MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
INSTRUCTIONS FOR PREPARATION OF BUDGET FORMS (DCH-0385, DCH-0386)

I. INTRODUCTION

The budget should reflect all expenditures and funding sources associated with the program, including fees and collections and local, state and federal funding sources. When developing a budget it is important to note that total expenditures for a program must equal total funds.

The Program Budget Summary (DCH-0385) is utilized to provide a standard format for the presentation of the financial requirements (both expenditure and funding) for each applicable program. Detail information supporting the Program Budget Summary is contained in the Program Budget-Cost Detail Schedule (DCH-0386). General instruction for the completion of these forms follows in Sections II-III. Budgets must be submitted on Michigan Department of Community Health approved forms.

II. PROGRAM BUDGET SUMMARY (DCH-0385) FORM PREPARATION

Use the **Program Budget Summary (DCH-0385)** supplied by the Michigan Department of Community Health. An example of this form is attached **(see Attachment B.1)** for reference. **The DCH-0386 form should be completed prior to completing the DCH-0385 form.** (Please note: the excel workbook version of the DCH 0385-0386 automatically updates the Program Summary amounts as the user completes the DCH-0386).

A. Program - Enter the title of the program.

B. Date Prepared - Enter the date prepared.

C. Page ___ of ___ - Enter the page number of this page and the total number of pages comprising the complete budget package.

D. Grantee Name - Enter the name of the Grantee.

E. Budget Period - Enter the inclusive dates of the budget period.

F. Mailing Address - Enter the complete address of the Grantee.

G. Budget Agreement: Original or Amended - Check whether this is an original budget or an amended budget. The budget attached to the agreement at the time it is signed is considered the original budget although it may have been revised in the negotiation process. If the budget pertains to an amendment, enter the amendment number to which the budget is attached.

H. Federal Identification Number – Enter the Employer Identification Number (EIN), also known as a Federal Tax Identification Number.

PROGRAM BUDGET SUMMARY (DCH-0385) FORM PREPARATION (continued)

I. Expenditure Category – All expenditure amounts for the DCH-0385 form should be obtained from the total amounts computed on the Program Budget - Cost Detail Schedule (DCH-0386). (See Section III for explanation of expenditure categories.)

Expenditures:

1. Salary and Wages
2. Fringe Benefits
3. Travel
4. Supplies and Materials
5. Contractual (Subcontracts/Subrecipients)
6. Equipment
7. Other Expenses
8. Total Direct Expenditures
9. Indirect Costs
10. Total Expenditures

J. Source of Funds – Refers to the various funding sources that are used to support the program. Funds used to support the program should be recorded in this section according to the following categories:

11. Fees and Collections - Enter the total fees and collections estimated. The total fees and collections represent funds that the program earns through its operation and retains for operation purposes. This includes:

    a. 1st party funds projected to be received from private payers, including patients, source users and any member of the general population receiving services,

    b. 2nd Party funds projected to be received from organizations, private or public, who might reimburse services for a group or under a special plan.

    c. 3rd Party funds projected to be received from private insurances, Medicaid, Medicare or other applicable titles of the Social Security Act directly related to the cost of providing patient care or other services, and

    d. any other collections.

PROGRAM BUDGET SUMMARY (DCH-0385) FORM PREPARATION
(continued)

12. State Agreement - Enter the amount of MDCH funding allocated for support of this program. This amount includes all state and federal funds received by the Department that are to be awarded to the Grantee through the agreement.

13. Local - Enter the amount of Grantee funds utilized for support of this program. In-kind and donated services from other agencies/sources should not be included on this line.

14. Federal - Enter the amount of any Federal grants received directly by the Grantee in support of this program and identify the type of grant received in the space provided.

15. Other(s) - Enter and identify the amount of any other funding received. Other funding could consist of foundation grants, United Way grants, private donations, fund-raising, charitable contributions, etc. In-kind and donated services should not be included unless specifically requested by MDCH.

16. Total Funding - The total funding amount is entered on line 16. This amount is determined by adding lines 11 through 15. The total funding amount must be equal to line 10 - Total Expenditures.

K. Total Budget Column - The Program Budget Summary is designed for use in presenting a budget for a specific program agreement funded in part by or through the Department or some other non-local funding source. Total Budget column represents the program budget amount. **The "K" Total Budget column must be completed while the remaining columns are not required unless additional detail is required by the Department.**

III. PROGRAM BUDGET-COST DETAIL SCHEDULE (DCH-0386) FORM PREPARATION

Use the **Program Budget-Cost Detail Schedule (DCH-0386)** supplied by the Michigan Department of Community Health. An example of this form is attached **(see Attachment B.2)** for reference. Use additional pages if needed.

