

## **Budget Template and Revision Training Moving California Oral Health Forward Questions and Answers August 22<sup>nd</sup> and 28<sup>th</sup>, 2024**

### **General Questions**

#### **Q: What is the reallocation budget?**

A: If you are unsure what the reallocation budget is then your local oral health program (LOHP) may not have had it unless you are new to the program. About one third of LOHPs had unexpended funds following the 2017 - 2022 grant cycle, which they were permitted to reallocate and use during the current grant cycle. The reallocation budget was kept separate from the approved 2022 – 2027 budget, which is why it is included in a separate tab in the new budget template for the LOHPs that have it.

#### **Q: In the Budget Revision Instructions Tab, Section III provides details about how to submit budget revisions in SharePoint, but I don't have access to any of the links. What should I do?**

A. OOH had planned to launch a SharePoint site for use by all LOHPs before launching the new budget template which is why this section was included; however, the SharePoint site is still being developed and is not currently ready for budget revision submissions, which is why you are unable to access the hyperlinks. For now, you will submit your budget revisions as usual via email to both your grant manager and program consultant. You can hide the rows in the Budget Revision Instructions about SharePoint until OOH provides an update regarding when it will be ready for use.

### **Carryover Questions**

#### **Q: Can we carry over the unexpended balance from Year 2 (FY 23/24) to Year 3 (FY 24/25)?**

A: Yes, we are allowing LOHPs to carry forward unspent funds from Year 2 to Year 3. You can also re-align your budget for Year 4 and Year 5 in the September 30, 2024, annual budget revision. However, due to budget cuts, this may not be allowed in future years.

#### **Q: Do we input the unexpended balance in each cell ourselves?**

A: You input the unexpended balance for each budget category (personnel, fringe, operating expenses, equipment, subcontracts, other cost, and/or indirect costs) that had an unexpended balance based on the Year 2 (FY 23/24), Q4 invoice for the period of April 1 – June 30, 2024. The unexpended balance is input in the row above the total for each respective budget category in the Detailed Budget Tab. Unexpended balances should be entered as a negative amount, which will change the color to red and place it in brackets. When the unexpended balance is entered, the category total for Year 2 will in turn reflect the actuals spent from the Q4 invoice. In the corresponding justification cell in the same row, you should provide a more detailed breakdown of unexpended funds per budget line item in the category.

**Q: How many future years can we modify? It looks like the cells are blue/modifiable through Year 5, so I want to confirm that it's acceptable to update plans for the future years and not just for the current FY.**

A: With the revision due September 30, 2024, LOHPs are allowed to revise years 4 and 5 as well as the current year. With budget reductions resulting from the state budget deficit, you have an opportunity to adjust future years for items such as salaries since rollover is not guaranteed for years 4 and 5. For all future budget revisions, the guidelines in the Budget Revision Instructions Tab should be followed.

### **Template Recommendations**

**Q: I have changes (additions) to the General Information Tab, but the form won't let me change the blue cells to yellow to indicate that changes have been made. What should I do?**

A: We appreciate you informing us that you are unable to format cells in the General Information Tab. The only information you need to update in the General Information Tab is your LOHP budget contacts. Please make these updates, but instead of filling the cell in yellow to signify the change, mention the changes in the email sent to your grant manager and program consultant when submitting the revised budget. The OOH team will enable cell formatting when reviewing the budget revision and during future budget revisions you will be able to fill the modified cells with yellow in the General Information Tab.

**Q: Would it be possible to include the fiscal year (FY) on the Detailed Budget Tab for each year rather than just Year 1, Year 2, etc?**

A: This is a great suggestion. When you submit your September 2024 budget revision, we plan to include this update in the approved version and send it back to you with this update. We agree that this will be clearer, especially for LOHP staff that more recently joined their program teams and may be less familiar with the state fiscal years.

