

INSTRUCTIONS FOR PREPARING SMITH-LEVER BUDGETS

General: The Smith-Lever budget contains 3 pages. It is used to budget the formula funded programs and **should not** include amounts for individual project proposal funding. Preparation of the budget is as follows:

1. The first page is a summary of all funds (except project proposal funds) available to the State to carry out Extension programs. The fund sources are shown on the left side of the statement. A column is provided to include the estimated amount of carryover funds, which together with the current allocation gives the total amount to be budgeted. The amount included in the current allocation column for Smith-Lever funds as well as the amount included in the offset column must agree with your Attachment A. The offset must agree with your FMB-2103, Certification of Offset, submitted for the current fiscal year. **This offset amount should be no more than the amount listed on Attachment A.** The amount of other program funds included in the current allocation column should be the total amount available for obligation during the 12-month period covered by the budget. The line included for the other Federal funds is used to show funds received directly by you from other Federal agencies to finance programs that could be supported with Smith-Lever funds if sufficient Smith-Lever funds were available. This item should include funds for Cooperative Extension work received directly from such Federal sources as TVA, BIA, HHS, HUD, APHIS, ARS, etc. Do not include any funds from other Federal agencies that are authorized and made available to you under the Cooperative State Research, Education, and Extension Service Payment Management System process.

The non-tax funds are funds received from private or non-profit sources such as Grain Associations, Farm Associations, donations, proceeds from the sale of publications, or user fees collected for services such as soil testing.

The statement includes provisions to report the amount of offset by source of funds; also, the first page contains space for appropriate budget approvals.

2. The second page of the budget contains two separate statements. The first statement shows in detail the sources of non-tax and other Federal funds and must agree with the amounts for these items appearing in the total column on page 1 of the budget.

The second statement on this page is to be completed by those States who meet offset requirements on the basis of “funds available” rather than on planned obligations. If a State uses “funds available”, any unobligated or unexpended amount at the end of the year must carry over and be available for expenditure in the subsequent fiscal year. Once funds are used as offset, any carryover amounts cannot be used to offset funds in a subsequent fiscal year. If a State uses “funds available” to meet the offset requirement, it is necessary to show the funds (by source), the total amount available, and the amount offered as offset. In most cases, two fiscal years will be involved since most States will be on a fiscal year different from the Federal fiscal year. Therefore, amounts offered as offset must be

shown and the fiscal year identified. This is necessary so that the same funds are not offered again in the subsequent fiscal year.

3. The third page of the budget shows, by funding source, the budgeted amounts by object classification. The total amount budgeted must agree with the amounts included in the total column on page 1. Provision is also included to report staff equivalents (SYE) by professional, paraprofessional and/or technical, and clerical and secretarial staff.

The third page of the budget statement also provides for allocating, by object classification, the total amount budgeted from Other Program sources.