe per year.
3. **Travel and Subsistence:** All costs related to the transportation of project employees for approved project activities. Client travel is reported under “Other” expenses. Mileage should be calculated at a maximum of the current IRS allowable amount. Only instate travel should be calculated here.
4. **Supplies:** All project costs related to the purchase of items with a cost of less than \$5,000. Examples: office supplies (paper products, clips, pencils), condoms & lube, copying costs, brochures and educational material, computer, software, client incentives, etc.
5. **Contractual Services:** If you plan to hire independent contractors for specific services on a fee basis, please indicate: (1) the name(s) of the contractor(s) or consultant(s); (2) the dollar amount(s); (3) the specific expense line items; and, (4) the service(s) being provided. Please use additional pages if necessary. Note: Sub-contracts require prior written approval by the MDH.
6. **Equipment:** Itemize all costs of equipment that has purchase a price above \$5,000, is tangible, and has a useful life of more than one year. Note: Please contact Gary Novotny by e-mail at gary.novotny@health.state.mn.us or if you do not have e-mail access telephone him at 651-201-4029 if equipment costs are proposed.

7. **Other:** All project cost items, not included in the previous definitions must be specified here. Examples: office phone, cell phone, internet access, postage, refreshments, advertising, translation/interpretation costs, costs associated with staff training. It is highly recommended to plan for approximately \$1,800 per 1.0 FTE for staff training and out of state travel expenses. Out of state travel will require prior approval by the State’s Authorized Representative on a case by case basis during the grant agreement period and pending availability of grant agreement funds. Note: Do not include HIV testing kits nor laboratory processing costs (see Appendix E).

8. **Subtotal:** (no narrative required for this line)

9. **Administrative Costs:**

This line is not to exceed 17% of the total of the proposed expenses.

Administrative Costs are defined as costs that represent the expenses of doing business that are not easily identified with a particular grant, contract, project, function, or activity but are necessary for the general operation of the organization and the conduct of activities it performs. Examples: accounting, human resources, general agency administration, and costs to operate and maintain facilities (including occupancy).

Describe what kinds of administrative costs are expected.

Administrative expenses will not be provided to other government agencies or universities.

10. **Total:** (no narrative required for this line)

Proposed projects MUST be within the range of \$39,000-\$156,000 per project (unless within the Native American High Risks Heterosexual and Asian Pacific Islander High Risk Heterosexual target populations). No project over \$156,000 will be considered.

Note: If awarded funding, an “Administrative/Indirect Cost Allocation for HIV HERR projects” Form will be completed.

B. If funding from other sources has been secured, or will be requested to support this project, please indicate: (1) the dollar amount; (2) the source of these funds; and, (3) when a final decision regarding the funding requests is expected.

Amount Requested	Source	Status	Date of Expected Response

C. Please estimate the total project budget necessary to maintain this project from January 1, 2009 through December 31, 2012 (4 year budget).

D. Describe if applicable, any “in-kind” contribution your agency will provide to support this project.