

## **Advancing Oral Health Equity in California 2027-2030 Detailed Budget and Budget Justification Instructions**

General instructions are provided to assist Local Oral Health Programs (LOHPs) develop and maintain a detailed budget outlining and describing intended use of grant funding allocated by the California Department of Public Health (CDPH), Office of Oral Health (OOH).

### Audit and Documentation Requirements:

For all budget categories, LOHPs must retain source documentation (agreements, invoices, receipts, agendas, logs, allocation methods, and supporting materials) for a minimum of three (3) years after final payment and make it available upon request. Documentation must demonstrate reasonableness, allocability to approved Work Plan objectives, and compliance with all statutory and administrative limits, including the 5% administrative cap and the approved Indirect Cost Rate.

The primary steps to completing a budget are:

1. Use the budget workbook template (Document E) to develop a budget for three (3) fiscal years (FY) of funding that identifies the costs associated with implementation of the Work Plan. All budget items must be for LOHP staff to support objectives and activities in the Work Plan. All budget detail must be approved by OOH in writing.
  - Adhere to the instructions and requirements provided in Appendix 1 - LOHP Guidelines and in this document.
  - When completing the budget template, only light blue cells will be editable. All other cells are protected and cannot be modified.
  - Ensure the total dollar amount for each FY is equal to the maximum amount provided annually in the Local Oral Health Program Funding Table (Appendix 2).
  - The budget for all years may never exceed the total grant allocation.
  - Verify the budget matches the total allocation when submitting a revision by ensuring the total in the General Information tab is green filled. If it is red filled, somewhere in the budget the amounts are incorrect and need to be balanced.
  - For budget revisions, refer to the Budget Revision Instructions tab. Budget changes of up to 10% of the total annual budget or \$30,000 (whichever is lower) do not require prior approval. These changes should be included in the budget template and communicated prior to the submission of the next quarterly invoice. A Budget Revision must be submitted for changes >10% of the total annual budget.

- Utilize eight budget categories:
    - A. Personnel Costs
    - B. Fringe Benefits
    - C. Operating Expenses
    - D. Equipment Expenses
    - E. Travel and Training
    - F. Subgrants and Consultants
    - G. Other Costs
    - H. Indirect Expenses
  - Verify that each activity in the Work Plan that results in an expenditure of funds is adequately reflected in the budget.
  - Confirm that administrative costs do not exceed 5% of the total budget per California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), [Revenue and Taxation Code Section 30130.57\(f\)](#) : “Not more than 5 percent of the funds received pursuant to this article shall be used by any local agency or department receiving such funds for administrative costs.”
  - Extra rows have been included and hidden under each budget category. If you need to include additional budget line items, right click the final row in the category and select unhide from the menu.
2. In the budget Scope of Work Reference column, provide corresponding objective and activity numbers.

Detailed instructions for each of the eight required budget categories are provided below.

**A. PERSONNEL COSTS**

- Go to the Personnel tab. Totals from this page are pulled into the Detailed Budget tab automatically.
- List each position by name and title and include credentials (e.g., RDH, RDHAP, RDA, DDS), if applicable, required to complete the Work Plan activities through the term of the agreement.
- Positions budgeted under Personnel Costs must have a direct role connected to activities in the Work Plan.
- Positions under 10% FTE may be budgeted in Personnel if duties have a direct Work Plan link and documentation is retained; otherwise, include under Indirect Expenses. Designate a Project Lead to serve as a primary contact, ensuring program oversight and timely preparation and submission of deliverables as outlined in Appendix 4.

- For each budgeted position, provide a brief description of the duties related to the Work Plan.
- A formula is provided to substantiate how costs are calculated for Personnel. (Monthly Salary X percentage (%) of FTE X number of months = Amount Requested per FY.)
- Percentage of FTE:
  - 50% FTE equals  $2,080 \times 50\% = 1,040$  hours annually, including paid leave.
  - Personnel working 20 hours in a 40-hour work week are 50% FTE.
  - When the percentage of FTE varies from month to month, enter the average percentage.

