

Food International – Sample Budget Narrative

SECTION 1: GENERAL EXPLANATORY COMMENTS

The total operating budget for this project is \$10,774,792 over five years.

Total Program Cost

Gross Monetization Proceeds	\$9,736,188
CCC Funding	\$1,038,604
Total Program Budget	\$10,774,792

Summary of Budget Line Item Costs	
Administrative	\$4,955,435
Internal Transportation, Shipping and Handling	\$1,960,842
Activities	\$3,858,515
Total	\$10,774,792

In addition to the total program costs above, this section should include:

1. Any cost escalations expected during this project, and the manner in which they are accounted for throughout budget (for example, an annual X% increase in expenses per year).
2. A summary and total amount for program income which may be earned by the proposed project.
3. A summary of the indirect rates applied the proposed budget and their base of application across Administrative, ITSH and Activity expenses.

SECTION 2: ADMINISTRATIVE

Total Administrative Costs: \$4,955,435 (\$3,916,831 in monetization and \$1,038,604 in CCC funds)

Total Direct Costs: \$4,111,024 (\$3,363,118 in monetization, and \$747,906 in CCC funds)

Total Indirect Costs: \$844,411 (\$553,713 in monetization and \$290,698 in CCC funds)

1.1 Salaries/Personnel – Total 1,509,600 (\$1,209,600 monetization and \$300,000)

Position	Monthly Salary	LOE	# of Months	Total Salary
Chief of Party (USN)	\$8,000	100%	60	\$480,000
Finance and Administrative Manager	\$3,250	100%	60	\$195,000
Accountant	\$2,500	100%	60	\$150,000
HQ Technical Support	\$7,200	30%	60	\$129,600
HQ Agricultural Specialist	\$7,000	50%	30	\$105,000
M & E Manager (TCN)	\$7,500	100%	60	\$450,000
				\$1,509,600

1.2 Fringe Benefits

Fringe – Total \$622,969 (\$560,009 in monetization, and \$62,960 in CCC funds)

Fringe Benefits – Headquarters (HQ), U.S. Nationals (USN) and TCN

Food International direct charges actual fringe benefit costs. Food International is currently estimating an average fringe benefits rate of 40.51% for total Headquarters, Expatriate and Third Country National salaries. Total HQ Administrative Salaries: \$1,059,600 x .4051 = 429,244.

Fringe Benefits – Cooperating Country Nationals (CCN) Employees

Fringe benefits for Cooperating Country Nationals are budgeted at 43.05% of their total salary and are based on Food International's current practice in-country. This includes benefits such as:

- Medical Insurance: 6% of annual income
- Social Security: 10.67% of annual income
- Bonus Payments: 16.66% of annual income
- Severance: 9.72% of annual income

Total TCN Fringe Benefits: \$450,000 x 43.05% = \$193,725.

1.3 Professional Services - Totaling \$801,913 (\$648,000 in monetization and \$153,913 in CCC funds).

Fee to Monetization Agent is estimated at 3.5% of monetization proceeds received. The total estimated is \$260,896.

Food International has included expenses related to support services over the life of the program. These costs are directly attributable to the project and include: local legal services, security services, IT services, and translation services. These expenses are estimated to be \$166,017.

Food International estimates the cost of their Baseline, Midterm, and Final Evaluations to be \$100,000, \$125,000, and \$150,000 respectively.

1.4 Office - Totaling \$ 782,883 (\$567,373 in monetization, and \$ 215,510 in CCC funds)

St. Lucia Office

Food International estimates the cost of its office in St. Lucia to be \$630,386. The costs include rent, office upgrades, utilities, generator fuel, office improvements, cleaning and maintenance, bank charges, branding and marking, recruitment, staff development, internet, landline phone service, cell phone services, printing, postage, shipping, vehicle and motorbike insurance, tax, and software licenses.

Equipment – Less than \$5,000

FI plans to purchase two servers, 12 laptops, 12 computer work stations, and related. FI plans to replace computer equipment transferred from prior projects in year 3. Equipment to be replaced

includes 10 laptops and work stations, 2 printers, 1 scanner, 1 projector, 14 cell phones, 2 satellite phones, 12 office furniture sets, 2 AC units, 2 cash safes, and hardware replacements and replacement of two digital cameras in year 3. Estimated costs: \$99,708.

Office Supplies

The budgeted monthly office supply costs are estimated at \$863.30. The costs cover all necessary office supplies such as notebooks, pens, calculators, office bags, clip files, registers, photocopy paper, flip chart paper, markers, transparency paper, flip chart boards, etc. Our estimates are based on programs of similar size and market research. Estimated Costs: \$52,789.

