

# 9- Tips on Writing a Winning Grant Proposal

## Sample Budget

This budget format is useful for planning both governmental and private grants. It has two basic parts: (I) Personnel costs, and (II) Non-Personnel costs. There is an optional third part called "Indirect Costs" that pertains to some grant applications. There is also a "Budget Summary." This is written after the budget is complete and is presented at the start of the budget.

### The Proposal Budget - Budget Summary

	Total	Total Requested	Total Match
Total this Grant	\$100,671.12	\$78,362.62	\$22,308.50
Personnel			
Salaries and Wages	44,950.00	43,200.00	6,750.00
Fringe Benefits	12,148.62	10,479.12	1,669.50
Non-Personnel	\$38,572.50	\$24,683.50	\$13889.00
Consultants and Contract Services	15,664.00	4,800.00	10,864.00
Equipment	7,710.00	7,085.00	625.00
Supplies	1,287.00	1,287.00	- 0 -
Travel	1,761.00	1,761.00	- 0 -
Other Costs	12200.00	9,800.00	2400.00

Costs are divided into two columns: "requested" and "match." The "requested" column is for items we are asking the funding source to pay for. The "match" column represents those items that are either to be paid for from some other source of funds, or which are actually donated or contributed to the project. In the case of a federal grant proposal, these two columns represent the "federal share" and the "non-federal share." Let's look at each of these budget components separately. To the funding source, this will be done in what is called the "budget detail." This is where each section of the budget is broken down. Budget calculations also appear here. If the funding source provides forms, much of the following information will fit into the appropriate space on the form.

## Budget Detail - Personnel: Salaries and Wages

	Requested	Match
Personnel		
Salaries and Wages		
(1) Exec. Dir. @ \$1,500/mo x 10% x 12 mos.		1,800.00
(1) Proj. Dir. @ \$1,200/mo x 100% x 12 mos.	14,400.00	
(2) Counselors @ \$900/mo x 100% x 11 mos.	19,800.00	
(1) Counselor* @ \$900/mo x 50% x 11 mos.		4,950.00
(1) Secretary @ \$750/mo x 100% x 12 mos.	9,000.00	
Total	\$ 43,200.00	\$ 6,750.00

\*This half-time counselor position is contributed to this program by another social service agency.

First, enter the number of persons at the same salary and same job. Second, enter the title of the position. Third, enter the full monthly salary for that position. Do this whether the position is full-time or part-time. Pro-rating salaries for part-time positions can be very confusing. Clarify this by entering the percentage time that this person will be working on your project. Then, enter the number of months this person will be employed during the grant period. Next multiply the three numbers (number of people, salary, number of months working) to obtain totals. Enter these totals in one of two columns. Which column depending upon whether the funds are being requested of this funding source or coming from elsewhere.

Indicate personnel contributed by other agencies with an asterisk (\*). Note the source of these additional personnel.

It is wise to have salary ranges for most, if not all, of the positions within your organization. If you do, then you may make an additional note to this section. For example: "All salaries within this budget item represent the middle step of the salary range for the position, except for those instances where a person is presently filling that position." You would then attach a copy of your salary schedule to the budget. This procedure can keep you from becoming locked into an exact salary. This also depends on your personnel policies. Your policies may allow the employment of a new person at any step within the salary range. By using the middle step for budget purposes, you allow for the averaging of the salary of a new employee. Some may come in at the first step, some at the top step. If the funding source advises another way of presenting salaries (for example, at the top step), then follow instructions.

When jobs are created that do not currently exist within your organization, conduct a survey to determine proper salaries. Find local agencies similar in size and mission. Try to identify

positions in those agencies close to the new jobs in your agency. Salaries for these positions should be your guide. Save this survey information. The funding source might ask how you decided the salary of a new job.

In the salaries and wages section, enter only those positions where salaries are paid. These salaries can either be paid by the proposed grant, your regular budget, or by some other source of funding. Volunteers, who are not paid, will be entered in the "Consultants and Contract Services" item as other personnel.