### **Acceptable Expenditures**

**Q: Fluoride is listed as not being able to be covered in the Other Cost budget category. Is that intended to be covered somewhere else, or can it not be in the budget at all?**

According to Program Letter 2023-06, which was sent to all LOHPs on October 31, 2023, "OOH will allow one-time fluoride varnish purchase and distribution to incentivize practitioners with new programs to begin applying fluoride varnish and billing, provided the need is demonstrated in a written proposal to OOH outlining the type of program (e.g., school-based dental program, primary care well-child visits), program implementation plan and sustainability plan." If your LOHP was approved for a one-time fluoride varnish purchase, you will not be approved to purchase fluoride varnish again.

## **Budget Revision Formatting**

### **Q: Can we still add columns with the new budget template?**

A: No, you will no longer need to add columns. Rather than showing line-item revisions by inserting additional columns and showing the amount added or subtracted along with the new requested totals, you will now update the line-item amount by filling the cell with yellow and changing it to the new requested amount as well as by including and/or updating a corresponding justification for why the amount is needed and how it was calculated.

### **Q: From your example it looks like you are reducing the \$1,300.00 for printing to be \$550.00?**

A: In the below example being referenced, taken from slide # 21 from the training presentation, \$1,300.00 is the amount that was budgeted in Year 1. If you look at the penultimate row in the Operating Expenses category, the unexpended balance for operating expenses in Year 1 was \$898.00. Looking at the justification in the same row in the right most column, \$550.00 was unexpended for printing, meaning the actual amount spent for printing in Year 1 was \$1,750.00. In this example, the unexpended amount of \$550.00 was rolled over to Year 2 for the same line item, assuming that \$0.00 was previously budgeted for printing. If instead \$500 was budgeted in Year 2 for printing and the \$550.00 unexpended in Year 1 was carried over to Year 2, the highlighted amount in the cell would be \$1,050.00. The \$1,300.00 in Year 1 has not been reduced at all and remains unchanged, which is why it is not filled in yellow.

#### **Operating Expenses**

Operating expenses include costs associated with completing the activities in the Work Plan such as office expenses/supplies, communications, postage, printing, equipment lease/rental, etc.

| Item of expenditure   | Year 1            | Year 2          | Year 3        | Year 4        | Year 5        | Total             | Justification required   |
|---|-------------------|-----------------|---------------|---------------|---------------|-------------------|--|
| Office Supplies   | \$300.00          | \$300.00        |               |               |               | \$600.00          | Includes all general office supplies to maintain the Local Oral Health Program such as pens, pencils, paperclips, paper, binders, notepads, easel pads, mailing labels, markers, highlighters, tape, glue, file folders, laser and color cartridges, toner, etc.<br><b>Year 1:</b> \$16.6667/month x 1.5 FTE x 12 months = \$300<br><b>Year 2:</b> \$16.6667/month x 1.5 FTE x 12 months = \$300 |
| Adobe Software  | \$278.16          |                 |               |               |               | \$278.16          |  |
| Printing  | \$1,300.00        | \$550.00        |               |               |               | \$1,850.00        | Description and calculations (as above)  |
| Website fees - Domain Renewal & Beaver Builder                              | \$123.00          | \$48.00         |               |               |               | \$171.00          | Description and calculations (as above)  |
| Website fees - Site Ground  | \$21.99           |                 |               |               |               | \$21.99           |  |
| Unexpended balance (should be negative and match final budget year invoice) | (\$898.00)        |                 |               |               |               | (\$898.00)        | <b>Year 1:</b> \$300 remaining for office supplies, \$550 for printing, and \$48 for website fees  |
| <b>Total Operating Expenses</b>   | <b>\$1,125.15</b> | <b>\$898.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$2,023.15</b> |  |

### **Q: Would it be preferred LOHP's use formulas in the cells when revising amounts to show what was added or subtracted?**

It is not necessary to use a formula in the budget line item cells that have been modified since the calculation used should be shown in the justification section in the same row. If you prefer to do it this way, that is acceptable but note that you still must update the justification to match the new budgeted amount and both the amount and the justification should be filled in yellow.