A. Page ___ of ___ - Enter the page number of this page and the total number of pages comprising the complete budget package.

B. Program - Enter the title of the program.

C. Budget Period - Enter the inclusive dates of the budget period.

D. Date Prepared - Enter the date prepared.

E. Grantee Name - Enter the name of the Grantee.

PROGRAM BUDGET-COST DETAIL SCHEDULE (DCH-0386) FORM PREPARATION (continued)

F. Budget Agreement: Original or Amended - Check whether this is an original budget or an amended budget. If an amended budget, enter the amendment number to which the budget is attached.

Expenditure Categories:

G. Salary and Wages - Position Description - List all position titles or job descriptions required to staff the program. This category includes compensation paid to all permanent and part-time employees on the payroll of the Grantee and assigned directly to the program. This category does not include contractual services, professional fees or personnel hired on a private contract basis. Consulting services, professional fees or personnel hired on a private contracting basis should be included in Other Expenses. Contracts with subrecipient organizations such as cooperating service delivery institutions or delegate agencies should be included in Contractual (Subcontracts/Subrecipients) Expenses.

H. Comments - Enter information to clarify the position description or the calculation of the positions salary and wages or fringe benefits, (i.e., if the employee is limited term and/or does not receive fringe benefits).

I. Positions Required - Enter the number of positions required for the program corresponding to the specific position title or description. This entry could be expressed as a decimal (e.g., Full-time equivalent – FTE) when necessary. If other than a full-time position is budgeted, it is necessary to have a basis in terms of a time study or time reports to support time charged to the program.

J. Total Salary - Compute and enter the total salary cost by multiplying the number of positions required by the annual salary.

K. Salary and Wages Total - Enter a total in the Positions Required column and the Total Salary and Wages column. The total salary and wages amount is transferred to the Program Budget Summary - Salary and Wages expenditure category. If more than one page is required, attach an additional DCH 0386.

L. Fringe Benefits – Check applicable fringe benefits for employees assigned to this program. This category includes the employer's contributions for insurance, retirement, FICA, and other similar benefits for all permanent and part-time employees. Enter composite fringe benefit rate and total amount of fringe benefit. (The composite rate is calculated by dividing the fringe benefit amount by the Salary and Wages amount.)

M. Travel - Enter cost of employee travel (mileage, lodging, registration fees). **Use only for travel costs of permanent and part-time employees assigned to the program**. This includes cost for mileage, per diem, lodging, lease vehicles, registration fees and approved seminars or conferences and other approved travel costs incurred by the employees (as listed under the Salary and Wages category) for conducting the program. **Specific detail should be stated in the space provided on the Cost Detail Schedule (DCH-0386) if the Travel category (line 3) exceeds 10% of the Total**

PROGRAM BUDGET-COST DETAIL SCHEDULE (DCH-0386) FORM PREPARATION (continued)

Expenditures (line 10). Travel of consultants is reported under Other Expenses - as part of the Consultant Services.

N. Supplies & Materials - Enter cost of supplies & materials. This category is used for all consumable and short-term items and equipment items costing less than five thousand dollars ($5,000). This includes office supplies, computers, office furniture, printers, printing, janitorial, postage, educational supplies, medical supplies, contraceptives and vaccines, tape and gauze, education films, etc., according to the requirements of each applicable program. **Specific detail should be stated in the space provided on the Cost Detail Schedule (DCH-0386) if the Supplies and Materials category (line 4) exceeds 10% of the Total Expenditures (line 10).**

O. Contractual (Subcontracts/Subrecipients) – **Specify the subcontractor(s) working on this program in the space provided under line 5.** Specific details **must** include:

1) subcontractor(s) and/or subrecipient(s) name and address,
2) amount for each subcontractor and/or subrecipient,
3) the total amount for all subcontractor(s) and/or subrecipient(s).

Multiple small subcontracts can be grouped (e.g., various worksite subcontracts). Use this category for written contracts or agreements with subrecipient organizations such as affiliates, cooperating institutions or delegate Grantees when compliance with federal grant requirements is delegated (passed-through) to the subrecipient Grantee. Contractor payments such as stipends and allowances for trainees, fee-for-service or fixed-unit rate patient care, consulting fees, etc., are to be identified in the Other Expense category.

