



Best Practices for Developing Budgets for Cooperative Endeavor Agreements and Amendments

To ensure consistency in contracting across the LASTEM Regional STEM Centers, expedite the Regents review process, and minimize complications for Centers, we have created a best practices document for center directors and host entities to use when developing budgets for the Cooperative Endeavor Agreements (CEAs) and related amendments.

All budgets should be reviewed by your host entity's Sponsored Programs/Accounting office prior to submitting first drafts (in Word format) to Regents. Final versions must be signed by the appropriate personnel.

TERMINOLOGY

In terms of all agreements (contracts, CEAs, MOUs, etc.) and associated budgets, Regents defines the following terms/phrases as follows:

- “Includes” – the items/subcategories (e.g., office supplies) that are listed.
- “Includes but is not limited to” – the items/categories that are listed, plus other items within the budget category that are supportive of program activities. (Note: Even with this language, staff may request explanation of specific purchases if their relationship to program activities is not clear, e.g., if meals are purchased for a one-hour, mid-morning meeting.)
- “Such as” – indicates that a list is comprised of examples and is not exhaustive.

FORMATTING

- Templates
 - There are separate budget templates for the CEA and the CEA amendment. Please request the appropriate template from the Board of Regents' LASTEM team to ensure you have the most updated version. **Do not change the budget categories on the template or delete any sections.**
 - If you do not have funds budgeted for a certain category, put \$0 and move to the next category.
 - This is not a grant. When completing the Comprehensive Budget Justification, use language such as “budgeted” instead of “requested.”
 - All budget categories, with the exception of personnel and fringe, must use the phrase, “including but not limited to” in the budget narrative for added flexibility. Be aware throughout budget development of ways in which you are restricting reimbursements by the language you are using (e.g., if you define travel as for “the center director”, you will only be reimbursed for the director’s travel. If you

use a phrase such as “for any personnel working on behalf of the Regional STEM Center”, this expands reimbursement for legitimate LASTEM travel by multiple staff. Budgets are developed by the submitting entity and BoR staff have no flexibility to deviate from the approved budget/justification included in the executed CEA.

- Review all sections before sending to Regents, to ensure the Comprehensive Budget Justification accurately explains and supports the Comprehensive Budget.
 - If office space is included as part of the host entity’s support, the Comprehensive Budget Justification must provide detail regarding how the amount of support was determined (i.e., total square feet x established value per square foot).
 - Amendments:
 - Make sure all changes are highlighted yellow in the “Revision” sections.
 - When completing the Comprehensive Budget Justification for an amendment, the section identified as “Current” for each budget line, must exactly match the amounts and wording in the original CEA.
 - **As a reminder, only one rebudgeting/amendment request will be considered and must be requested in advance in writing in accordance with the terms of the current executed CEA.**
- Budgeted Amounts
 - Format all currency using commas and dollar signs (e.g., \$15,000).
 - Do not include cents - you should round up to the nearest dollar to ensure that the budgeted amount is sufficient to cover anticipated expenses.
 - Amounts should be as noted above in both the Comprehensive Budget and the Comprehensive Budget Justification
 - The amounts contained in the Comprehensive Budget Justification must match the amounts in the Comprehensive Budget.
 - Check all math in both the Comprehensive Budget and Comprehensive Budget Justification sections before submitting to Regents. Budgets with math errors will be returned for correction, which delays processing.

COMPREHENSIVE BUDGET & COMPREHENSIVE BUDGET JUSTIFICATION

The purpose of the Comprehensive Budget Justification is to support the Comprehensive Budget by explaining the relationship between LASTEM-supported activities and funds expended. Each budget category within the Comprehensive Budget Justification must list the LASTEM goal(s) with which it aligns. In addition, the Comprehensive Budget and Comprehensive Budget Justification must align with the work plan (Appendix A) of the CEA. The Comprehensive Budget Justification must reflect the budget page, with all dollar amounts matching, and set forth the conditions under which/items for which funds will be expended and how expenses support the work of the Center.

