# Division of Child Development and Early Education (DCDEE) Instructions for Completing NC Pre-K Contractor Budget Worksheet SFY 2018-19

## PURPOSE
This form is used to budget costs necessary to the performance of the NC Pre-K Program contracted with the Division of Child Development and Early Education (DCDEE) during the effective period of the contract. Budgeted costs shall be in accordance with State rates, reasonable, necessary to the Program and justifiable. Refer to the NC Pre-K Fiscal and Contract Manual for detail information.

**Submit to:**  The Contractor Budget Worksheets are due to Melva Henry at NCPreK2013Contracts@dhhs.nc.gov prior to the issuance of a contract with DCDEE. Please submit budget worksheets on or before the **February 16, 2018.**

## Instructions for the worksheet are listed below.  Please read all instructions carefully.

### Contract Identification Section
This section of the report reflects pertinent data elements that are used to identify the reporting entity. The form is preset with the program name in the top left corner. Enter responses in the yellow areas.

1) **Contract Number:**  This is the number assigned by DCDEE to the contract document when the contract was approved.  The number is located at the top of the first page of the approved DCDEE contract document and should be used in all correspondence pertaining to this contract. *Please leave blank.
2) **Contractor:**  Enter the Contracting Agency's complete name.
3) **Program Name:**  This is pre-filled as NC Pre-K.

### Column Information
This section of the report is to be completed when reporting line item expenditures for reimbursement purposes.

I. **Column A:**  This column represents the budgeted categories, such as Human Resources, Operational Expenses/Capital Outlays or Subcontracting.

II. **Column B:** This column represents the budgeted line items or titles within each category.

III. **Column C:**  This Column represents the budget amounts entered by the Contractor per category/line item for the effective period of the contract that are necessary to the performance of the program. **The total of this column must equal the amount of the Contractor's administrative funds and direct services funds.** Note: This must equal even if the Contractor does not obligate all direct services funds.

IV. **Column D:**  This column represents a brief narrative description of the purpose of the budgeted amount per line item.  Budget narratives should show calculations for all budget line items and should clearly justify/explain the need for these items.  Costs should be in accordance with State rates, reasonable and justifiable.

Examples of narratives for various budget items are shown on pages 5-7.

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## V. Budget Categories and Line Items – Column C:

### A 1-3.) Human Resources:

Enter the respective totals for all budgeted items that fall within this category. The Contractor **must first complete the FTE worksheets** that are applicable. This section should include all administrative employees of the Contractor funded with NC Pre-K administrative funds. Annual values must be used – do not prorate any amounts. **Do not include any NC Pre-K teacher salaries/fringe in this category. These costs are included in expenses for direct services in B 11 or C (Subcontracts).**

**CCDF -** Salaries & Wages (excluding benefits) for NC Pre-K contractor staff to provide mentoring and evaluation, training & technical assistance to NC Pre-K programs.

**CCDF - Other** - PT/Temporary staff and public school substitute teachers to assist with child activities during professional development sessions.

The amount which automatically populates into A.1 (Salary/Wages) is the total of the FTE column times Total Annual Salary times the Percent of time worked in the activity column from the FTE worksheet. This amount represents agency staff costs. The amount which automatically populates into A.2 (Fringe Benefits) is amount calculated on the FTE Worksheet from the Total Fringe Benefits column for agency staff. The amount entered into A.3 (Other) should include temporary and emergency staff and all "other" appropriate personnel expenditures not identified in lines A.1 and A.2.

### B.1.) Supplies and Materials:

Enter the respective totals for all budgeted items that fall within this category. Supplies and materials generally include commodities that are consumed in operations within a relatively short period or the use of which results in a material change in, or an appreciable impairment of their physical condition. The following list, which is not all inclusive, identifies the types of budgeted items which should be reported under this category:

a. Furniture that is below the $500 unit cost, such as file cabinets, chairs, book shelves.

b. Other (If you make an entry in "other", please specify what the "other" expenditure is. This item might include additional items purchased for Supplies and Materials such as office supplies, postage, etc.)

**CCDF -** Curriculum and formative assessment tools; classroom materials such as shelves, rugs, books and toys; Transition to Kindergarten kits.

### B.2.) Equipment:

Enter the respective totals for all budgeted items that fall within this category. All budgeted items that are for the purchase (not rental) of tangible items with a service life of more than one year and a unit cost of $500 or more each should be classified as capital outlay. The following list, which is not all inclusive, identifies the types of budgeted items which should be reported under this category:

a. Communication: Office phones, fax machines, cell phone. Monthly usage cost should be entered under Utilities.

b. Office Furniture (Desks, Copiers, etc.)

c. IT: Personal computers, laptops, scanner, desk printer. Internet services should be entered under Utilities.