### Budget Detail - Personnel: Fringe Benefits

	Requested	Match
Personnel:		
Fringe Benefits		
SUI - 3.2% x \$24,000 (California Rates)	768.00	
Workers Comp. Policy	350.00	
FICA - 6.13% x \$43,200	2,648.16	
Health Insurance - 2 single employees @ \$35/mo; 2 employees with dependents @ \$98/mo; x12 mos. (employer pays 100%)	3,192.00	
Extended Disability Ins. -		
4 employees @ \$4.02/mo x 12 mos.	192.96	
Vacation and Sick Leave - 16 wks.		
@ avg. salary of \$208.00/wk.	3,328.00	
Fringe benefits for donated executive director, based on agency's total fringe benefit percentage (24%) of salary (\$1,800)		432.00
Fringe benefits for donated counselor, based on donating agency's total fringe benefit percentage (25%) of salary (\$4,950)		1,237.50
<b>Total</b>	<b>\$ 10,479.12</b>	<b>\$1,669.50</b>

Fringe benefits require a separate category in your budget. They should not be combined with staff salaries. Some funding sources will accept a fringe benefit as a percentage of payroll (for example, "22 percent of the above"). However, it is desirable to carefully explain all of the benefits covered by the grant. Do not do this if the funding source asks differently. Donated fringe benefits can be entered as payroll percentages. There are three kinds of fringe benefits that apply:

1. Mandated benefits - those required by the state in which you are located. Examples of required benefits are Workers Compensation Insurance and State Unemployment Insurance (SUI).
2. Security (FICA) - from which many public and private nonprofit agencies are exempt but in which most agencies voluntarily participate.
3. Voluntary benefits - vary from organization to organization. They include medical, dental, disability and life insurance, private retirement programs, reimbursement for work-related education expenses, reimbursement for parking, sabbatical leave, etc.

All organizations have some provisions for vacation and sick leave. Sometimes these are not written into the budget. Smaller organizations often omit this item from the fringe benefit description. If grant-supported staff does not take their vacations during the period of a grant, at the end of the grant, they may wind up with a financial burden for unused vacation time. Then they must find a source of funds to compensate staff for this earned vacation. Avoid this situation by including a figure for vacation and sick leave. Do this only if allowed for by the funding source.

Perform your actual calculations within the budget detail. For example, in California, the rate for State Unemployment Insurance during 1998 ranged from 0.4 percent to 4.9 percent (depending on the history of unemployment claims of the applicant) of the first \$6,000 of each person's salary. The 1999 Social Security rate was 6.43 percent of the first \$22,900 of any salary.

### Budget Detail - Consulting and Contract Services

	Requested	Match
1. Contractual Personnel		
C. Consulting and Contract Services		
Consulting Psychologist (Dr. Goodge, NY Physiological Assn.) 4 hrs/wk x \$40 x 52 wks.		8,320.00
Evaluation Consultant (Dr. Fastback, Uni. Evaluation Center) 10 hrs/wk x \$25/hr x 12 mos.	3,000.00	
Bookkeeping Services by Fold, Spindle, & Mutilate, Inc. \$150/mo x 12 mos.	1,800.00	
(4) Volunteer tutors @ 5 hrs/wk each x 48 wks x \$2.65/hr.		2,544.00
<b>Total</b>	<b>\$ 4,800.00</b>	<b>\$10,864.00</b>

Paid and unpaid (volunteer) consultants are listed in this section of your budget. Rather than employing a bookkeeper, you may use paid consultant time. If services are volunteered, that goes in here as well. Volunteer time may be allowed by some government funding sources. This occurs when they require some portion of the grant be matching funds, or in-kind contributions by the applicant. This raises the question of how to place a value on a volunteer's time. Gather written statements from the volunteers testifying to their commitment to volunteer services to your program. Remember, these must be like services. For an attorney to be valued at \$40.00/hr. in your program, he/she must be providing legal services to you - not driving children to football games every Saturday. These statements establish the value of the volunteered time. They also are good credibility letters from persons sufficiently impressed with you to volunteer.

Volunteers who have not the needed skills to qualify for a specific role, and who have not been paid a salary in that role, must be rated at the current minimum wage. This happens no matter how well they perform.

### Budget Detail - Equipment

Equipment	Requested	Match
(1) File Server @ \$7710.00	7710.00	
<b>Total</b>	\$ 7710.00	

The second non-personnel item is for purchase of equipment. This will include tangible nonexpendable personal property, including exempt property, charged directly to the award and having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, consistent with recipient policy, lower limits may be established but please use the Federal definition for your budget submission.

### Budget Detail - Non-Personnel: Supplies

	Requested	Match
Desktop supplies for 6.5 staff @ \$125/ea/yr	812.50	
100 reams copy paper @ \$2.75/ea and 5 toner refills @ \$40/ea	475.00	
<b>Total</b>	\$ 1,287.50	- 0 -

There are three separate kinds of consumables that might appear in your budget:



1. Desk top supplies. These include the normal pens, erasers, stationery, paper clips, etc. A reasonable cost for these items is \$100 to \$125 per year per person in your office unless these items are included in your indirect cost rate in which case you would not direct charge them. Experience should indicate whether this will be sufficient.