1.5 Equipment greater than \$5,000 – \$146,596 (\$146,596 in monetization, and \$0 in CCC funds)

FI plans to purchase three 4x4 vehicles at \$25,523 each, totaling \$76,596, and three motorbikes at \$5,000 each, totaling \$15,000. FI estimates vehicle maintenance to be \$55,000 for the life of the project.

1.6 Travel-\$ 247,090 (\$231,567 in monetization, and \$15,523 in CCC funds)

International Travel

FI headquarter staff/consultants will make 16 international trips during the course of the program. The purpose of the trips will be monitoring and technical guidance. The COP will make two international trips to Headquarters in Washington, DC. The total International Travel cost estimate is \$60,043.

Local Travel

Food International estimates \$119,926 for local travel by staff. The estimate includes per diem, vehicle rental, and miscellaneous costs.

Vehicle Fuel and Rentals

FI estimates cost for vehicle fuel, and rental/taxi service to be \$67,121 over the life of the project.

1.7 Administrative Indirect Costs

In accordance with Food International's most recently approved NICRA, indirect costs are estimated at \$844,411 (\$553,713 for monetization and \$290,698 for CCC).

1.8 Cost Share and In-Kind Contributions

There are no cost share or in-kind contributions under administration.

SECTION 2: INTERNAL TRANSPORTATION, SHIPPING AND HANDLING (ITSH)
Total - \$1,960,842 (ITSH is funded by monetization proceeds only)

2.1 Salaries- \$396,600

Position	Monthly Salary	LOE	# of Months	Total Salary
Commodities Manager	\$4,000	100%	60	\$240,000
Logistics Coordinator	\$1,500	100%	54	\$81,000
1 Warehouse Officer	\$700	50%	54	\$18,900
7 Truck Drivers	\$500	30%	54	\$24,300
				\$396,600

2.2 Benefits

Fringe Benefits – \$170,736

CCN fringe benefit rate is 43.05% ($\$396,600 * 43,05\% = \$170,736$).

2.3 Warehouse Storage Costs - \$290,100

Warehouse rent, four laptops for staff use, office supplies, bank fees, and cleaning supplies.
 Estimated costs: \$290,100

2.4 Internal Transportation - \$971,488

- Warehouse Officer travel (field visits) - \$4,659
- Commodities Manager travel - \$5,962
- Food Monitor travel - \$26,242
- In-country vehicle expenses – \$88,658
 - 1960 km/year*\$0.71/km, fuel and oil, parts, repair, registration and insurance
- In-Country Commodity Transportation – Dispatch: $\$120/\text{MT} * 6,390\text{MT} = \$813,887$
- In-Country Commodity Transportation – Retrieval: $\$120/\text{MT} * 64\text{MT} (\text{yr}1-4) = \$32,080$

2.5 Professional Services-\$131,918

- \$40,710 – loading and offloading ($\$6/\text{MT} * 1278 \text{ MT}/\text{yr}.$)
- \$3,393 – retrieval and reconstitution ($\$10/\text{MT} * 64\text{MT}/\text{yr} * 4 \text{ years}$)
- \$49,694 – Fumigation (twice per year)
- \$35,040 – Security at warehouse over 5 years
- \$2,548 – security system contract (for 5 years)
- \$533 – audit and legal services

2.6 ITSH Indirect

Food International does not charge ICR on ITSH costs.

2.7 Cost Share and In-Kind Contributions

Not applicable for this project.

SECTION 3: ACTIVITIES – Total \$3,858,515 (All activities funded by monetization funds)
\$3,325,802 direct activity costs and \$532,713 indirect costs on activities

Activity 1: Capacity-building: Government institutions -

Total Budgeted: \$212,698

3.1.1 – Salaries - \$47,994

<u>Position</u>	<u>Units</u>	<u>LOE</u>	<u>Monthly Salary</u>	<u>Total</u>
Organizational Development Manager	54	17%	\$4,166	\$38,244
3 Organizational Technicians	52	5%	\$1,250	\$9,750
Total				\$47,994

3.1.2 - Fringe Benefits: Total: \$20,661

Benefits for cooperating country national staff are in accordance with St. Lucia's labor law and calculated at 43.05 percent of the employees' base salary.

3.1.3 – Professional Services - \$50,417

Workshops

The total budget for Workshop: Capacity-Building: Government Institutions is \$13,229. One workshop per quarter has been budgeted at roughly 15 attendees per workshop.

The total budget for Workshop: Coordination Committee Sessions/Meetings is \$5,594. Each workshop/event will last for 1 day and will host roughly 20 attendees. Food International estimated 20 attendees to include an already established coordination committee of 8 individuals, Food International staff and other NGOs and private sector players. There will be one event in Years 1 and 5, and two events in Years 2-4.

