



Notice of Funding Opportunity (NOFO)
U.S. DEPARTMENT OF STATE
Bureau of International Narcotics and Law Enforcement Affairs (INL)

Announcement Type:	Request for Federal Assistance Award Applications
Funding Opportunity Title:	<i>Strengthening Philippine Maritime Legal Units</i>
Funding Opportunity Number:	OFOPO002785
Program:	INL Philippines
Catalog of Federal Domestic Assistance (CFDA) Listing Number:	19.703 - Criminal Justice Systems
Total Funding Available:	\$2,500,000.00. U.S. Dollars
Funding Source:	Post-Funds
Application Ceiling:	Up to \$2,500,000.00 U.S. Dollars
Application Floor:	At least \$2,500,000.00 U.S. Dollars
Anticipated Number of Awards:	1 award
Initial Project Implementation Length:	36 months
Estimated Project Start Date:	January 2027
NOFO Issuance Date:	May 20, 2026
Deadline for Submission of Questions:	June 22, 2026 by 11:59 PM EST via email
Deadline for Submission of Applications:	July 20, 2026 by 11:59 PM EST via www.grants.gov
Assistance Type:	Grant (GR)
Applicant Types and Eligibility Categories:	Organizations only. Refer to <u>Section C: Eligibility Information</u> for more information.
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BUREAU MISSION

The mission of the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) is to keep Americans safe by countering crime, illegal drugs, and instability abroad. INL is at the forefront of responding to these challenges, uniting these overarching themes through our foreign assistance programs, diplomatic engagement, and policy coordination.

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A. PROJECT DESCRIPTION

Overview: The Bureau of International Narcotics and Law Enforcement Affairs of the U.S. Department of State announces an open competition for organizations to submit applications to carry out a project to support a maritime legal initiative implemented in partnership with the Office of the Solicitor General (OSG) and the Philippines Department of Justice (PDOJ), with engagement from other relevant Philippine government agencies involved in maritime law enforcement, regulation, and maritime domain awareness.

The United States has a strong national interest in supporting a free, open, and rules-based maritime domain that promotes regional stability, economic security, and the protection of lawful commerce in the Indo-Pacific. As a longstanding treaty ally, the Philippines plays an important role in maintaining secure and predictable maritime conditions across key regional sea lanes that support global trade and investment. Strengthening maritime legal capacity within Philippine justice institutions advances shared U.S.–Philippine security and economic interests by reinforcing lawful, transparent mechanisms for managing maritime issues and promoting partner self-reliance.

At the same time, evolving maritime governance and jurisdictional challenges in heavily trafficked maritime areas require increasingly sophisticated legal expertise across Philippine justice and maritime institutions. Strengthening institutional legal capacity, particularly within the OSG and the PDOJ, is necessary to ensure coordinated, legally sound responses to complex maritime matters and to support long-term institutional resilience. This project responds to that need by building durable, institutionalized maritime legal expertise within key Philippine justice institutions.

The initiative will strengthen interagency legal coordination and enhance the Philippines’ ability to defend its maritime rights through law to address maritime legal matters through rule-based processes.

The project will enhance institutional and human capacity within the OSG and PDOJ through technical training, legal advisory support, and professional exchanges focused on maritime law, international arbitration, litigation strategy, and international legal advocacy.

The initiative is designed to build enduring, in-house maritime legal expertise within Philippine institutions, reducing long-term reliance on external international legal counsel and enabling the Philippines to independently develop, manage, and advance complex maritime legal matters. By strengthening legal capacity and promoting consistent application of domestic and international law, the program contributes to more predictable maritime governance, reduces legal uncertainty, and the continued stability of critical maritime routes that underpin regional economic activity.

Background:

The Philippine government has identified the need to institutionalize a dedicated maritime legal capability within the PDOJ to support sustained interagency legal coordination and strengthen national maritime legal preparedness. As Chair of relevant interagency legal mechanisms and in close coordination with the OSG, the PDOJ plays a central role in harmonizing legal positions, advising on maritime matters, and preparing for potential domestic or international legal proceedings.

However, maritime legal functions are currently conducted without a permanent, fully staffed unit dedicated exclusively to maritime legal analysis and coordination. This structural gap limits sustained expertise, institutional continuity, and long-term case development capacity. In light of evolving

maritime challenges and increasing legal complexity, there is a need to strengthen institutional structures, professional training pathways, and case development processes to ensure enduring national capability.

This funding opportunity is designed to provide technical assistance and training support aligned with the Philippine government's objective of developing a dedicated and sustainable maritime legal capability within its justice institutions.

Project Reporting: Note that this award must submit quarterly performance reports through INL's DevResults system. See Appendix A for more details.

Priority Region/Countries: Philippines

Problem Statement:

The Philippines faces evolving maritime legal and governance challenges that require coordinated and legally sound responses across relevant institutions. As maritime enforcement activities and jurisdictional matters grow more complex, there is an increasing need to strengthen specialized maritime legal expertise to support compliance with domestic and international law.

Project Goal(s) and Objectives:

Goal: Philippine justice institutions have institutionalized sustainable maritime legal capacity to independently develop, manage, and advance complex maritime legal matters.

