

Santa Barbara County Alcohol, Drug and Mental Health Services  
RFP BUDGET PACKET  
INSTRUCTIONS FOR COMPLETING RFP BUDGET WORKSHEETS

All agencies bidding on a RFP issued by County of Santa Barbara Alcohol, Drug and Mental Health Services Department (ADMHS) are required to complete a Budget Packet.

**Note that revenues and costs for the overall agency budget, as well as each program within the budget, must balance.**

**Worksheet Preparation Sequence**

The Budget Worksheets should be prepared in the following sequence:

1. Staffing Schedule;
2. Budget Worksheet:
  - Revenues and costs;
  - The ‘Santa Barbara County Programs Total’ or Startup and Program Revenues and Costs;
  - Total Agency/Organization Budget.
3. Balance Sheet

**Heading Instructions**

For each worksheet, enter the following:

- Enter the Agency Name;
- Enter the applicable County Fiscal Year.

**General Instructions:**

- Gray shaded cells in the worksheets contain formulas and should not be overwritten.
- Agencies with multiple County contracts should only complete one (1) set of worksheets.
- Round all expenditures and revenues to the nearest whole dollar.
- Total the expenditures and revenues when called for, and verify for accuracy. The spreadsheets often include formulas that will perform this step, which are shaded gray.

## **Staffing Schedule**

The Staffing Schedule is to include all direct treatment costs as well as direct administrative/support staff.

- Treatment Staff: The treatment staff to be included on the Staffing Schedule are the personnel located at the service provider site and who are directly engaged in clinical treatment services/activities at that service provider site. The License/Degree of the treatment personnel shall be reflected in the Budgeted Positions by Classification column.
- Program Administrative/Support Staff: The administrative/support staff to be included on the Staffing Schedule are the personnel located at the service provider site and who are directly supporting the clinical treatment staff at that service provider site. There is to be a clear and direct relationship between the administrative/support personnel and the treatment personnel that provide mental health services. In contrast, the administrative personnel, who are not directly involved with the treatment personnel that are providing the services, are to be reported on the Budget Worksheet under Indirect Costs (line 47).

### **Staffing Schedule General Instructions:**

The Staffing Schedule will accommodate 20 budget classification types to be entered in lines 3 through 22. If there are more than 20 budget classifications for administrative personnel that have a direct link with the treatment personnel prepare multiple Staffing Schedules using the additional lines for the classifications; however, total all lines and do only one “Total Salaries/Wages”, line 23.

In the Startup Costs column, include staff that will be assisting in the startup phase only and will not have any ongoing involvement in the Program, if any. Regular staff that are proposed to work within the Program (whether allocated as direct or indirect costs) should be included in the Program column, NOT the Startup Costs column, even if they will be involved in the startup phase.

### **Line and Column Instructions:**

- Line 1. Prefilled with the Program Name and Startup. There are two columns consisting of “FTE” and “Total Annual Amount” for each Program.
- Column 1. Enter the classification title (not an individual person) for each budgeted position under contracted ADMHS programs (Lines 3 through 22);
- Column 2. Enter the annual budgeted Full Time Equivalent (FTE)<sup>1</sup> for the position classification shown in column 1 for all contracted ADMHS programs (Lines 3 through 22);

<sup>1</sup> FTE is equal to one budgeted position for the year and has a conversion factor of 2,080 hours (i.e. 1 FTE equals 2,080 hours). FTEs may be budgeted in fractional increments (i.e. .8 FTE, 1.2 FTE, etc.).

- Column 3. Enter the total annual budgeted wages/salaries amount for contracted ADMHS programs, excluding employee benefits, for the position classifications shown in column 1.
- Column 4 through 7. Allocate the “Total FTEs” in column 2 and the “Total Annual Budget Amount for ADMHS Programs” in column 3 to the respective programs in columns 4 through 7.
- Line 23: Automatically calculates the total budgeted amounts for all classifications.