### **Q: Should we do strikethrough for requested changes?**

A: Strikethrough should not be used for showing requested changes. Requested changes should be shown by highlighting the modified cells in yellow.

**Q: When was the new budget template sent?**

A: Please reach out to your grant manager if you did not receive your LOHP's budget in the new template. They were sent out on August 19 - 21, 2024.

**Personnel**

**Q: Can we list a contractor in the Personnel Tab rather than listing them in the Subcontracts category?**

A: No. Only salaried staff are listed as personnel. Subcontractors/consultants must be budgeted under the Subcontracts category. The question from the training was if a subcontractor is hired as a salaried staff can they be removed from the Subcontracts category for future years and included under the Personnel category, which would be acceptable with a corresponding justification.

**Q: If we have step up or COLA that is in effect less than 12 months, do we use average salary of the year to calculate annual total?**

A: You could average the salary for 12 months or you could show a staff person for 6 months at one salary and add another line for 6 months at a different salary, as an example.

**Operating Expenses**

**Q: For office supplies, do we need to list every item purchased, price, and justification (e.g., pen, printing paper, staples, and paperclips and the amount for each) or can it be one entry per order with a general explanation?**

A: You do not need to list each individual item and provide the price per unit; we are not asking for this level of detail. For office supplies you can list the items being purchased as a description of the line item under the justification and then show the calculation used to determine the budgeted amount each year of the grant. For example, you could determine your office supplies needs based on FTE and the number of months contributed (i.e., \$/month x FTE x months = total).

**Travel**

**Q: If for some reason we have out-of-state travel, are we allowed to use GSA rates and/or get approval to do so?**

A: All out of state travel requires pre-approval by you grant manager and program consultant in writing via email at least 60-90 days before the event date. As of October 1, 2024, the [California Department of Human Resources \(CalHR\)](#) has adopted the federal standard meal and incidental expense (M&IE) rates and lodging rates established by the federal General Services Administration (GSA).

For M&IE, the maximum rates that can be used are as follows:

| M&IE Total | Breakfast  | Lunch      | Dinner     | Incidental Expenses | First & Last Day of Travel |
|------------|------------|------------|------------|---------------------|----------------------------|
| Up to \$68 | Up to \$16 | Up to \$19 | Up to \$28 | Up to \$5           | Up to \$51                 |

For lodging, the maximum rates can be found at [this link](#). For all locations without specified rates, the standard rate should be used.

**Q: Is the UCSF Champion Provider Fellowship (<https://championprovider.ucsf.edu/>) a non-OOH-funded event/training?**

A: The UCSF Champion Provider Fellowship is not funded by OOH. If someone from your LOHP would like to attend a non-OOH-funded event/training, propose the request at least 60-90 days before the event/training date by adding the cost and a justification in the budget template, including the benefit of attending. Approval will be on a case-by-case basis.

### **Indirect Costs**

**Q: Our county has an indirect cost rate (ICR) of 25% (per the approved FY 23-24 CDPH ICR). Historically, our LOHP has budgeted and invoiced based on a 5% ICR, as to not exceed Admin costs going over 5% of the total budget. Is this an incorrect or outdated method of budgeting for indirect costs? If so, should we instead be budgeting/invoicing 25% ICR?**

A: As the recipient of Proposition 56 funding, we advise that you consult with your legal counsel on matters of compliance with state law. It is CDPH's understanding that requirements found in Proposition 56 legislation pass with the funds to all contractors and grantees. Specifically, RTC 30130.47(f) states not more than 5 percent of the funds received pursuant to the article shall be used by any state or local agency or department receiving such funds for administrative costs. Regulations promulgated by the State Auditor's Office describe in more detail what can be deemed Administrative Costs for the organizations receiving funds, and the State Administrative Manual (SAM) also speaks to terms and definitions used by the regulations on Prop 56 funds.