

PLB Agency Training Overview of Agency Budgets

Expense Categories

- Project Expenses are categorized as **Direct** and **Indirect** expenses

- **Direct** Project Expenses
 - Personnel Costs – Wages
 - Salary expenses for program staff providing direct service, and other staff whose time is devoted directly to this project.
 - Examples of eligible staff are direct support professionals, supervisors, coordinators, and directors.
 - Salary expenses must be properly allocated to reflect the staff's percentage of time in this project.
 - Administrative staff personnel expenses are included in the administrative allocation section.

 - Personnel Costs – Benefits
 - Fringe benefit expenses incurred to retain staff.
 - Examples of eligible fringe benefit expenses include sick and vacation leave (if not included with wages), FICA taxes, various insurance benefits, such as health, dental, long-term disability, life, and workers' compensation.

 - Consumable Project Equipment / Supplies
 - Equipment and supplies expenses directly incurred to provide the service, such as sanitary supplies, first aid supplies, linens (for in-facility projects), activities supplies, etc.

 - Office Equipment / Supplies
 - Office equipment and supplies expenses directly incurred to provide the service, such as printing/copying supplies, envelopes, administrative office supplies, computer supplies, and equipment leases.
 - Expenses must be properly allocated to reflect the percentage directly related to this project.

 - Facility Costs
 - Facility costs directly incurred to provide the service, such as rent, utilities, cleaning and maintenance, and depreciation expense related to a building.
 - Expenses must be properly allocated to reflect the percentage directly related to this project.

 - Communication
 - Communication expenses directly incurred to provide the service, such as paging and cellular phone devices and services, postage, printing, etc.

- Expenses must be properly allocated to reflect the percentage directly related to this project.
 - Staff Training
 - Training expenses directly incurred for staff to remain current on practices and standards, and to acquire new skills.
 - Examples of eligible expenses include conference registration fees, travel expenses related to conferences, tuition costs, fees paid to group trainers (such as CPR training), etc.
 - Staff Travel
 - Travel expenses directly incurred to provide the service, such as mileage reimbursement and parking fees.
 - Vehicle Operating Costs
 - Vehicle operating costs directly incurred to provide the service, such as vehicle rental, gasoline, vehicle repairs, and preventive maintenance.
 - Professional Services / Fees
 - Professional Services expenses directly related to provide this service, such as consulting fees, interpreters, or licensing renewals.
 - Examples of expenses not eligible include: audit fees, outsourced administrative functions, national organization dues, expenses incurred for accreditations – some of these may be recouped as part of the administrative allocation.
 - Client Assistance
 - Expenses directly benefiting the consumer, such as event costs.
 - Food Costs
 - Food expenses directly benefiting the consumer (primarily for in-facility and camp programs)
- **Indirect** Project Expenses
- Administrative Allocation
 - These costs shall be allocated through a formula that spreads costs equitably to all cost centers within the agency. The method of allocating these costs shall be documented and should be reviewed annually.
 - **Cannot exceed 15% of total project expenses.**
 - Should not include nationally affiliated association costs and/or fundraising costs.
 - Examples of administrative allocation expenses include insurance, audit fees, administrative staff salaries and benefits, etc.
- **Total Project Expenses / Total Project Units (not just PLB units) = Unit Cost**

➤ **Example of a PLB Project Budget**

- ABC Agency employs the following individuals for their PLB funded project:
 - 3 direct support professionals serving only PLB consumers with 30 billable hours per week and 10 hours of administrative/travel time @ \$25k/year (they each receive vacation, sick, and holiday leave).
 - 1 direct support professional serving PLB consumers half of the time and serving consumers from another county half of the time, with 30 billable hours per week and 10 hours of administrative/travel time @ \$25k/year (and receives vacation, sick, and holiday leave).
 - 1 supervisor @ \$35k/yr (who receives vacation, sick, and holiday leave).
- Benefits are determined to be 25% of the staff's salaries
- Other directly allocated expenses as detailed
- Indirectly allocated expenses of \$45,000

Personnel Costs – Wages (4 @ \$25k plus 1 @ \$35k = \$135k)	\$135,000
Personnel Costs – Benefits (\$135k * 25%)	33,750
Office equipment/supplies	5,000
Facility Costs	15,000
Staff Training	5,000
Staff Travel	<u>10,000</u>
Total Direct Expenses	\$203,750
Administrative Allocation (\$9,058 disallowed due to 15% cap)	<u>35,942</u>
Project Total Expenses	\$239,692
Units (4 * 30 * 52 = 6,240; 5,460 are PLB related)	<u>6,240</u>
Cost per Unit (\$239,692 / 6,240)	\$ 38.41

➤ **Factors that may influence your costs:**

- Declines in units delivered due to staff vacancies or increases in administrative/travel time (i.e. a decrease in billable time)
- Understaffing, i.e. not delivering all of your contract units
- Units delivered exceed units in contract

➤ **Finance staff are responsible for verifying that all units billed to the PLB:**

- **Have been properly approved by program staff**
- **Are billable units, i.e. no units for travel time, administrative time, etc.**
- **Do not exceed what is recorded on individual progress notes and on staff time sheets**