

DESCRIPTION OF BUDGET EXPENDITURE CATEGORIES

Administrative/Financial Costs

Administrative Costs

Appropriate costs include items for personnel and grant and loan administration services to administer the project. Costs include administrative supplies, project specific communication, postage, and travel. These are costs incurred by the borrower in administering the project. (As applicable, specify each one as a separate line item.)

- **Administrative costs cannot include indirect costs.**
- **Reimbursable requests for administrative costs must include documentation in a manner that guarantees accountability in the event of an audit.**

Activity Costs

Land Acquisition-Cost of land purchase, easements, right-of-way, leases, etc.

Engineering - Basic Services-Engineering services necessary for every engineering project. If you have entered into an engineering services agreement, these amounts will be in the agreement. If you have not entered into an engineering services agreement, use the estimated engineering services costs from the PER.

Professional and Technical Tasks- Including but not limited to project design, engineering oversight, etc...

Study and Report Cost
Preliminary Design Cost
Final Design Cost
Bidding Cost
Construction Administration Cost
Post Construction Cost

Engineering-Resident Project Representative Services – Construction observation, sometimes called inspection services. Construction observation as necessary to ensure the project is constructed in accordance with the approved project plans and specifications.

Engineering-Additional Services – These are services specific to a particular project. Examples include preparation of applications and supporting documentation for grants and loans; additional studies or services such as geotechnical or soil studies; preparation of feasibility studies or licensing; special surveys such as those necessary to obtain easements and rights-of-way, etc.

NOTE-Grant & Loan Administration Services are to be entered above under the Administrative/Financial Costs.

Construction-Estimated costs for project construction from the PER. Cost estimates may include inflationary factors.

Contingency-Construction contingencies for public facility projects should be based on the complexities and unknowns associated with the project. The construction contingency typically is not less than 10% of the estimated construction cost. Any deviation must be adequately justified.