



## Fiscal Year 2018 Health Center Controlled Networks (HCCN): Sample Budget Narrative

### Instructions for Completing the Budget Narrative

The Budget Narrative should clearly explain the amount requested for each line-item in Section B: Budget Categories of the Budget Information: Budget Details Form. Budget information must be provided for the next 12-month budget period (August 1, 2018 through July 31, 2019). Include detailed calculations explaining how each line-item expense was derived (e.g., cost per unit).

The sample line-item Budget Narrative shown below is provided as an outline, and may be revised as needed to meet the needs of your proposed project. Explanation for all personnel costs is required. A sample Personnel Justification Table is included below.

**NOTE:** The budget request should reflect the federal HCCN funding only. **Do not provide costs to be supported through other sources of funding.**

### Sample Budget Narrative

Budget Line Item	FY 2018 Budget Period (8/1/2018 – 7/31/2019)
<b>PERSONNEL</b> – List each staff member who will be supported by HCCN funding, name (if possible), position title, percent full time equivalency (FTE), and annual salary.	
Administration	
Implementation Staff	
IT support/Training Staff	
Quality Improvement and Reporting Staff	
Other Staff	
<b>TOTAL PERSONNEL</b>	
<b>FRINGE BENEFITS</b> – List the components that comprise the fringe benefit rate (e.g., health insurance, taxes, unemployment insurance, life insurance, retirement plan, tuition reimbursement). The fringe benefits should be directly proportional to the portion of personnel costs allocated for the HCCN project.	
X% FICA	
X% Health Insurance Coverage	
X% Retirement Plan	
X% Unemployment Tax Insurance	
X% Disability & Group Life	

Budget Line Item	FY 2018 Budget Period (8/1/2018 – 7/31/2019)
<b>TOTAL FRINGE BENEFITS @ XX% of TOTAL PERSONNEL</b>	
<b>TRAVEL</b> – List expenses associated with travel for staff to attend or lead HCCN-related meetings, trainings, or workshops. List travel costs categorized by local and long distance travel. For local travel, include the mileage rate, number of miles, reason for travel, and staff/board members traveling. Long distance travel must include registration fees, cost for transportation, lodging, and per diem for each trip.	
Non-Local Travel: One day trip to lead a workshop on Y: Airfare @\$XXX + Per Diem @\$XX/day + Ground Transportation @\$XX/day Two day/one night trip to lead a training on Z: Airfare @\$XXX + Hotel @\$XXX/day + Per Diem @\$XX/day + Ground Transportation @\$XX/day	
Local travel to and from meetings with health centers in the state/region: 50,000 miles x \$.XX per mile	
<b>TOTAL TRAVEL</b>	
<b>EQUIPMENT</b> – Identify the cost per item and justify the need for each piece of equipment to carry out the proposed project. Equipment includes moveable items that are non-expendable, tangible personal property having a useful life of more than 1 year and an acquisition cost that equals or exceeds \$5,000.	
Network Fiber Optics Upgrade	
Network-Level Servers to support EHR data integration for Participating Health Centers (X units x \$XX per unit)	
Network-Level EHR Software Upgrade to ensure alignment with Meaningful Use Level 3 requirements	
<b>TOTAL EQUIPMENT</b>	
<b>SUPPLIES</b> – List the items necessary for implementing the proposed project, separating items into two categories: office supplies (e.g., paper, pencils) and educational supplies (e.g., brochures). <u>NOTE</u> : Equipment that does not meet the \$5,000 threshold listed above should be included here (e.g., computers, software).	
Office Supplies (\$XX per month x 12 months)	
Training Materials (\$Y per fact sheet x ZZZ fact sheets)	
<b>TOTAL SUPPLIES</b>	
<b>CONTRACTUAL SERVICES</b> – Include sufficient detail to justify contractual costs. Provide a clear explanation as to the purpose of each contract, how the costs were estimated, and the specific contract deliverables. A summary of contracts/agreements must be included in Attachment 6 if any new or revised contracts/agreements have been developed. Each HCCN is responsible for ensuring that its organization has in place an established and adequate procurement system with fully developed written procedures for awarding and monitoring contracts.	



Budget Line Item	FY 2018 Budget Period (8/1/2018 – 7/31/2019)
Privacy & Security Risk Assessment to ensure shared data is HIPAA compliant (\$XXX flat fee per year)	
Reporting and Evaluation Consultant to ensure that data for measuring progress toward goals is accurately tracked and reported (\$XXX @ hour x XX hours)	
Health Information Exchange Consultant to help Participating Health Centers implement new information exchanges and use data they generate	
<b>TOTAL CONTRACTUAL</b>	
<b>OTHER</b> – Include all costs that do not fit into any other category and provide an explanation of each cost (e.g., audit, legal counsel). Include sufficient detail to justify each item.	
Audit Services (\$XXX flat fee for yearly audit)	
Video Conferencing Telecommunication \$XX per month x 12 months	
<b>TOTAL OTHER</b>	
<b>TOTAL DIRECT CHARGES</b> (Sum of all TOTAL Expenses rows above (i.e., Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, and Other)	
<b>INDIRECT CHARGES</b> – Include approved indirect cost agreement in Attachment 8, as applicable.	
X.XX% Indirect Rate (includes utilities and accounting services)	
<b>TOTAL</b> (Total of TOTAL DIRECT CHARGES and INDIRECT CHARGES above)	

### Sample Personnel Justification Table

Personnel costs must be explained by listing the exact amount requested for each individual staff member to be paid with federal funds as part of the HCCN project. The information included in the table below must be provided for all staff supported by federal funds as part of the HCCN project. Further details are included in the HCCN NCC Instructions available on the [HCCN Technical Assistance](#) website.

Name	Position Title	% of FTE	Base Salary	Federal Amount Requested
J. Smith	Chief Executive Officer	50	\$180,000	\$90,000
R. Doe	Project Coordinator	100	\$75,950	\$75,950
J. Jones	Quality Improvement Team Lead	100	\$65,000	\$65,000

<b>Name</b>	<b>Position Title</b>	<b>% of FTE</b>	<b>Base Salary</b>	<b>Federal Amount Requested</b>
	<b>TOTAL</b>		<b>\$300,950</b>	<b>\$230,950</b>