**CCDF -** IT equipment such as iPads and laptops for classroom staff for the use of online curriculum and formative assessment tools. Not to exceed $5000.

d. Assistive Technology: assistive, adaptive and rehabilitative devices for children with disabilities.

e. Other (specify the item to be purchased)

**B. 3) <u>Travel:</u>**
Enter the respective totals for all budgeted items that fall within this category.  Travel costs for agency administrative staff assigned to the Program must be charged in accordance with State regulations. Regulations can be found by accessing the website listed in Item 1 of your contract or referring to attachment I.
a. Travel for agency administrative staff assigned to the Program
b. Board Member Expense (Travel, Per Diem, etc.)
**CCDF -** Travel costs incurred by contractor staff for activities such as technical assistance, monitoring, professional development, etc.

**B.4) <u>Utilities:</u>**
Enter the respective totals for all budgeted items that fall within this category.  The following list, which <u>is not all inclusive</u>, identifies the types of budgeted items which should be reported under this category:
a. Gas/Electric/Water
b. Telephone: monthly phone or cell service
c. Other (If you make an entry in "other", please specify what the "other" budgeted item is, such as Internet services.)

**B.5.) <u>Repair and Maintenance:</u>**
Enter the total budgeted amount that fall within this category for repair and maintenance costs (custodial services for buildings, or repair and maintenance of equipment, etc.).

**B.6.) <u>Staff Development:</u>**
Enter the respective totals for all budgeted items that fall within this category.  This cost is for agency personnel related to the Program under contract, such as conference, workshops, continuing education.
**CCDF -** Professional Development trainings/materials for instructional staff; fees for trainers to provide group professional development for instructional staff; professional development for NC Pre-K contractor staff.

**B.7.) <u>Media/ Communications:</u>**
Enter the respective totals for all budgeted items that fall within this category.  The following list, which <u>is not all inclusive</u>, identifies the types of budgeted items which should be reported under this category:
a. Advertising
b. Audiovisual Presentations, Multimedia, TV and Radio Presentations
c. Logos
d. Promotional items
e. Publications, such as printing and binding costs
f. Public Service Announcements and ads
g. Reprints
h. Text translation to another language
i. Websites and web materials

**B.8.) <u>Rent:</u>**
Enter the respective totals for all budgeted items that fall within this category.  The following list, which <u>is not all inclusive</u>, identifies the types of budgeted items which should be reported under this category:

a. Office Rent
b. Equipment Rental (Telephone, Computer, Copier, etc.)
c. Furniture Rental
d. Vehicle Rental
e. Other (If you make an entry in "other", please specify what the "other" budgeted item is.)

**B.9.) Professional Services:**
Enter the respective totals for all budgeted items that fall within this category.  The following list, which is not all inclusive, identifies the types of expenditures which should be reported under this category to support the overhead of the Contractor for the Program:
a. Legal Services
b. IT services
c. Accounting Services
d.  Payroll
e.  Security

**B.10.) Dues and Subscriptions:**
Enter the total budgeted amount that fall within this category for dues and subscriptions that are related to the program /activity.
**CCDF -** Professional organization fees for NC Pre-K contractor staff; annual subscription fees to online assessment tools (e.g. TS Gold).

**B.11) Other:**
Enter the respective totals for all budgeted items that fall within this category.  The following list, which is not all inclusive, identifies the types of budgeted items which should be reported under this category:
a. Audit Services as related to the NC Pre-K Program
b. Incentives and Participants such as incentive items given to participants; field trip costs; or workshops for NC Pre-K parents or teachers.
c. Insurance and Bonding: Liability insurance to cover staff and participants while on field trips or daily activities.
d. NC Pre-K Admin Child Payments:  Administrative funds used to pay providers for direct services
e. NC Pre-K Admin transportation:  Administrative funds used to pay for child transportation
f. NC Pre-K Start-up:  Start-up funds received for expansion only
g. NC Pre-K Direct Services Contractor:  Direct services funds budgeted for the Contractor to provide direct services to children
f. Not Otherwise Classified: Use this for any item that does not fit in any other category.   ( i.e. Sponsored Meetings, (Parents Night, Open House), etc.)

**B. Total Operational Expenses/Capital Outlays:**  The form will calculate the total amount for all items entered in each Column.

**C. Subcontracting and Grants Direct Services:**
Enter the total of all funds you make available to sites through formal subcontracts for providing NC Pre-K services directly to children.

