

Activity 7-1a: Budget Exercise and Budget Narrative

Directions: Identify the flaws in this budget.

BUDGET

A. Personnel \$173,632

- AAA, President and CEO @ 5%
- BBB, Vice President and COO @ 10%
- CCC, Institute Director @ 50%
- DDD, Training Section Leader, 75%
- EEE, Asst. Training Section Leader @ 60%
- FFF, Program Manager @ 75%

B. Fringe \$54, 694

C. Travel \$33,314

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Planning meetings for Conference A (3 staff trips)	Appleton, WI	Airfare	3 trips x \$500	\$1,500
		Hotel	3 trips x \$52 x 2 nights	\$312
		Per Diem	3 trips x \$34/day x days	\$204
		Ground	3 trips x \$50/trip	\$150
3 Staff and 3 Consultants To attend, present and coordinate Conference A	Green Bay, WI	Airfare	6 trips x \$500	\$3,000
		Hotel	6 trips x \$70 x 3 nights	\$1,260
		Per Diem	6 trips x \$34/day x 3 days	\$612
		Ground	6 trips x \$50/trip	\$300

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Conference B (2 planning meetings\ 3 staff, 1 consultant for Conference B)	TBD	Airfare	6 trips x \$300	\$1,800
		Hotel	2 trips x 1 night x \$100 4 trips x 4 nights x \$100	\$1,800
		Per Diem	2 trips x 2 days x \$42/day 4 trips x 4 days x \$42/day	\$840
		Ground	6 trips x \$50/trip	\$300
		2 Other National Conferences (3 staff, 1 consultant=8 trips)	TBD	Airfare
Hotel	8 trips x 3 nights x \$100/day	\$2,400		
Per Diem	8 trips x 3 days x \$42/day	\$1,008		
Ground	8 trips x \$50/trip	\$400		
5 Outreach Trainings and Technical Assistance Request (5 staff/consultants)	TBD	Airfare	5 trips x \$500	\$2,500
		Hotel	5 trips x 2 nights x \$100/day	\$1,000
		Per Diem	5 trips x 3 days x \$42/day	\$630
		Ground	5 trips x \$50/trip	\$250

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Focus meetings	Washington,	Airfare	12 trips x \$500	\$6,000
To establish partnerships (2 meetings/ 6 participants)	DC			
		Hotel	12 trips x 1 night x \$120/day	\$1,440
		Per Diem	12 trips x 2 days x \$42/day	\$1008
		Ground	12 trips x \$50/trip	\$600

D. Equipment \$5,100

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Desktop Computer	Cost based on historical expenses	\$1,500
Upgrades	(3 computers x \$500/ea)	
Cell Phones	\$100/month x 12 months x 3 phones	\$3,600

E. Supplies \$7,700

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
General Training Materials	12 months x \$125/mo	\$1,500
Conference Materials	5 conferences x \$1,000/event	\$5,000
Training/TA Materials	12 trainings x \$100/event	\$1,200

F. Consultants/Contracts \$57,050

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Consultant Trainers	49 days x \$450/day	\$22,050
Technical College	Contract for Conference A	\$35,000

G. Other		\$20,286
<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Exhibiting Cost	2 exhibits x \$750 /each	\$1,500
<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Shipping Exhibit	4 exhibits x \$ 500/each	\$2,000
Shipping Training/ Conference Materials	100 boxes x \$25/each	\$2,500
Printing Brochures	4,000 brochure x .50/each	\$2,000
Printing Training Manuals	200 manuals x \$35/each	\$7,000
General Printing	28, 373 pages x .07/copy	\$1,986
Long Distance Phone Service	\$50/month x 12 months	\$600
Long term storage	Average cost/year	\$400
Laptop computer dial-up	Average cost/year	\$300
Staff Development	4 x \$500 each	\$2,000
H. Indirect		\$114,163
Total Projected Cost		\$465,939

BUDGET NARRATIVE

A. Personnel \$173,632

AAA, President and CEO @ 5%

BBB, Vice President and COO @ 10%

CCC, Institute Director @ 50%

DDD, Training Director, 75%

EEE, Training Director @ 60%

FFF, Program Manager @ 75%

Budget Justification

AAA, President and CEO, participates in the A. Conference and other national conferences as a keynote speaker. In addition, he is involved in a number of agency co-sponsored events and participates in conferences and trainings at the request of the Training Section as needed. Five percent of his time is allocated to support Training efforts.

