

CREATING A BUDGET

Budget items and requests for reimbursement are to be for whole dollar amounts: \$10.00, not \$9.87.

Grants will be matched on a 60% Federal/40% applicant basis. Other than Community Development Block Grant (CDBG) and revenue sharing funds, no Federal funds may constitute the match. The matching share must contribute directly to implementation of the grant proposal once the grant agreement is executed.

A thorough understanding of the matching share process is necessary for the accurate completion of the grant application.

- All matching share must contribute to the implementation of the undertaking being proposed. For example, not all of the commission or staff's time can be counted--only the time necessary for carrying out the proposed grant activity.
- Unless a volunteer meets the Secretary of the Interior's Profession Qualifications standards (36 CFR Part 61) for historian, architectural historian, architect, historic architect, or archaeologist, the volunteer's time is figured at minimum wage. For example, a medical doctor with no historical training would still be allowed only minimum wage for work on the grant project.
- In-kind services must be documented hour-by-hour on daily time sheets with two signatures -- no exceptions! Grant recipients will use the volunteer time sheet form provided in the appendix. Payroll printouts (highlighted for easy OHP interpretation) are acceptable documentation for paid staff time.

EXAMPLE: Source of Non-Federal Match

Donor: City/County	Donor: City/County
Source: General Fund	Source: Volunteers
Kind: Employee Wages	Kind: In-kind
Amount: \$1,680	Amount: \$3,500

The following suggestions represent local activities and donations that can be used to match the grant and meet federal requirements. List each staff person and/or volunteer by title. Indicate how much time they will spend on project tasks and values associated with those tasks. Show how you determined these costs. Briefly describe the work to be accomplished.

Volunteers: Typical volunteer work includes field survey work, historic and architectural research, photography, mapping, typing, and bookkeeping. When volunteers who meet the Secretary of the Interior's Professional Qualifications standards (36 CFR Part 61) for historian, architectural historian, architecture, historic architecture, prehistoric archeology, or historic archeology donate their professional services, compute the value of the service at their professional rates, not to exceed the maximum salary of \$85.67 per hour or \$685.00 per day.

For volunteers who do not meet the Secretary of the Interior's professional qualifications, compute the value of the service at minimum wage. Show method of determining pay rate for volunteers. If a volunteer working on a survey project does not meet the Secretary of the Interior's professional qualifications standards, the minimum wage rate per hour must be used. Documentation may include previous invoices or federal income tax evaluations. **Call OHP if you have questions about the value of volunteered services.**

Example:

- Architects (2) 18 hrs ea @ \$50/hr** = \$1,800.00 "Two architects who serve on the preservation commission will contribute eighteen hours each to help train volunteers in how to recognize architectural styles and review the architectural descriptions on survey documents."

** For purposes of this example. Actual salaries for architects vary widely.

Example:

- Volunteer with BA in History (1) 40 hrs @ \$20/hr = \$800.00. "Volunteer will do primary and secondary research under the supervision of the consultant."
- Volunteer with 2 years college, History major (1) 40 hrs @ \$9.00**/hr = \$360.00. (State explicitly how hours will be used.) ** state student rate
- Volunteer with no experience (1) 40 hrs @ \$8.00**/hr = \$320.00 (State explicitly how hours will be used.) ** Minimum or prevailing wage

Agency Staff: Compute the value on the basis of usual salary and fringe benefits. Documentation in the form of time sheets or payroll vouchers must be kept for submittal with billings. Federal rules allow a maximum salary of \$85.67 per hour, excluding benefits. Break out salary, benefits, and indirect overhead in document.

Example:

- Historian (1) 80 hrs @ \$30/hr** = \$2400.00. "Historian will be responsible for approximately 50 hours of archival research and 30 hours of developing significance statements on survey forms."

**For purposes of this example, a typical hourly pay rate for City/County Historians

- Office technician (1) 80 hours @ \$20/hr = \$1600.00. "Office technician will acquire parcel APNs and populate database in preparation for survey field work; mail letters to approximately 400 residents within survey project area, and print and distribute draft and final survey records to commissioners and others.

List each person to be paid directly from grant funds by title and salary, including fringe benefits. Do not include contractors and sub grantees here. **The grant application must include résumés showing experience and education for everyone who will be expected to work on the grant project throughout the year.**

Unless notified otherwise, salaries may not exceed \$89.41 per hour or \$715.00 per day; mileage may not exceed \$.51 per mile (neither grant nor non-Federal match). Benefits, such as Social Security or retirement, health care, vacation, etc., should be separated out. (Note: These amounts may change as a result of federal policy changes.)