Sample formulas for Personnel Costs:

$\$8,000/\text{month} \times 50\% \text{ FTE} \times 12 \text{ months} = \$48,000$

$\$6,000/\text{month} \times 30\% \text{ FTE} \times 12 \text{ months} = \$36,000$

## **B. FRINGE BENEFITS**

- Enter the fringe benefit percentage for each year in the Personnel tab.
- Anticipate any increases in the fringe benefit rate for future years.
- Fringe Benefits may not include the following:
  - Employee leave (including annual leave, vacation, sick leave, holidays, jury duty, military leave, training leave, and administrative leave).
  - Employee vacation or sick leave accruals earned outside the allocation term.
  - Workers' compensation claims (Budget for workers' compensation premiums only).
- Budget at actual costs for each eligible employee.

## **C. OPERATING EXPENSES**

Operating expenses include costs associated with completing the activities in the Work Plan. In this contract cycle, we are no longer requiring budget justification in a number of areas for the budget to reduce administrative burden. To the extent possible, ensure the line-item description is sufficiently clear to understand the expense. Examples are given below.

- LOHPs may budget for the oral health program share of monthly Internet access fees during the term of the grant to access the OOH webpage, SharePoint Site, and other oral health resources. Example line-item descriptions:
  - Internet access fees

- Local oral health website maintenance fees
- Budget project Space Rent/Lease costs. Example line-item description: “Space and rental costs for 3.0 FTE, including shared space
- Include any space cost increases for future years.
- LOHPs may propose additional items under Operating Expenses. Some examples include:

**Office Expenses/Supplies:**

Budget for consumable supplies, such as paper, copier toner, pens, pencils, folders, binders, staplers, postage and mailing supplies etc. needed for LOHP staff only. This can be listed as a single line item of “Consumable office expenses/supplies” with an estimated total for all.

**Communications:**

- Budget for teleconferencing that may be necessary to complete activities in the Work Plan, including monthly phone network expenses and subscription for webinar platforms. Example line-item descriptions:
  - Annual phone network subscription
  - Annual Zoom subscription

**Materials (includes Printing, Duplicating, etc):**

- Coordination of educational materials through the OOH is strongly recommended to help leverage existing materials, reduce duplicative effort, and reduce inaccuracies. We ask that ALL newly developed educational materials be sent to [OfficeofOralHealth@cdph.ca.gov](mailto:OfficeofOralHealth@cdph.ca.gov) for awareness so that developed materials might also be leveraged by other programs to reduce duplication and so the OOH can provide technical assistance and support if needed.
- All materials developed by the LOHP for dissemination must include an attribution to CDPH as follows: “This material was developed by [LOHP] and is funded by the California Department of Public Health under agreement XX-XXXXX.”
- Include expenses for printing and reproduction completed in-house and/or by outside vendors for items such as brochures, leaflets, posters, forms, flyers, announcements, banners, etc.

#### Example line-item descriptions

- Annual office-related printing and copying
- 5 reports/printing x 12 months

#### **Equipment Lease/Rental:**

- Rental equipment will be authorized by OOH on a case-by-case basis.
- Leasing/renting to own, purchase/leaseback, and lease/purchase of equipment is not permitted.
- Lease/rental agreements entered into prior to receiving funding from OOH must adhere to this OOH policy.
- List all lease/rental equipment that will be charged to this grant and justify in detail.
- Provide the monthly lease/rental rate for each item and the number of the lease/rental months.
- Provide budget totals for each piece of equipment leased/rented (e.g., if leased/rental items are desktop workstations that include computers, printers, fax machines, scanners, and copiers).
- Provide the estimated budget amount needed for each FY.

#### **D. EQUIPMENT EXPENSES**

In this contract cycle, we are no longer requiring budget justification in a number of areas for the budget to reduce administrative burden. To the extent possible, ensure the line-item description is sufficiently clear to understand the expense. Examples are given below.