2. Copying supplies. Since copying has become universal, and since paper and toner are such expensive items, these should be separated from the above unless you are advised otherwise or these items are included in your indirect cost rate in which case you would not direct charge them.

3. Direct program-related consumables. These might be arts and crafts supplies provided to children in a child care program, etc.

### Budget Detail - Non-Personnel: Travel

	Requested	Match
Local mileage for Project Director:		
100 mi/mo @ \$0.17/mi x 12 mos.	204.00	
Local mileage for (2) Counselors:		
200 mi/mo @ \$0.17/mi x 12 mos.	816.00	
Travel expenses for Project Director to attend Grantsmanship Center Training Program in Los Angeles, July 11-15, 19 - \$325 tuition plus \$218 round-trip air plus 6 days per diem @ \$33/day	741.00	
<b>Total</b>	<b>\$ 1,761.00</b>	<b>- 0 -</b>

Be specific. For local mileage, project the number of miles you expect each person to drive on the job each month. Multiply this by the accepted rate in your geographic area. Multiply again by the number of months in the grant period. For out-of-town travel, you must anticipate the travel that will be required during the grant. This may be easy for program-related travel (e.g., visiting remote program sites), but is more difficult in planning training and conference attendance. These items in your budget should be supported by a statement in your program narrative describing the need for and benefits of whatever travel is budgeted. You might include fees for training, as well as per diem and air travel expenses, in this category.

### Budget Detail - Non-Personnel: Other Costs

This is the category for items that do not fit naturally into another category. Examples of items that might be:

1. Postage
2. Fire, theft, and liability insurance
3. Dues in professional associations paid for by the applicant
4. Subscriptions to periodicals
5. Publications costs

### Other Costs

	Requested	Match
Telephone Installation @ \$260	260.00	
(6) Instruments @ \$45/ea/mo x 12 mos.	3,240.00	
Postage	600.00	
Insurance (Fire, Theft, Liability)	750.00	
Space Costs		
Office rent - 1,200 sq. ft. @ \$6.00/ft/yr	7,200.00	
Tutoring space - contributed by local school: one classroom 20 hrs/wk x \$50/wk x 48 wks.		2,400.00
Office janitorial @ \$100/mo x 12 mos.	1,200.00	
Office Utilities @ \$125/mo x 12 mos.	1,500.00	
<b>Total</b>	\$ 11,200	\$2,400

If you will be installing new telephones, get an estimate from the phone company (or other vendor) of the cost of installation. Then estimate the average monthly cost per instrument times the number of instruments times the number of months of the project. The first non-personnel item is space costs. That includes office rent, space used outside your office, utilities, maintenance, janitorial services, and essential renovations. As with all other budget items, you must be aware of "comparability" of costs. If you propose to pay much more for rent than the current rent in your community, be prepared to explain your choice.

### Budget Detail - Indirect Cost

Organizations that operate several different funded projects face a problem. The cost to the organization of housing a project may drain the resources of the institution. Indirect costs are an attempt to compensate the organization for these costs. Indirect costs are also to provide a basis for sharing the costs of running a large institution among the various programs and projects within the institution.

Indirect costs are those costs of an institution which are not readily identifiable with a particular project or activity but nevertheless are necessary to the general operation of the institution and

the conduct of its activities. The costs of operating and maintaining buildings, grounds and equipment, depreciation, general and departmental administrative salaries and expenses and library costs are types of expenses usually considered as indirect costs. In theory, all such costs might be charged directly; practical difficulties, however, preclude such an approach. Therefore, they are usually grouped into common pool(s) and distributed to those institutional activities benefited through a cost allocation process. The end product of this allocation process is an indirect cost rate(s) which is then applied to individual grant and contract awards to determine the amount of indirect costs chargeable to the award.

Indirect costs may or may not be provided by a funding source. Generally, those sources that support higher educational institutions do provide them. Some funding sources place a ceiling upon indirect costs allowed in a given grant situation. Be sure to find out what percentage, if any, the funding source will allow for indirect costs, and determine which portion of your budget the percentage applies to. Sometimes indirect costs are a percentage of the total direct costs, or of the personnel costs, or of the salary and wages item alone.

## Appendices

### Resumes:

- Shows qualifications
- Shows work ethic and commitment
- Sometime can be a few paragraphs
- List other grants you have managed

### Letters of Support or Endorsement:

- They are DIFFERENT
- Support implies partners
- Keep endorsement to a minimum
- Should be sent to you, the applicant. Do not send separately to the funder.

### Other attachments:

- Do not include unless they are requested



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