Office Space: Project work area, full-time coordinator's office, workshop-meeting rooms, or darkroom space. This donation is equivalent to local office rental space. Upon award of the grant, forms for documentation of evaluation, donated space, and material will be provided.

Donated Equipment and Materials: Includes such items as expendable equipment, office supplies, laboratory supplies, or workshop supplies. Values assessed to donated or contributed equipment and materials included as matching share must be reasonable and must not exceed the fair market value at the time of donation. The basis for determining the value must be documented and available for audit.

Other Donations: Travel costs (see Federal rate guide for California below), and printing costs such as duplication, manuals, instructions, maps and guides. (This donation does not include elaborate publications.)

Indirect Costs: Local governments may also charge an administrative or "indirect" cost for administrative services in support of staff salaries and benefits or government commissions (accounting, budgets, information technology, etc.) You must obtain from your business office and submit with your application a *Federal Rate Agreement* for your city or county with a federal agency. Charges for indirect costs may be used ONLY if a copy of the rate agreement letter from the appropriate federal agency accompanies the application. (Check with your business department.) Indirect costs include personnel, budget, business, accounting and other office costs which support a staff position. The maximum allowable indirect cost is 25% of the total grant amount even if rate agreement

allows a greater percentage to be charged. HPF grant rules supersede any higher approved Federal rate.

CONSULTANTS AND CONTRACT SERVICES

If you will be using a consultant for the proposed project, you may find it helpful to informally contact several to get an idea of whether the proposed budget will be adequate to complete the project or what you can realistically expect to accomplish within your budget. Keep in mind that larger firms typically have higher overhead costs than small firms or individual consultants. On the other hand, large firms may have a wider range of skills and expertise to draw upon.

Consultants must be selected through a Request for Proposal process. OHP recommends a closed-end, fixed-fee contract to assure that the CLG receives the product contracted for within the project period with the funds available.

OHP must review and approve the RFP *BEFORE* it is distributed. Participant will need to provide OHP with an RFP distribution and response list (see appendix) and OHP must approve the consultant selection *BEFORE* the contract is executed.

Sole Source contracts are not permitted.

All contracts for consultants or other services such as printing or facilities, costing \$5000 or more require a competitive bid process with three or more bids. A Competitive Negotiation and Small Purchases Contracting Documentation form is provided in the appendix for documenting this process.

No person employed as a consultant, or by a firm providing consultant services, shall receive more than a reasonable rate of salary compensation for personal services paid with HPF funds, or when such services are contributed as non-federal share. This salary shall not exceed the maximum daily rate of \$85.67 per hour or \$685.00 per day. Benefits and overhead are in addition to this amount. Hourly rates that do not define salary, benefits and other costs are considered all salary.

When consultant services rates exceed this rate, only the amount up to that rate can be charged to the HPF grant, or be claimed as non-Federal matching share costs. Where consultants are hired at salaries above that rate, the excess costs must be paid outside the historic preservation grant (and nonfederal share).

Sample Budget:

<u>Category</u>	<u>Rate Used to Calculate Cost</u>	<u>Cash from Grant</u>	<u>Cash Match</u>	<u>In-Kind Services</u>
Sr. Planner	300 hrs @ \$27/hr		\$8,100.00	
Fringe	36.18%		\$2,930.58	
Clerical	30 hrs @ \$15.41/hr	\$462.30		
Fringe	34.98%	\$161.70		
Research (closed end contract)	230 DPR 523A forms	\$14,000.00		
Printing	1,880 @ \$.20 ea	\$376.00		
Total		\$15,000.00	\$11,030.58	

Per Diem Rates

The [Federal Per Diem Rates for California](#) as established by the U.S. General Services Administration is available online. Rates vary county to county. You must use the rate for the location where the per diem is incurred. In some cases where the State's policies are more restrictive, those rates are quoted, including mileage.

- Actual costs of lodging and meals are reimbursed provided they do not exceed listed Federal Per Diem limits. Copies of receipts for lodging and meals must accompany disbursement requests. Rental cars and taxis costs are also allowable but only with receipts.
- These travel rates must be used in planning grant application budgets and for reimbursement requests. Costs higher than those shown in the [Federal Per Diem Rates for California](#) will not be reimbursed.
- **The maximum mileage rate (as of 31 January 2009) is \$.51 per mile.**