

Attachment 2: PRIME CONTRACTOR COST PROPOSAL

Only organizations submitting proposals to be a Prime Contractor need to complete a Cost Proposal. Organizations applying as a Prime Contractor for multiple components must submit a separate Cost Proposal for each component.

The final contract amounts and numbers will be subject to Eligible Jurisdiction (EJ) participation, funding availability, and subsequent negotiations.

For purposes of evaluation and comparison across proposals, LACAHS is requesting that applicants for prime contractor roles develop a projected budget based on a defined service scale, estimating a number of direct services that the applicant will provide based on the estimates provided in Section II of the RFP submission.

Accordingly, applicants must prepare a cost proposal that reflects:

1. The costs necessary to achieve all responsibilities identified in this RFP and achieve the proposed outcomes identified in the Applicant's Section II response.

Budget Phases

LACAHS anticipates funding this component in two phases: (1) The Implementation Preparation Phase, estimated to run from July 1 through September 30, 2026, and (2) Program Implementation Phase representing nine months of service delivery. LACAHS may adjust preparation timelines to support ISM coordination. LACAHS is prioritizing Applicants who can expeditiously launch ISM activities in a coordinated fashion.

Implementation Preparation Phase: 7/1/2026 – 9/30/2026

This phase supports staffing, subcontractor onboarding, workflow development, system integration, and initial launch of direct services.

Program Implementation Phase: 10/1/2026 – 6/30/2027

This phase represents nine months of direct service delivery.



Budget Summary

Instructions: Applicants shall use the table below to provide a summary of each budget line item, reflecting the combined total for the applicant for the Implementation Preparation and for Implementation Year 1. Please see below cost category definitions to inform the organization’s budget summary and detailed budget expenses.

Prime Contractors may allocate up to 12.5% of the total contract for administrative costs. At least 50% of the proportional administrative costs must be passed through to subcontractors. For example, if a subcontractor has a total budget allocation of \$100,000, at least 6.25% (\$6,250) of the subcontract must be made available to the subcontractor for their administrative activities. The prime contractor may elect to retain the remaining 6.25% of the subcontractor budget allocation for administrative oversight of the subcontractor.

Cost Category Definitions

Personnel & Benefits

Salaries and fringe benefits for staff providing services directly to households.

Includes: Case managers, outreach workers, navigators, intake staff, service supervisors, and service-related data staff.

Excludes: General administrative overhead.

Non-Personnel Costs

Operational expenses directly supporting service delivery.

Includes: Office space (program share), technology, HMIS licenses, outreach materials, interpretation services, mileage, and approved client assistance.

Excludes: Agency-wide and subcontractor administrative costs.

Administrative Costs

Indirect costs supporting overall program administration.

Includes: Executive oversight (allocable share), HR, payroll, accounting, IT, insurance, and audit costs.

Limit: May not exceed 12.5% of total contract.

Item	Implementation Preparation 6/1/2026-9/30/2026	Implementation Year 1 10/1/26-6/30/2027
Personnel and Benefits		
Non-Personnel Costs		
Administrative Costs*	\$	\$
TOTAL	\$	\$

*Administrative costs cannot exceed 12.5 percent of the total contract amount.

Budget Detail

The cost proposal must include a distinct, detailed budget including the below.

- **Personnel costs:** List each position to be funded under this project, along with the corresponding full-time equivalent (FTE) allocation dedicated to the project. In addition, applicants shall provide a combined total of all associated benefit costs.
- **Non-personnel costs:** Provide an itemized list of all non-personnel costs associated with service delivery.
- **Administrative costs:** Specify the total amount allocated for administrative costs. Administrative costs may not exceed twelve and one-half percent (12.5%) of the total award.

Agency Name:		
PERSONNEL COSTS (List Proposed Staff and Role)	Implementation Preparation 6/1/26-9/30/26	Implementation Year 1 10/1/26-6/30/27
Staff/Role		
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
Benefits		
	\$	\$
TOTAL PERSONNEL AND BENEFITS	\$	\$
NON-PERSONNEL COSTS		
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
TOTAL NON-PERSONNEL COSTS	\$	\$
ADMINISTRATIVE COSTS		
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
	\$	\$
Total administrative costs	\$	\$
TOTAL	\$	\$

Budget Narrative

Attach a separate page that addresses the following questions as brief as possible:

- A. **Personnel:** Provide a complete list of all positions that will deliver services under this project, including each position's annual salary and the anticipated full-time equivalent (FTE) allocation dedicated to the project. If proposing subcontractors as part of your project team, please indicate proposed personnel's organization. Applicants should also include any additional details necessary to clarify the role and responsibilities of each position.
- B. **Benefits:** Describe all benefits included in the budget and indicate the percentage of salaries represented by these benefits.
- C. **Non-personnel costs:** Provide sufficient detail to explain the purpose and necessity of each non-personnel line item included in the budget.
- D. **Staffing Structure and Cost Rationale:** Describe your proposed staffing structure for serving the defined number of households annually and how this was calculated.
- E. **Cost Efficiency and Reasonableness:** Explain how your proposed budget reflects cost reasonableness at the required service scale. Describe the budget impact of managing subcontractors versus internal staff to carry out specific activities and functions.
- F. **Implementation Preparation Phase:** Describe how the Implementation Preparation budget supports program readiness.
- G. **Risk Mitigation:** Identify financial or operational risks associated with implementation and how the budget accounts for mitigation.