P. Equipment - Enter a description of the equipment being purchased, including number of units and the unit value, the total by type of equipment and total of all equipment. This category includes stationary and movable equipment to be used in carrying out the objectives of the program. The cost of a single unit or piece of equipment includes the necessary accessories, installation costs and any taxes. Equipment is defined to be an article of non-expendable tangible personal property having a useful life of more than one (1) year and an acquisition cost of $5,000 or more per unit. **Equipment items costing less than five thousand dollars ($5,000) each are to be included in the Supplies and Materials category. All equipment items summarized on this line must include: item description, quantity and budgeted amount and should be individually identified in the space provided (line 6). Upon completing equipment purchase, equipment must be tagged and listed on the Equipment Inventory Schedule (see Attachment B.3) and submitted to the agreement's contract manager.**

Q. Other Expenses - This category includes other allowable cost incurred for the benefit of the program. The most significant items should be specified. Minor items may be identified by general type of cost and summarized as a

PROGRAM BUDGET-COST DETAIL SCHEDULE (DCH-0386) FORM PREPARATION (continued)

single item on the Cost Detail Schedule to arrive at a total Other Expenses category. Significant groups or subcategories of costs are described as

follows and should be individually identified in the space provided (line 7). **Specific detail should be stated in the space provided on the Cost Detail Schedule (DCH-0386) if the Other Expenses category (line 7) exceeds 10% of the Total Expenditures (line 10).**

1. Communication Costs - Costs of telephone, telegraph, data lines, Internet access, websites, fax, email, etc., when related directly to the operation of the program.

2. Space Costs - Costs of building space, rental and maintenance of equipment, instruments, etc., necessary for the operation of the program. If space is publicly owned, the cost may not exceed the rental of comparable space in privately owned facilities in the same general locality. Department funds may not be used to purchase a building or land.

3. Consultant or Contractor Services - These are costs for consultation services, professional fees and personnel hired on a private contracting basis related to the planning and operations of the program, or for some special aspect of the project. Travel and other costs of these consultants are to be included in this category.

4. Other - All other items purchased exclusively for the operation of the program and not previously included, such as patient care, fee for service, auto and building insurance, automobile and building maintenance, membership dues, fees, etc.

R. Total Direct Expenditures – Enter the sum of items 1 – 7 on line 8.

S. Indirect Costs Calculations - **Enter the allowable indirect costs for the budget.** Enter the base amount. Indirect costs can only be applied if an approved indirect costs rate has been established or an actual rate has been approved by a State of Michigan department (i.e., Michigan Department of Education) or the applicable federal cognizant agency and is accepted by the Department. Attach a current copy of the letter stating the applicable indirect costs rate. **Detail on how the indirect costs was calculated must be shown on the Cost Detail Schedule (DCH-0386)**.

T. Total Expenditures - Enter the sum of items 8 and 9 on line 10.

PROGRAM BUDGET SUMMARY

View at 100% or Larger
Use WHOLE DOLLARS Only

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

PROGRAM	DATE PREPARED	Page	Of
(A) Budget and Contracts	(B) 7/01/xx	(C) 1	2
GRANTEE NAME: (D) Michigan Agency	BUDGET PERIOD: (E) From: 10/01/xx To: 9/30/xx		
MAILING ADDRESS (Number and Street): (F) 123 ABC Drive	(G) BUDGET AGREEMENT: ORIGINAL AMENDMENT ▶	AMENDMENT #: 1	
CITY: Acme / STATE: MI / ZIP CODE: 44444	FEDERAL ID NUMBER: (H) 38-1234567		

(I) EXPENDITURE CATEGORY				(K) TOTAL BUDGET (Use Whole Dollars)
1. SALARY & WAGES	43,000			43,000
2. FRINGE BENEFITS	11,180			11,180
3. TRAVEL	1,400			1,400
4. SUPPLIES & MATERIALS	37,000			37,000
5. CONTRACTUAL (Subcontracts/Subrecipients)	3,500			3,500
6. EQUIPMENT	5,000			5,000
7. OTHER EXPENSES				
	8,000			8,000
8. TOTAL DIRECT EXPENDITURES (Sum of Lines 1-7)	110,090			110,090
9. INDIRECT COSTS: Rate #1 %				
INDIRECT COSTS: Rate #2 %				
10. TOTAL EXPENDITURES	110,090			110,090

EXAMPLE

(J) SOURCE OF FUNDS

11. FEES & COLLECTIONS	10,000			10,000
12. STATE AGREEMENT	90,000			90,000
13. LOCAL	9,090			9,090
14. FEDERAL				
15. OTHER(S)				
16. TOTAL FUNDING	110,090			110,090

AUTHORITY: P.A. 368 of 1978 **COMPLETION:** Is Voluntary, but is required as a condition of funding	The Department of Community Health is an equal opportunity employer, services and programs provider.