**D.) Totals:**
The form will calculate the total for column C. that includes the total of Item A through Item C.

# Technical Instructions

Below are technical instructions to assist you in successfully completing the Line Item Budget Worksheet template.  Also, please find sample narrative justifications that should provide additional guidance in developing your budget narratives.

- **Spreadsheet: rev. 11-13-17.** **The spreadsheet book contains** four (4) **worksheet tabs** (2 Line Item Budget Worksheets **and** 2 FTE Worksheets). The first two tabs - SFY 18-19 Contractor Line Item budget and FTE worksheet should include expenditures for SFY 18-19 **base allocation plus** the SFY 18-19 **expansion funds**. The last two tabs in the workbook solely pertain to CCDF - Quality funding. A separate Line Item Budget and FTE Worksheet are to be completed when utilizing CCDF – Quality funding.

- Only budgets submitted on the **revised spreadsheet (rev. 11-13-17)** will be **ACCEPTED**. Spreadsheet can also be found on the NC Pre-K website at **http://ncchildcare.nc.gov/general/mb_ncprek.asp** *(to save time please do not submit your budgets on the older version spreadsheets)

- Only enter information in yellow shaded cells only. **Do NOT try to enter or delete anything in blue shaded cells. The BLUE shaded cells are LOCKED fields.**

- If you have **FTE's** in your contract you **MUST** complete the **FTE Worksheet prior** to completing the **Contractor Line Item Budget** worksheet. The information from the FTE Worksheet will automatically transfer to the Contractor Line Item Budget in the blue shaded cells.

- **FTE Worksheet:** In column E (Percent of Time Worked on this Activity) You can now only use 5 digits (ex. 25.25%) the decimal is included in the 5 digits total.  If you enter more than 5 digits the spreadsheet has been programmed to still only calculate against the first 5 digits.

- Can only use **WHOLE NUMBERS** throughout the spreadsheet template.

- Any **calculations** included in the Narrative (column D) **must match** the total dollar amount in (column C).

- Do not modify the existing formulas in the FTE Worksheet or enter data with formulas incorporated into them which changes the true value of the data.

- You **MUST** include the **# of children** in your budget narrative that you plan to serve.
  - (**example #1:** Direct Services Contractor: Funds budgeted for the Contractor to provide direct services to **100** eligible children.
  - **example #2:** Subcontracting and Grants Direct Services: Funds budgeted for the subcontractor to provide direct services to **35** eligible children.
  (Examples for Expansion ONLY):
  - (**example #3:** Direct Services Contractor: Funds budgeted for the Contractor to increase rates due to teacher raises.
  - **example #4:** Subcontracting and Grants Direct Services: Funds budgeted for the Contractor to increase rates due to teacher raises.

- o (**example #5** <u>Direct Services Contractor</u>: Funds budgeted for the Contractor to provide direct services to **100** eligible children and increase rates due to teacher raises.
- o **example #6:** <u>Subcontracting and Grants Direct Services</u>: Funds budgeted for the subcontractor to provide direct services to **35** eligible children and increase rates due to teacher raises.

## SAMPLE NARRATIVE JUSTIFICATIONS

<u>**Human Resources**</u>:  (see Sample Contractor Line Item Budget and FTE Worksheet)

<u>**Supplies and Materials**</u>:
Furniture: Desk, Bookshelves, chair, file cabinets, etc.

Other: Additional items purchased for Supplies and Materials such as educational items (Curriculums), Office supplies, Postage, etc.
*Narrative Sample:* Routine office supplies: $50 per person per month (2 staff members @ $50 x 12 = $1,200).
2 cartridges for laser printer @ $50 = $100.

<u>**Equipment:**</u>
Equipment is for items that are purchased outright, not rented or leased.

Communication: Phone, Fax Machine, Cell Phone.  Note: this is not monthly usage, but rather the initial purchase of these items. Monthly usage should be entered under Utilities.
Office: Copier Machine
IT: Personal Computers, laptops, scanner, desk printers, PC Speakers (May not exceed $5,000)
Assistive Technology: assistive, adaptive and rehabilitative devices for people with disabilities examples: hearing aids.
Other:  Use this for any equipment item that does not fit in one of the defined categories above.

*Narrative Sample:* Desktop Computer: 2 Computers @ $500/each = $1,000
2 laser printer @ $150 = $300.

