

## BUDGET CATEGORIES AND DEFINITIONS 2005-2007

### **General OWEB Approach to Funding**

The Oregon Watershed Enhancement Board offers these definitions for major budget categories in an attempt to provide guidance to applicants on eligible budget categories and associated line item costs to OWEB. Application budgets must be able to justify line item costs with appropriate unit costs shown. For all budget categories and associated line items, OWEB reserves the right to make adjustments. The budget categories below apply to all OWEB grant types unless otherwise specified. If you have questions or seek clarification, contact your OWEB Regional Program Representative.

### **Pre-Implementation**

This budget category appears only in Restoration grant applications. Refers to the work that must occur *before* a restoration project can be implemented. To be eligible for OWEB funds, pre-implementation costs must occur *after* the grant agreement has been fully executed. The one exception is for fees charged by an affected city or county for processing the required Land Use form. Eligible items include, but are not limited to:

Baseline monitoring	Permitting (see above exception)	Site inspection (travel time only)
Film developing	Project design and engineering	Technical consulting

**IMPORTANT:** OWEB funds will not be disbursed prior to submission of all required permits and licenses, landowner agreements, and the Landowner/Applicant Certification form.

### **Project Management**

This budget category may appear in all grant applications, except Watershed Council Support. Refers to the oversight required to ensure satisfactory project implementation and completion. Project Management includes *staff or contractors* who coordinate the activities of project implementation. The line item should identify who will be responsible for project management and their affiliation.

### **In-House Personnel**

This budget category may appear in all grant applications, except Watershed Council Support. Refers to *in-house staff* (i.e., applicant employees for whom payroll taxes are paid) assigned to a capital or non-capital project. Eligible staff include, but are not limited to:

Assessment coordinator	Crew leader	Monitoring coordinator	Outreach coordinator
CREP technician	Education coordinator	Monitoring technician	Project foreman
Tech assistant biologist	Tech assistant engineer	Tech assistant geologist	Tech assistant hydrologist
Volunteer coordinator			

**IMPORTANT:** Show the estimated number of hours (Column A) and the cost per hour (Column B) for all staff assigned to the project. Wages, benefits, and payroll expenses are eligible costs. Computer support costs for restoration grants are ineligible.

**Contracted Services**

This budget category may appear in all grant applications, except Watershed Council Support. Refers to the labor, supplies, and materials that will be provided by *non-staff* (non-employees for whom you do not pay payroll taxes) for project implementation. Show the estimated number of hours (Column A) and the cost per hour (Column B). Computer support costs for restoration grants are ineligible. Examples of Contracted Services costs include, but are not limited to:

Assessments	Equipment rental/operation	Mobilization	Seeding/weed control
Concrete work	Excavation	Mowing/herbicide application	Technical assistance
Controlled burning	Fencing	Off-stream watering	Technical consulting
Culvert replacement/installation	Juniper removal	Pipe/trough installation	Tidegate construction/installation
Electrical hookup	Log loading/hauling	Pond construction	Tree planting
Engineering	Log placement	Road/bridge work	Work crew labor

**Travel**

This budget category may appear in all grant applications, except Watershed Council Support. Travel refers to expenses incurred getting to and from the project location. These include mileage, meals, per diem, and lodging. In a few cases, where an applicant can establish a compelling need for conference or training workshop attendance related to the project, OWEB will pay for related expenses (e.g., travel, meals, per diem, lodging, and registration).

To be eligible for OWEB funds, travel costs must be estimated in the “Unit Number” Column (e.g., estimated number of miles to be traveled, estimated number of meals, estimated number of nights of lodging). The grantee/contractor/volunteer must hold a valid, current driver’s license for the class of vehicle to be driven and carry personal automobile liability insurance in the amounts not less than those required (i) the Oregon Financial Responsibility Law (ORS 806.060) or (ii) the jurisdiction in which the vehicle is being operated, whichever is greater. No mileage reimbursement will be paid for use of motorcycles or mopeds. Out-of-state travel for which the grantee intends to seek reimbursement must be prior-approved by OWEB.

The unit cost for per diem must be calculated using the most direct and usually traveled route, and must be based on rates approved by the Department of Administrative Services (DAS) that are in effect at the time the application is submitted. (Reimbursement, however, is based on rates at the time the travel occurs.). DAS periodically updates rates. Current approved rates for determining a unit cost estimate may be found at:

<http://egov.oregon.gov/DAS/SCD/SARS/policies/oam/40.10.00.PO.pdf>.