- Personnel
 - Provide complete and correct position titles and make sure titles are referenced consistently across all sections of the Comprehensive Budget Justification. Do not include individual names of employees, only position titles.
 - The Comprehensive Budget Justification must contain the percent of effort towards LASTEM activities for each position, even if 100%. At least 75% effort is required for the Center Director and is calculated over the period of the CEA.
 - Example:
 - Personnel (\$75,000)**
 - STEM Center Director \$70,000, 100% effort

(Add short position description)
STEM Center Program Coordinator \$5,000, 25% effort
(Add short position description)

- Fringe Benefits
 - Provide both the fringe rate AND the total fringe dollar amount budgeted for EACH personnel position listed.
 - We recommend calculating based on the maximum allowable fringe rate to cover fluctuations throughout the year.
 - Example:

Fringe Benefits (\$35,528)

<i>STEM Center Director</i>	\$ 33,159	Fringe is calculated at 47.37%
<i>STEM Center Program Coordinator</i>	\$ 2,369	Fringe is calculated at 47.37%

This budget category is aligned to the following LASTEM goals: 1, 5, 6, 8, 9

- Travel
 - Will be reimbursed in accordance with the Division of Administration Policy and Procedure Memorandum No. 49 (The State General Travel Regulations) and Board of Regents Travel Policies.
 - If your institution/organization has multiple staff members who may travel, consider adding verbiage like “Funds are budgeted towards personnel working on behalf of the Regional STEM Center to travel for conferences, events, meetings, workshops, etc.” This provides more flexibility than listing position titles eligible to travel.
 - Hotel stays the night following a travel meeting day will not be reimbursed when the meeting location is less than 250 miles from the traveler’s domicile (parish housing the employing entity/institution, unless your employer has formally assigned you a different domicile, which will require documentation to verify). If you do have LASTEM business to conduct on the working day following the meeting and will request reimbursement for lodging and meals related to that business, you should be clear in the reimbursement materials that the events are separate, even if located in the same place. You will need to document the next-day activity (e.g., meeting or event agenda, correspondence confirming the business to be conducted or invitation/acceptance of a request to conduct LASTEM business) and timing as part of the reimbursement request.
- Operating Services
 - All subscriptions, memberships, and maintenance fees must coincide with the contracted dates (July 1 - June 30). We can only reimburse expenses related to activities that take place and are paid for within the contracted dates.
 - Add “including but not limited to” in the budget narrative.
- Supplies
 - Provide some examples of items you will be purchasing in this category.
 - Add “including but not limited to” in the budget narrative.
- Equipment
 - Your institution’s/organization’s accounting policies will determine whether some items are classified as equipment or supplies. Be sure to classify correctly, based on institutional feedback. Regents does not control these classifications.
 - Add “including but not limited to” in the budget narrative.

- Professional Services
 - All professional services must have a clear deliverable(s). Services must be completed and deliverables received and verified by the end of the 4th Period.
 - Examples include consulting, advertising and marketing, and IT services.
 - Add “including but not limited to” in the budget narrative.
- Participant Support (Stipends)
 - All funds must be expended, and deliverable(s) completed/received/verified by the end of the 4th Period. Scholarships are not allowed.
 - Use the verbiage “estimated” when documenting the number of participants and stipend amounts. This will allow limited flexibility to shift participant numbers during implementation.
 - Add “including but not limited to” in the budget narrative.

All expenses in any budget category except Personnel expenses must be billed, purchased, paid, and received no later than the end of Period 4 (May 31st).

DISALLOWED BUDGET ITEMS

- Maintenance or repair of equipment, whether existing or purchased with LASTEM funds. Long-term maintenance contracts for equipment cannot be budgeted to LASTEM but may be provided as host entity support.
- Construction of facilities
- Routine renovation or upgrading of facilities
- Purchase of standard motorized vehicles such as cars, trucks, vans, boats, etc.
- Purchase of standard office furniture or routine office equipment (e.g., desktop computers and peripherals, copiers, desks, chairs, etc.)
- Entertainment costs, including performers, musicians, and rental of entertainment venues (These activities may be provided as part of host entity support)
- Equipment and supplies purchased with LASTEM dollars (excluding promotional materials with no monetary value) may **not** be given to project participants (faculty, students, teachers, etc.) as personal property.
- Only under exceptional circumstances may LASTEM dollars be used to support institutional memberships to business, technical, and/or professional organizations. Individual faculty/staff memberships to any of the above are disallowed.
- Budgets may not provide for shortfalls or deficits in budgets, tuition payments, augmentation of salaries of individuals pursuing regularly assigned duties (except regular merit or cost-of-living increases), or unspecified contingencies.
- Discounts received for equipment purchases may not be counted as part of the host entity support.
- Purchase of decorations such as flowers, plants, balloons, etc. (Décor can be rented.)
- Sponsorships for other entities and scholarships

If you have any questions or concerns related to budgeting and reimbursements, please contact Anna Roberts at Anna.Roberts@laregents.edu or (225) 219-7163.