BBB, Vice President and COO, has general administrative responsibility for the Training Section as the Chief Operations Officer. In addition, he provides vision and direction for agency training initiatives, assists with the development of new training initiatives, and serves as a lead trainer in the Edge Cutting trainings, and Community Wealth Enterprises trainings. He works closely with the Training Section to identify the training needs of the agency's different constituencies, and to target training resources strategically and cost effectively. Ten percent of his time is allocated to the Training Section.

CCC, National Training Center Director, serves as the lead on the development and implementation of the National Training Center. This includes the development of a regular calendar of leadership related course offerings to be provided at the Training Center and some off-site trainings or special outreach services on request from local jurisdictions. In addition, he coordinates co-sponsorship of the A. Conference in Green Bay, WI and the B. Conference in Atlanta, GA. Fifty percent of his time is allocated to the Training Section.

DDD, Training Director, has direct administrative responsibility for the Training Section. This individual is responsible for budget oversight, personnel, and the completion of program work elements. This individual coordinates the efforts of the cross-functional team for training to ensure coordination, collaboration, and cooperation around the agency’s training and technical assistance functions. This individual also serves as a lead trainer in a number of agency trainings, including Edge Cutting. Fifty percent of this individual’s time is allocated to the Training Section.

EEE, Asst. Training Director, works in cooperation with Training Section Leader in the implementation and oversight of existing training section work elements, including Edge Cutting, Special Focus and Outreach, and the cross-functional training team. He assists with the development of new initiatives, outreach to under-served populations, exhibiting, training and workshops, responding to phone, written, and email requests for training and technical assistance, and oversight of the administrative assistant. Fifty percent of his time is dedicated to the work elements in the Training Section.

FFF, Administrative Assistant, is responsible for assisting with training logistics, evaluation, data base management, training team administrative reporting, and other duties as assigned.

B. Fringe \$54, 694

The formula for calculating fringe benefits is 31.5% of personnel (salary).

C. Travel \$ 32,246

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Planning meetings for	Appleton,	Airfare	3 trips x \$500	\$1,500
Conference A (3 staff trips)	WI			
		Hotel	3 trips x \$52 x 2 nights	\$312
		Per Diem	3 trips x \$34/day x 2 days	\$204
		Ground	3 trips x \$50/trip	\$150

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>		
3 Staff and 3 Consultants To attend, present and coordinate the Conference A.	Green Bay, WI	Airfare	6 trips x \$500	\$3,000		
		Hotel	6 trips x \$70 x 3 nights	\$1,260		
		Per Diem	6 trips x \$34/day x 3 days	\$612		
		Ground	6 trips x \$50/trip	\$300		
		Conference B	TBD	Airfare	6 trips x \$300	\$1,800
(2 planning meetings\ 3 staff, 1 consultant for Conference B)		Hotel	2 trips x 1 night x \$100 4 trips x 4 nights x \$100	\$1,800		
		Per Diem	2 trips x 2 days x \$42/day 4 trips x 4 days x \$42/day	\$840		
		Ground	6 trips x \$50/trip	\$300		
		2 Other National Conferences (3 staff, 1 consultant=8 trips)	TBD	Airfare	8 trips x \$500	\$4,000
				Hotel	8 trips x 3 nights x \$100/day	\$2,400
Per Diem	8 trips x 3 days x \$42/day			\$1,008		
Ground	8 trips x \$50/trip			\$400		
5 Outreach Trainings and Technical Assistance Request (5 staff/consultants)	TBD	Airfare	5 trips x \$500	\$2,500		

<u>Purpose of Travel</u>	<u>Location</u>	<u>Item</u>	<u>Computation</u>	<u>Cost</u>
		Hotel	5 trips x 2 nights x \$100/day	\$1,000
		Per Diem	5 trips x 3 days x \$42/day	\$630
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Focus meetings To establish partnerships (2 meetings/ 6 participants)	Washington, DC	Airfare	12 trips x \$500	\$6,000
		Hotel	12 trips x 1 night x \$120/day	\$1,440
		Per Diem	12 trips x 2 days x \$42/day	\$1008
		Ground	12 trips x \$50/trip	\$600

Each purpose for travel is described in the work plan. Calculations are based on Agency averages as a result of previous experience. Travel rates are as follows: Airfare- average \$500 per flight, hotel- average \$100 per night, per diem- average \$42/day, ground transportation- average \$50 per trip. Where rates are different, they are based on actual known costs.