## Supplies and Materials

This budget category may appear in all grant applications, except Watershed Council Support. Refers to those items that typically are “used up” in the course of the project. When itemizing, group similar supplies and materials (e.g., boulders and logs, trees and shrubs) on the same line. Indicate the No. of Units (Column A) and the Unit Cost (Column B), wherever appropriate. Examples of Supplies and Materials costs include, but are not limited to:

Bridges/culverts/ tidegates	Fencing (posts, wire, etc.)	Herbicides, pesticides	Pipe, fittings, troughs
Concrete, sand, gravel	Funding partner signs	Irrigation pumps	Plants, shrubs, trees
Direct mail/postage/film	Gas/oil for small equipment	Lumber	Rocks, boulders, logs
Disposable camera, film	Grass seed	Miscellaneous tools/hardware	Solar panels
Electrical supplies	Ground cover fabric	Monitoring supplies	Tree protectors
Equipment repair, maintenance	Hach kits	Mulch, barkdust	Work gloves, shovels

**IMPORTANT:** For Restoration projects, all costs to OWEB must be directly related to the on-the-ground work. Therefore, ineligible Supplies and Materials costs to OWEB for Restoration projects include:

Direct mail/postage/film	First Aid kits <sup>†</sup>	Pro-rated costs for office supplies or utilities
Education and outreach materials	Interpretive signage	

<sup>†</sup> Available through Council Support grants only

## Education and Outreach

This budget category appears only in Restoration grant applications. Refers to informational and promotional activities associated with the restoration project.

**IMPORTANT:** Education and outreach costs are non-capital funds. Since restoration grants are funded out of capital funds, **any education/outreach associated with a restoration grant must be approved by the Board. And once approved, no budget change amendments may occur between capital and non-capital budget categories.** OWEB encourages, and will pay for out of capital funds (see Supplies and Materials), “Funding Partner” signs. Interpretive signs, however, are a non-capital expenditure, requiring Board approval in a restoration grant.

Examples of eligible Education and Outreach activities include, but are not limited to:

Copying, printing	Kiosk development	Related office supplies	Volunteer training
Film development	Postage/direct mail	Tours	Volunteer workshops
Interpretive signs	Publishing	Video/CD production	Web design/maintenance

## **Production**

This budget category may appear in all grant applications, except Restoration and Council Support. Refers to informational and promotional activities associated with the project. Examples of eligible Production costs include, but are not limited to:

Copying, printing	Kiosk development	Related office supplies	Volunteer training
Film development	Postage/direct mail	Tours	Volunteer workshops
Interpretive signs	Publishing	Video/CD production	Web design/maintenance

## **Equipment**

This budget category may appear in all grant applications, except Watershed Council Support. Refers to items with a useful life of generally two years or more. In the OWEB Funds Column (Column E), list only equipment whose cost to OWEB is **\$250 or more per unit**. Indicate the No. of Units (Column A) and the Unit Cost (Column B), wherever appropriate.

**IMPORTANT:** Equipment is eligible for capital funds if the useful life of the equipment is for the duration of the project and the equipment is used only for this specific project. Otherwise, equipment will be charged to non-capital funds. **Equipment purchases for a restoration grant must be approved by the Board, and once approved, no budget change amendments may occur between capital and non-capital funds.**

Equipment repair and maintenance, and miscellaneous tools and hardware (shovels, nuts and bolts, etc.) are ineligible under this budget category, and may be billed under Supplies and Materials. First aid kits are eligible only through Council Support grants. Equipment rental/operation costs are eligible only under Contracted Services.

Examples of Equipment costs include, but are not limited to:

Augurs	Computer	Printer	Scanner
Brush cutter	Digital cameras	Posthole digger	Thermograph, plotter
Chain saw	GPS units	Rain gauges	Weed trimmer

## **Watershed Council Coordinator**

This budget category appears only in Watershed Council Support grant applications. Refers to costs associated with coordinator salary and benefits [OAR 695-040-0030(2)(a). This category may include expenses related to:

Accrued leave liability	Health insurance	Retirement benefits
Gross wages	Payroll taxes	Workers compensation insurance

Contracted services for the council coordinator are eligible. The activities carried out by a coordinator may include support to a council's board, coordination among sub-councils, development of projects, work with landowners, grant writing, fiscal management, work plan development, volunteer recruitment and supervision, communications, education, and outreach. [OAR 695-040-0020(2)].