<u>**Travel:**</u>
**Rates may not exceed the following:**
Mileage rate: $0.545/mile;
In-state meals - $8.40 breakfast, $11.00 lunch, $18.90 dinner;
In-state lodging (excluding tax) $71.20 night;
Out-of-state meals - $8.40 breakfast, $11.00 lunch, $21.60 dinner;
Out-of-state lodging (excluding tax) $84.10/night;
Breaks - The state can only reimburse $4.50 per day for breaks for sponsored events; 20 persons must be in attendance for breaks to be charged to state funds.

Contractor Staff: Include any travel, meals, mileage for staff members listed under the salary and fringe section.
Board Members Expense: Include any travel, meals, mileage.

*Narrative Sample:* Overnight accommodations for Program Coordinator and Program Assistant to attend meetings/trainings (2 nights x $67.0) Lodging Grand Total: $134.60.

### SAMPLE NARRATIVE JUSTIFICATIONS

**Utilities:** (If not included in the rent)
Gas:
Electric:
Telephone: Monthly Phone or Cell service
Water:
Other: Use this for any utility item that does not fit in one of the defined categories above, such as Internet Service

*Narrative Sample:* Prorated share of electric bill: 25% of $100 monthly cost; 12 months x $25 = $300.

**Repair and Maintenance:** Custodial Services or basic Repairs and Maintenance not billed in the Professional Service area.
*Narrative Sample:* Custodial Services for services and maintenance of space used by programs and Program Coordinator's office @ 12 months x $65 = $780.

**Staff Development:** Conference, Workshops, Continuing Education.

*Narrative Sample:* Quarterly training costs for staff (2 staff x $75 per class x 4 classes = $600).

**Media/Communications:**
Advertising: Newspaper, etc.
Audiovisual Presentations, Multimedia, TV, Radio Presentation.
Logos: Cost associated to create a program logo.
Promotional Items: Any items used to promote program to general public.
Publications: Printed documents, Program brochures.
PSAs and Ads: Short Ads on TV, Radio, etc.
Reprints: Duplication copies of handouts during program sessions.
Text Translation: Cost associated with translation of documents into another language.
Websites and Web Materials: Cost to create website, maintain website, etc.

*Narrative Sample:* Program flyers for community program (1000 @ $.10 = $100); duplication/reprints for program sessions (400/month @ $.05 = $240).

**Rent:**
Office Space: Office Space, Program Meeting Space – must include square footage.
Equipment: This category is for equipment that is rented or leased, such as a Copier Machine or Phone System.
Furniture: Desk.
Vehicles: Cars, Van, etc.

Other: Use this for any rented or leased item that does not fit in one of the defined categories above that is necessary per the grant deliverables.

### SAMPLE NARRATIVE JUSTIFICATIONS

*Narrative Sample:* Example 1: Prorated rent: 25% of $1,600 monthly rent (12 months @ $400 = $4,800).
*Example 2:* Square feet rented: 3,000 @ $10/sq. ft. = $30,000.  Prorated share: 25% = $7,500).

**Professional Services:**
These are services that are purchased to support the overhead of the agency.
Legal:
IT:
Accounting:
Payroll:
Security:
Dues and Subscriptions: Dues and or Subscriptions in non-profit associations.

*Narrative Sample:* 1 Organizational Membership to "XYZ Association" x $250 = $250.

**Other:**
Audit Services: Cost associated with annual financial audits preformed.
Incentives and Participants: Costs associated with:  Incentive Items given to participants or
    comparison group members; Participant Costs (field trips, enrichment activities, etc.); Open
    Houses; Parents' Nights, etc.
Insurance and Bonding: Liability Insurance to cover staff and participants while field trip or daily
    activities.
NC Pre-K Admin Child Payments:  Administrative funds used to pay providers for direct services
NC Pre-K Admin transportation:  Administrative funds used to pay for child transportation
NC Pre-K Start-up:  Start-up funds received for expansion only
NC Pre-K Direct Services Contractor:  Direct services funds budgeted for the Contractor to provide direct
services to children

Not Otherwise Classified: Use this for any item that does not fit in any other category.  Sponsored
    Meetings, (Parents Night, Open House), etc.

*Narrative Sample:* Direct services: Funds budgeted for the Contractor to provide direct services to 100
eligible children.
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**Total Operational Expenses/Capital Outlays:**  This field will automatically calculate the totals
from everything included under the Operational Expenses/Capital Outlays to give you the total
amount for the Operational Expenses/Capital Outlays Category.

**Subcontracting and Grants:**  Use this tab to enter any subcontracts necessary to provide direct
services to eligible children.

*Narrative Sample*: Funds budgeted for the subcontractor to provide direct services to 35 eligible
children.