DCH-0385 FY2014 5/14(W) Previous Edition Obsolete.

PROGRAM BUDGET – COST DETAIL SCHEDULE

View at 100% or Larger
Use WHOLE DOLLARS ONLY

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

(B) PROGRAM	(C) BUDGET PERIOD From:	To:	(D) DATE PREPARED
Budget and Contracts	10/01/xx	9/30/xx	7/01/xx
(E) GRANTEE NAME Michigan Agency	(F) BUDGET AGREEMENT ORIGINAL AMENDMENT		AMENDMENT #

(G) 1. SALARY & WAGES POSITION DESCRIPTION	(H) COMMENTS	(I) POSITIONS REQUIRED	(J) TOTAL SALARY
Nurse	9 month position	1	25,000
Project Director		.5	18,000
	(K) 1. TOTAL SALARY & WAGES:	1.5	$ 43,000

(L) 2. FRINGE BENEFITS (Specify)

FICA LIFE INS. DENTAL INS COMPOSITE RATE
UNEMPLOY INS. VISION INS. WORK COMP AMOUNT 26%
RETIREMENT HEARING INS.
HOSPITAL INS. OTHER (specify) _____

2. TOTAL FRINGE BENEFITS: $ 11,180

(M) 3. TRAVEL (Specify if category exceeds 10% of Total Expenditures)

Conference registration $350
Airfare $600
Hotel accommodations and per diem for 4 days $450

TOTAL TRAVEL: $ 1,400

(N) 4. SUPPLIES & MATERIALS (Specify if category exceeds 10% of Total Expenditures)

Office Supplies 2,000
Medical supplies 35,000

4. TOTAL SUPPLIES & MATERIALS: $ 37,000

(O) 5. CONTRACTUAL (Specify Subcontracts/Subrecipients)

Subcontractor Name	Address	Amount
ACME Evaluation Services	555 Walnut, Lansing, MI 48933	$ 2,000
Subrecipient Name		
Health Care Partners	333 Kalamazoo, Lansing, MI 48933	$ 1,500

5. TOTAL CONTRACTUAL: $ 3,500

(P) 6. EQUIPMENT (Specify items)

Microscope $5,000

6. TOTAL EQUIPMENT: $ 5,000

(Q) 7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures)

Communication Costs $2,400
Space Costs $3,600
Consultant or Vendor: John Doe, Evaluator, 100 Main, E. Lansing $2,000

7. TOTAL OTHER: $ 8,000

(R) 8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7) 8. TOTAL DIRECT EXPENDITURES: $ 110,090

(S) 9. INDIRECT COSTS CALCULATIONS

Rate #1: Base $0 X Rate 0.0000 % Total $ 0
Rate #2: Base $0 X Rate 0.0000 % Total $ 0
9. TOTAL INDIRECT EXPENDITURES: $ 0

(T) 10. TOTAL EXPENDITURES (Sum of lines 8-9) $ **110,090**

AUTHORITY: P.A. 368 of 1978
COMPLETION: Is Voluntary, but is required as a condition of funding

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DCH-0385 FY2014 5/14(W) **Previous Edition Obsolete** Use Additional Sheets as Needed

EXAMPLE

ATTACHMENT B. 3

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
CONTRACT MANAGEMENT SECTION

EQUIPMENT INVENTORY SCHEDULE

Please list equipment items that were purchased during the grant agreement period as specified in the grant agreement budget, Attachment B.2. Provide as much information about each piece as possible, including quantity, item name, item specifications: *make, model,* etc. Equipment is defined to be an article of non-expendable tangible personal property having a useful life of more than one (1) year and an acquisition cost of $5,000 or more per unit. Please complete and forward this form to the MDCH contract manager with the final progress report.

Grantee Name: Michigan Agency Contract #: 201xxxxx Date: 10/31/20xx

Quantity	Item Name	Item Specification	Tag Number	Purchase Price
1	**LW Scientific M5 Labscope**	• Binocular • Trinocular with C-mount or eye tube • 35mm and digital camera adapters available • Diopter adjustment • Inclined 30 degrees (45 degrees available), rotates 360 degrees • 10X/20 high point eyepieces • Interpupillary distance range 50-75mm	N1038438EW109	$ 5,000
				$
				$
				$
				$
				$
				$
			Total	$ 5,000

EXAMPLE

Grantee's Signature: _____ Date: _____