**Operating Costs**

This budget category appears only in Watershed Council Support grant applications. Refers to costs associated with day-to-day watershed group office operations [OAR 695-040-0030(2)(b)(c)(d)], which may include expenses related to:

Copying	Office rent	Staff training	Travel and Per Diem <sup>†††</sup>
First Aid kit	Postage/Direct Mail	Staff facilitation	Utilities (electric, Internet, telephone)
Office equipment <sup>†</sup>	Printing	Supplies and materials <sup>††</sup>	

<sup>†</sup> Where possible, OWEB funds should be used to rent or lease equipment rather than for outright purchase. Equipment purchased with Board funds will reside with any of the following: watershed council, soil and water conservation district, tribe, local government, state agency, institution of higher learning, or a school district. These entities will make the equipment available to others at no cost, other than nominal operation and maintenance costs. OAR 695-005-0050(6).

<sup>††</sup> Includes film developing and computer software

<sup>†††</sup> Includes mileage (state rates), meals (state per diem), and lodging (state rates)

**Risk Management and Accountability Assurance Costs**

This budget category appears only in Watershed Council Support grant applications. Risk management and accountability assurance costs are *optional* expenses that may include:

Audit of the organization <sup>†</sup>	Risk management and insurance	Tax preparation
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<sup>†</sup> This is typically for councils that do not have a fiscal agent who are responsible for their own audits. In this context, “audit” refers to any costs associated with auditing of the organization, not the grant.

**Post-Project Monitoring (Replaced by Post-Implementation Status Reporting effective September 2006 OWEB Board awards)**

This budget category appears only in Restoration applications. Refers to costs associated with monitoring *after* a Restoration project has been completed (note that baseline monitoring is a line item expense under the Pre-Implementation budget category). Post-project monitoring schedules vary by project and are defined in Exhibit D of OWEB grant agreements. Eligible costs include those associated with producing reports required by OWEB (film, film developing, copy costs, and data collection and analysis, etc.). Show the component(s) to be monitored, cost per year (Column A), number of years (Column B), and total costs.

**Post – Implementation Status Reporting (New budget category effective September 2006 OWEB Board grant awards)**

**This budget category replaces the Post-Project Monitoring budget category for the revised OWEB restoration application posted on the OWEB website as of August 2006.**

This budget category may appear in all grant applications. It refers to costs associated with the reporting requirements (complying with the terms and conditions of the grant agreement) defined in Exhibit D of OWEB grant agreements.

**Effectiveness Monitoring** (New budget category effective September 2006 for the March 2007 OWEB Board grant awards)

**This is a new budget category for the revised OWEB restoration application posted on the OWEB website on August 2006.**

This budget category appears only in Restoration applications. It refers to costs associated with monitoring after a Restoration project has been completed (note that baseline monitoring is a line item expense under the Pre-Implementation budget category). Please see R.7 for monitoring definitions. **Baseline monitoring associated with an effectiveness monitoring project should be included under the Pre-Implementation budget item.** Post-project monitoring schedules vary by project and will be defined in a new Exhibit E of OWEB grant agreements. Eligible costs include those associated with producing reports required by OWEB (film, film developing, copy costs, and data collection and analysis, etc.). Show the component(s) to be monitored, cost per year (Column A), number of years (Column B), and total costs.

**Fiscal Administration**

This budget category may appear in all grant applications. Refers to costs associated with accounting; auditing (fiscal management); contract management (complying with the terms and conditions of the grant agreement); and fiscal reporting expenses for the OWEB project or grant, including final report expenses (e.g., film developing) for the grant. Each of these line item costs should be itemized on the budget page.

By administrative rule, OWEB allows up to **10 percent** of the direct project costs (i.e., 10 percent of the “OWEB Subtotal” line) for fiscal administration [695-005-0030(5)]. Applicants/grantees must be able to justify fiscal administrative costs they charge to OWEB. OWEB does not view fiscal administration for all projects as equal, and therefore, will scrutinize and make adjustments, as deemed necessary.