- School-based/school-linked equipment must be identified as such and are subject to OOH approval.
- Provide line-item description of the equipment with sufficient detail to understand the expense. Example line-item descriptions:
  - 2 monitors
  - 3 keyboards
  - 3 laptop
- Equipment \$5,000 or more should be listed under Equipment expenses and is considered major equipment.
- Equipment purchased under \$5,000 is considered minor equipment and should be listed under Operating Expenses.

- For both major and minor equipment, form CDPH 1203 must be completed. Submit completed forms to your grant manager and program consultant for approval. Once approved, you can move forward with purchasing the equipment. When the equipment is received, you must update the CDPH 1203 with all serial numbers. Then, OOH will send you equipment tags by mail to affix to all approved assets.
- When the disposition of equipment needs to be updated, form CDPH 1204 must be completed and submitted to your grant manager and program consultant for approval.

#### **E. TRAVEL**

- Travel and training expenses are to be consistent with the needs of the project and connect directly to Objectives.
- Travel expenses are entered into the separate Travel tab and totals are automatically pulled into the Detailed Budget tab.
- Travel expenses, including mileage, lodging, and meals and incidental expenses (M&IE), should not exceed current travel reimbursement rates set by the California Department of Human Resources (CalHR) unless approved by OOH. To review current CalHR travel reimbursement rates, please visit: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>.
- Provide a travel estimate for each event. Estimate the number of project staff attending and the estimated budget amount for each traveler.

#### OOH-Sponsored Events/Training:

- For budget planning purposes, OOH plans to host one in-person event each year. LOHPs are recommended but not required to have up to one (1) staff attend this in-person meeting.

#### Events/Training Not Sponsored by OOH:

- Up to one (1) LOHP staff will be permitted to attend in-state, non-OOH-funded events/trainings. Submit requests for exceptions to your grant manager and program consultant.
- The only out-of-state event for which travel may be approved is the National Oral Health Conference. OOH will allow up to one (1) traveler only if the individual is presenting at the event.

#### **F. SUBGRANTS AND CONSULTANTS**

A subgrantee/consultant is an individual or organization who:

- Possesses a level of expertise that extends beyond those held by organization staff.

- Supports the skills and effort of the organization staff but does not duplicate those skills or effort.
- Completes a specialized task that is directly related to the project's Work Plan activities.

#### Subgrant/Consultant Requirements

- Subgrants must be with a government entity or a nonprofit organization. Subgrantees are vendors carrying out a significant portion of the scope of work or directing programmatic goals.
- Consultants are companies or other vendors delivering a specific service (e.g. media, registered dental provider, etc.).
  - NOTE: Requests for public relations and media costs with a value of \$100,000 or greater require more extensive review and may take significantly longer to process.
- The grantee shall maintain a copy of each subgrant/consultancy agreement entered into in support of this agreement and shall, upon request by OOH, make copies available for approval, inspection, or audit.
- Prohibited Subgrants/Consultants. The following cannot be considered for subgrants/consultants: companies or organizations that promote or produce sugar sweetened beverages, produce alcohol, sell weapons/ammunition, tobacco/cigarettes or adult-oriented products/services.

#### Under the Item of Expenditure column:

- Separately list the name of each subgrantee/consultant who will provide the specialized effort directly related to activities in the Work Plan.
- Identify subgrantees/consultants who have not been selected at the time of submission as "To Be Determined," and once known, update this information.

#### Provide the following details in the Description and Scope of Work Reference column:

- Description of the activities/services to be performed.
- The Scope of Work objectives/activities that the subgrant/consultant supports.

#### **G. OTHER COSTS**

In this contract cycle, we are no longer requiring budget justification in a number of areas for the budget to reduce administrative burden. To the extent possible, ensure the line-item description is sufficiently clear to understand the expense. Examples are given below.

Other Costs include costs associated with completing the activities in the Work Plan not listed in Operating Expenses. Standard cost line items that may appear in the budget are Educational Materials, Behavior Modification Materials, and Booth Rental/Facility Fees. Paid Media is incorporated under Subgrants and Consultants.