### **Budget Worksheet General Instructions**

#### **Line and Column Instructions:**

##### Revenues:

- Column 1 provides the **line item** description of the revenue sources and cost classifications. Additional categories may be **specified** in the lines labeled “Other”.
- Column 2. Enter the entire agency/organization budget, including **all** revenue and costs, for each line item in column 1.
- Column 3. Skip this column; it automatically calculates the total of all amounts entered under each program (Columns 4 through 5).
- Lines 1 through 17. Enter the revenue amounts for each line item for each ADMHS contracted program (Columns 4 through 5).
- Line 18. Columns 2 through 5. Automatically calculates the total of all revenue sources amounts entered in lines 1 through 17.
- Lines 19 through 23. Enter all client and third party revenues; if entering “Other” revenue, please specify the revenue source.
- Lines 24 and 25. Automatically calculates the subtotal Client Fees and Grand Total of All Revenues.

##### Costs:

- Line 26. For column 2, enter ALL salaries for the entire agency/organization. Skip column 3, it will automatically calculate. Enter the salaries for each program in columns 4 through 5 from the Staffing Schedule Totals, line 23.
- Line 27: For column 2, enter ALL employee benefits for the entire agency/organization. Skip column 3, it will automatically calculate. Enter into

columns 4 through 5 the total budgeted employee benefits for the classifications shown on line 26 (as detailed in the Staffing Schedule).

- Line 28: Enter the total cost of Consultants for column 2 and 4 through 5. Column 3 will automatically calculate the total for all ADMHS programs. Consultants: Consultants may be included if they render services/activities or have a clear and direct relationship with the treatment personnel, as outlined above. The cost detail for administrative/support consultants that do not have such a clear and direct relationship are to be reported on the Budget Worksheet under Indirect Costs (line 47).
- Line 29. Enter payroll taxes for column 2 (entire agency/organization) and for each program in columns 4 through 5. Column 3 will automatically calculate the total for all ADMHS contracted programs.
- Line 30 will automatically calculate the total of salaries, benefits, consultants and payroll taxes line items.
- Lines 31 through 45. Enter the costs for each line item for column 2 and columns 4 through 5. Column 3 will automatically calculate the ADMHS program totals. If entering “Other” cost categories, please **specify** the category.
  - For Startup costs, attach a detailed list of the items in each line item and the approach used by the contractor to estimate the budget amounts.
- Line 46 automatically calculates the total direct costs entered in lines 30 through 45.
- Line 47. Enter the amount of indirect costs for column 2 and 4 through 5. Column 3 will automatically calculate the ADMHS program total for this line item.
- Line 48. Automatically calculates the total budgeted amounts for all direct and indirect costs.

### **Balance Sheet**

Contracted agencies must provide one of the following:

- 1) Use the agency’s latest year-end Balance Sheet to fill in the Balance Sheet form; **or**
- 2) Submit the agency’s most recent internal Balance Sheet.

### **Additional Information**

The burden of proof is on the contractor when questions arise whether costs have been properly determined to be direct services rather than administrative or allowable rather than unallowable. For this reason, proper documentation needs to be kept by the contractor to justify such determination. Basic guidelines follow in the next seven bullets.

- Costs should be considered as direct service costs only if there is a clear, direct, and documented relationship to services that are provided to recipients of mental health services and/or activities.
- Direct service costs are those direct costs for services to consumers that can be readily identified to a direct service provider. Allowable costs include all necessary and proper costs that are incurred in developing and maintaining the operation of the direct service provider.
- Administrative costs must also be allocated through an *acceptable allocation method*. CMS Publication 15-1 and 15-2 provides the guidance indicating that an *acceptable allocation method* will fairly represent the services and benefits received.
- Indirect costs are those incurred for the common benefit of the Agency's total contracted mental health program that are not directly or readily attributable to a specific ADMHS contracted mental health program or service. Costs include accounting, budgeting, financial screening, general administrative personnel, information system, office services, office personnel, and other such similar costs. These costs must be reasonable and be equitably allocated and compliant with federal cost allocation principles.
- Consult with your accountant as appropriate.