The total budget for Workshop: Lessons Learned Seminars is \$7,923. Each workshop/event will last 1 day with roughly 50 attendees. Food International expects that participants of this annual event will consist of the Coordination Committee (20 members) plus an additional 30 stakeholders from other non-governmental, private sector and research organizations. These meetings will be held once a year for the life of the program.

The total budget for Facilitation of Links with Research Institutions is \$23,671. Each workshop/event will last for 1 day and host 50 attendees, 25 of whom will be from out-of-town. Food International estimated that 20 people from the government, 15 from the private sector and

15 from NGOs will attend. There will be one workshop in Years 1 and 5, and two workshops in Years 2-4.

3.1.4 Office –Total \$93,626

Field Office: \$76,303

FI estimates the cost of the office to be \$76,303. The costs include rent, start-up and closeout costs, utilities, generator fuel, office improvements, and cleaning and maintenance.

Office Supplies

Office supplies are estimated at \$17,323

Activity 2: Post-Harvest Infrastructure Support - \$1,072,017

3.2.1 – Salaries - Total \$500,700

Position	Units	LOE	Monthly Salary	Total
Deputy Chief of Party	58	50%	\$8,018	\$232,522
Organizational Development Mgr.	54	18%	\$4,166	\$40,494
Grants Manager	52	100%	\$2,917	\$151,684
3 Organizational Development Technicians	52	15%	\$1,250	\$29,250
Agriculture Production Mgr	55	10%	\$2,500	\$13,750
3 Agriculture Production Technicians	52	10%	\$1,250	\$19,500
Agriculture Marketing and Value Chain Specialist	54	10%	\$2,500	\$13,500
Total				\$500,700

3.2.2 - Fringe Benefits – Total \$215,551

Benefits for cooperating country national staff are in accordance with St. Lucia’s labor law and calculated at 43.05 percent of the employees’ base salary.

3.2.3 - Local Travel -Total \$88,200

Monthly Technician Motorcycle Fuel of \$225 per motorbike for 56 months for 7 motorcycles

3.2.4 – Professional Services \$13,566

Workshops

Each Proposal workshop/event will last for 1 day and will host 25 attendees. Workshops will be held in Years 2-4. Estimate cost per workshop \$4,522. Total estimated costs \$13,566.

3.2.5 – Grants - \$254,000

\$210,000 allocated to “Post-Harvest Processing” Cash Grants;
 \$44,000 allocated to “Capacity-Building” cash Grants
 Recipients of the “Capacity-Building” Grants will provide a 10% cost share totaling \$4,400.

Activity 3: Financial Services: Facilitate Agricultural Lending – Total \$809,006

3.3.1 – Salaries \$41,248

<u>Position</u>	<u>Units</u>	<u>LOE</u>	<u>Monthly Salary</u>	<u>Total</u>
Organizational Development Manager	54	5%	\$4,166	\$11,248
Agriculture Marketing and Value Chain Specialist	54	15%	\$2,500	\$20,250
3 Organizational Development Technicians	52	5%	\$1,250	\$9,750
Total				\$41,248

3.3.2 - Fringe Benefits – Total \$17,757

Benefits for cooperating country national staff are in accordance with local labor law and calculated at 43.05 percent of the employees’ base salary.

3.3.3 - Professional Services

Sub-recipients:

Agricultural Financial Services: \$750,000

Activity 4: Training: Improved Agricultural Production Techniques - Total \$1,232,081

3.4.1 - Salaries: Total \$383,000

<u>Position</u>	<u>Units</u>	<u>LOE</u>	<u>Monthly Salary</u>	<u>Total</u>
HQ Agricultural Specialist	60	15%	\$7,000	\$63,000
Agriculture Production Manager	55	80%	\$2,500	\$110,000
3 Agriculture Production Technicians	52	80%	\$1,250	\$156,000
Agriculture Marketing and Value Chain Specialist	54	40%	\$2,500	\$54,000
Total				\$383,000

3.4.2 Fringe Benefits – Total \$163,281

Benefits for cooperating country national staff are in accordance with local labor law and calculated at 43.05 percent of the employees' base salary. Total \$137,760.

Fringe Benefits for HQ employees are calculated at 40.51% of base salary. Total \$25,521.

3.4.3 Local Travel: Total \$100,800

Monthly Technician Motorcycle Fuel of \$225 per month for 56 months for eight motorcycles

3.4.4 Professional Services - Total \$585,000

WCR will be awarded \$100,000 for research on mango production. WCR will also facilitate access to and assistance with the dissemination and scale-up production of pest/disease-resistant varieties of mango.

FI will execute subrecipient agreements as follows:

\$310,000 – Local NGO

\$50,000 - AGEXPORT

\$125,000 – Mango Export

3.4.5 Indirect Costs on Activities - Total \$532,713

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