

## Associate Level Material

### HSM 220 Appendix C

#### Creating a Budget

Various budget approaches play an important role in resource allocation in human service organizations. You are the executive director for a local government workforce agency that focuses on providing career- and work-related skills. The Department of Education has awarded your agency with grant funding of \$1.8 million to provide training programs to high school dropouts. The funded programs are a basic work skills training program and a vocational program. You are preparing a budget matrix to present to the awarding agency. The matrix budget consists of line-item, functional, and program budgets.

Operating Expenses:	Per Year
Rent	\$125,000
Utilities	\$100,000
Office supplies	\$25,000
Equipment/lease	\$50,000
Transportation and travel	\$100,000
Outside consultants	\$100,000
Overhead costs	\$100,000

Personnel expenses:	Annual Salary	Number of FTEs
Executive director	\$100,000	1
Training supervisor	\$80,000	1
Trainers	\$50,000	10
Administrative coordinator	\$45,000	1
Administrative staff	\$25,000	3
Employee-related benefit expenses @ 25%	\$200,000	

All costs excluding the salary of the executive director and training supervisor will be allocated according to this formula:

60% to basic skills program  
40% to vocational program