Frequently Asked Questions: Budget Tool

Ryan White Part B/Minority AIDS Initiative (MAI) RFP

Budget Justification tab in Budget Tool

Question 1: Where do we put contractual mileage?

Answer: Use the "Subcontracted Organizations" section. In the narrative portion, you can describe the calculation for the amount entered in column N.

1. **For example, in the narrative field, list "Mileage for John Doe of ACME: 100 miles @ $0.50/mile = $50**

Question 2: In the Personnel section, when I choose an employee from the Name field drop-down box and fill in the number of bi-weekly hours, the category, and the months per this budget, I am getting a #DIV/0! error in the FTE and the Amount Requested fields. Am I doing something wrong?

Answer: You are receiving this error because you have not entered a value in the Agency Standard Bi-Weekly Hours field (Cell N:8). Without a value in the field, the calculation of FTE and Amount Requested will result in an error. Please see examples below.

Example 1: **Agency Standard bi-weekly hours = 80. Employee bi-weekly hours = 80, Employee is on the budget for all 12 months**

(# Employee bi-weekly hours expected/80 Standard hours) x (# months employee expects to work/12 months available in budget period) = (80 hours expected/80 hours available) x (12 months expected/12 months available)

FTEs = 1.00

Example 2: **Agency Standard bi-weekly hours = 80. Employee bi-weekly hours = 60, Employee is on the budget for 9 months**

(# Employee bi-weekly hours expected/80 Standard hours) x (# months employee expects to work/12 months available in budget period) = (60 hours expected/80 hours available) x (9 months expected/12 months available)

FTEs = 0.5625

In both examples, the annual full time salary, based on total standard hours for a year of 2,080 hours, is multiplied by the FTE value to calculate the salary cost of the resource over the budget period.

Question 3: My agency will be applying for both Ryan White Part B funds, as well as Minority AIDS Initiative (MAI) funds. Do we need to complete two different budget tools?

Answer: Yes. On the Funding-Year 1 tab, in the Category field, choose Ryan White Part B for one tool and Minority AIDS Initiative (MAI) for the other tool.

Service Description tab in Budget Tool

Question 1: I am working on the budget tool to apply for MAI funding. Are all of the Service Categories listed in the drop-down allowable for us to apply for under the MAI portion of this grant?

Answer: No. The only allowable services under the MAI funding portion of this RFP are the last choice in the drop-down list (MICHIGAN DEPARTMENT OF CORRECTIONS OUTREACH).

Question 2: I am working on the budget tool to apply for Ryan White Part B funding. Is the Service Category of MICHIGAN DEPARTMENT OF CORRECTIONS OUTREACH in the drop-down allowable for us to apply for under the Ryan White Part B portion of this grant?

Answer: No. All of the Service Categories are valid for Ryan White Part B, excluding the last choice in the drop-down list (MICHIGAN DEPARTMENT OF CORRECTIONS OUTREACH).You must submit a separate budget tool if you wish to apply for MAI funds.

Administrative Cap

Question 1: Am I reading correctly that our budget has greater flexibility relative to administrative costs, and we can submit a budget with administrative costs up to 22% of direct costs?

Answer: Yes, this is correct. If your agency is awarded funding, the federal portion of your award will still be subject to the 10% Administrative Cap. The other administrative costs in your budget would be supplemented by private rebate funding, which is not subject to an Administrative Cap.

The administrative costs in this budget must also reflect the recent changes in the treatment of costs under the Administrative Cap for Ryan White Part B. These changes provided by Policy Change Notification (PCN) 15-01 should provide greater ease in managing the Administrative Cap. In conjunction with these changes, MDCH will continue to provide a mix of funding that allows our sub-recipients to budget for a reasonable level (up to 22% of direct costs) of administrative costs.

Your agency will be provided an administrative cost workbook upon award that will detail your federal funds and administrative allowance, as well as private rebate funds, all of which are not subject to an administrative cap. You will be required to complete the workbook on a quarterly basis and submit as an attachment to your FSR to allow both the agency and MDCH to effectively monitor the administrative costs of both the federal grant, as well as an agency's true administrative cost needs.

Indirect Costs

Question 1: My agency has an indirect cost rate based ONLY on salaries and wages, not our entire budget. Where should I enter our indirect cost rate that is based only on salaries and wages?

Answer: A negotiated indirect rate uses a modified total direct cost (MTDC) base, which may include all or part of the total direct costs. Indirect costs are input directly in cell H:25. An indirect rate is back calculated for reference based on the indirect charges and the Modified Total Direct Cost (MTDC) in cell K:23.