Additional other cost subcategories may be proposed in the budget.

Note: One-time fluoride varnish and/or sealant start-up costs may be acceptable with adequate budget justification and must be approved by the LOHP's program consultant.

### **Educational Materials:**

These include items such as brochures, pamphlets, posters, curriculum, training guides, videos, slides, flip charts, and signage that LOHPs purchase for Work Plan activities rather than print themselves (which would otherwise be listed as an expense under "Printing").

### **Behavior Modification Materials (BMM):**

- BMM can motivate and/or reinforce positive: behavior, participation, and/or involvement and should include healthy or educational items, such as gift cards for books or iTunes, healthy food outlets, etc.
- The use of BMM is limited by CDPH. BMM activities are approved on a case-by-case basis.
- The budget justification must describe the activity required to receive the BMM and meet the following criteria:
  - BMM are provided to program participants to motivate and/or reinforce positive behavior, participation, and/or involvement in oral health activities and require action on the part of the recipient to receive the BMM.
  - The cost of the BMM may not exceed \$50 in value, per person, per year.
  - The project is responsible for the possession, security (i.e., will keep under lock and key), and accountability of the gift cards.
  - The grantee will prepare a log sheet that will track and identify each of the gift cards, value, gift card transfer date, and recipient.
- Toothbrush/toothpaste expenses can be included under this category but are exempt from BMM requirements and do not require participation by the recipient to receive a toothbrush/toothpaste.
- Prohibited items include:
  - Cash
  - Gift cards that can be used to purchase tobacco, alcohol, or cannabis products.

- Food (e.g. sponsored lunch or dinner at provider education sessions, brown bag lunches, or buffets at screening events, etc.). **NOTE:** Food and drink items used for educational purposes (i.e. taste testing, sampling, demonstrations) may be allowable. Please contact your PC for further clarity, as purchase of food or drink may need to be evaluated on case-by-case basis, and should be in compliance with any local food purchasing restrictions.
- Provide easy to follow statements regarding how the BMM will be earned, distributed, and the amount budgeted for each FY.
- Include the Work Plan objectives that the BMMs support. Provide

Sample formula for BMMs:

Gift Cards: 60 gift cards for \*description of activity reinforcing positive behavior and type of gift card\* x \$20 per card = \$1,200/FY total

Non-Gift Card Items: 100 toothbrushes x \$2 each = \$200/FY total

#### **Booth Rental/Facility Fees:**

- Identify the costs for booth rental/facility fees that are incurred for local events, such as: health fairs, farmer’s markets, community outreach activities, or trainings and identify which activities it corresponds to in the Work Plan.

Example line-item description:

“Booth rental and facility fees for approximately 3-5 events annually”

#### **Other LOHP-defined subcategories:**

LOHPs may propose additional Other Cost items. Provide sufficient description in the line-item so the expense can be understood.

### **H. INDIRECT EXPENSES**

Indirect cost rates (ICR) cannot exceed the specified maximum percentage rate stated in the approved annual CDPH ICR and should not exceed 25% unless exempt by CDPH.

An ICR is the percentage of an agency’s total personnel costs (personnel + fringe benefits) and is a standardized formula charging shared costs for an agency’s indirect operation. Approved CDPH ICRs are available [here](#).

Identify and verify:

- Average percentage. An average is acceptable when the ICR will vary at different times during the FY.
- Administrative costs may not exceed 5% of total budget per [Revenue and Taxation Code Section 30130.57\(f\)](#): “Not more than 5 percent of the funds

received pursuant to this article shall be used by any local agency or department receiving such funds for administrative costs.”

Sample formula for Indirect Expenses:

$\$50,000/\text{staff salaries total} + \$20,000/\text{staff fringe benefits total} = \$70,000/\text{total personnel costs} \times 25\% = \$17,500/\text{indirect cost FY total}$