D. Equipment			\$5,100
<u>Item</u>	<u>Computation</u>	<u>Cost</u>	
Desktop Computer	Cost based on historical expenses	\$1,500	
Upgrades	(3 computers x \$500/ea)		
Cell Phones	\$100/month x 12 months x 3 phones	\$3,600	

Growth within the agency has rendered some of the desktop computers unable to communicate. Upgrades of each desktop will increase efficiency within the agency and increase the internal capacity to communicate. Cost provide for each computer to be up-graded. The training section travels frequently and the ability to communicate from the road is critical. A portion of the costs for cell phone use will be billed to this budget.

E. Supplies \$7,700

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
General Training Materials	12 months x \$125/mo	\$1,500
Conference Materials	5 conferences x \$1,000/event	\$5,000
Training/TA Materials	12 trainings x \$100/event	\$1,200

General training supplies are estimated at an average of \$125/month. Five conferences are budgeted at \$1,000 per event for training materials, licensed products, and publications. A total of 12 trainings in the work plan are budgeted at \$100 per event.

F. Consultants/Contracts \$57,050

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Consultant Trainers	49 days x \$450/day	\$22,050
Technical College	Contract for Conference A	\$35,000

In addition to Agency staff, consultants are used to provide training and technical assistance as requested by Granting Agency or sites. The work plan calls for consultants to participate in up to 4 conferences, 12 trainings, and one focus group. Projected number of days is calculated at 49 days at a maximum daily rate of \$450. Technical College has historically received \$35,000 to support the annual **Conference A** in Green Bay, WI.

G. Other \$20,286

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Exhibiting Cost	2 exhibits x \$750 /each	\$1,500
Shipping Exhibit	4 exhibits x \$ 500/each	\$2,000
Shipping Training/ Conference Materials	100 boxes x \$25/each	\$2,500
Printing Brochures	4,000 brochure x .50/each	\$2,000

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Printing Training Manuals	200 manuals x \$35/each	\$7,000
General Printing	28, 373 pages x .07/copy	\$1,986
Long Distance Phone Service	\$50/month x 12 months	\$600
Long term storage	Average cost/year	\$400
Laptop computer dial-up	Average cost/year	\$300
Staff Development	4 x \$500 each	\$2,000

The Training Section will pay to exhibit at two of the four conferences to do outreach to new target audiences. The average exhibit booth cost is \$750. Shipping the exhibit averages \$500 based on historical experience. The exhibit will be shipped to four conferences. Shipping of training materials for conferences and trainings in FY 03 is expected to require up to 100 boxes at an average of \$25/box.

Training brochures for new trainings will average .50 apiece. Training manuals for Edge Cutting average \$35 each, an estimated 200 manuals will be required. General printing costs for handouts and other training materials are estimated at 28,373 pages for the year at a cost of 7 cents per copy.

Long distance phone service is expected to average \$50/month based on historical experience.

Long-term storage of training materials is expected to cost \$400 this year based on historical experience.

Laptop dial-up connection fees are expected to cost \$300 this year based on historical experience.

Annual staff development costs are allocated at \$500 per staff person. These will include the Director, Asst. Director, Institute Director, and Administrative Assistant.

H. Indirect \$114,163

Agency's indirect rate is calculated at 50% of personnel and fringe costs as listed above in sections A & B. This rate has been provisionally approved by Granting Agency's Office of the Comptroller.

Total Projected Cost \$465,795

BUDGET SUMMARY

Budget Category	Amount
A. Personnel	\$173,632
B. Fringe	\$54,694
C. Travel	\$33,314
D. Equipment	\$5,100
E. Supplies	\$7,700
F. Consultants/contracts	\$57,050
G. Other Cost	\$20,286
Total Direct Cost	\$351,776
H. Indirect Cost	\$114,163
TOTAL PROJECT COST	\$465,939