Project Objectives:

1. Develop and institutionalized specialized maritime legal expertise through the establishment and support of maritime legal units within the OSG, the PDOJ, and participating maritime agencies in areas including international maritime law, admiralty law, arbitration, and UNCLOS.
2. Strengthen institutional capabilities for maritime case development and legal advisory functions, including evidence analysis, legal strategy, and preparation of written and oral submissions related to maritime legal matters.
3. Enhance interagency legal coordination among justice and maritime institutions to improve information sharing, legal preparedness, and coherent whole of government legal responses.
4. Develop a sustainable cadre of Philippine maritime legal subject-matter experts to reduce long-term reliance on external international legal counsel and strengthen in-house leadership of complex maritime legal matters.
5. Strengthen the ability of Philippine institutions to effectively engage in international legal processes and multilateral forums, including the clear and credible presentation of legal positions and findings.

Project activities and deliverables:

The project will implement a phased initiative in close consultation and coordination with the OSG, the PDOJ, and relevant participating agencies. Activities will begin with implementation planning and convene Philippine counterparts to align sequencing and priorities. The project will provide advisory and technical support for institutional design and sustainability planning of a specialized maritime legal capability; develop and implement a structured, multiyear maritime legal training program; establish a Training-of-Trainers framework; design and deliver applied case-development

workshops, litigation strategy simulations, and practical exercises focused on evidence analysis, legal drafting, and preparation of written and oral submissions for domestic and international legal proceedings; and support interagency legal coordination and professional exchanges with international maritime legal institutions.

While all core components described above are required, proponents are encouraged to recommend additional or alternative activities, methodologies, sequencing, or technical approaches that strengthen implementation and outcomes. Any proposed enhancements must remain aligned with the project's objectives, phased design, and sustainability focus.

Applicants must include costs necessary to implement all required components, including technical legal training, advisory services, curriculum and manual development, coordination workshops, simulations, professional exchanges, monitoring and evaluation, knowledge management, and administrative support. No funding should be proposed for operational maritime activities, enforcement actions, or procurement of operational equipment. Proposed costs must be reasonable, directly linked to required activities, and aligned with the project's phased approach and emphasis on long-term Philippine institutional ownership.

The recipient must designate a dedicated Monitoring and Evaluation (M&E) lead responsible for implementing the project's monitoring framework, tracking performance indicators, supporting adaptive management, and ensuring timely and accurate reporting to INL.

Participants and Audiences:

The primary participants in this program will be legal professionals and institutional leadership from the Philippine OSG and PDOJ responsible for maritime legal analysis, litigation, advisory functions, and interagency coordination. Participants will include attorneys, legal officers, and designated focal points directly engaged in maritime case development and international legal engagement.

Secondary participants may include legal and technical representatives from other relevant civilian maritime and regulatory agencies, including the Philippine Coast Guard (PCG) and Bureau of Fisheries and Aquatic Affairs (BFAR), whose roles support maritime incident documentation, evidence development, and legal coordination. Engagement with these agencies will focus on strengthening legally relevant processes and whole-of-government coordination rather than operational or enforcement functions.

Participating institutions will be expected to designate core personnel for sustained engagement in trainings, applied exercises, and institutional planning activities, and to integrate project outputs into internal procedures and coordination mechanisms. Incentives for participation include development of specialized maritime legal expertise, enhanced litigation and advisory capacity, professional certification opportunities, and strengthened institutional self-reliance. The project will promote inclusive and participatory approaches by encouraging representation across relevant offices and ensuring responsiveness to institutional priorities identified by Philippine counterparts.

B. FEDERAL AWARD INFORMATION

Applicants are encouraged to reference the table on the first page(s) of this NOFO to determine the basic federal award information (e.g., project length, amount of funding available, anticipated number of awards, assistance type, etc.). Additional award information is included in this section, although specific aspects of the award(s) issued from this NOFO may differ from program to program.

1. Project Implementation Period

The initial project implementation length is the amount of time (e.g., months) applicants should plan to implement the project. If a range of months is listed, applicants should propose a realistic project length within that range. *INL reserves the right to decrease or increase the initial project implementation period in accordance with the needs of the INL project/program.*

The anticipated initial project implementation period is thirty-six (36) months. Applicants should propose a realistic work plan and timeline within this period that reflects the phased design of the program.

INL may extend the project implementation period, contingent on INL priorities, good performance of the recipient, Department of State management approvals, and funding availability. INL projects shall not exceed five (5) total years of project implementation.

2. Assistance Type

The assistance type for this funding opportunity is a grant. INL will have an active participatory role including providing guidance on technical and programmatic matters, attending periodic meetings, and reviewing key project milestones. While the recipient retains primary responsibility for project implementation, INL's engagement is intended to support, guide and enhance project outcomes.

3. Funding Notices

This award will be supported with International Narcotics Control and Law Enforcement (INCLE) funds under the Foreign Assistance Act of 1961. **This notice is subject to the availability of funding.**

Length of performance period: 36 months

Anticipated program start date: January 2027

Number of awards anticipated: 1 award (dependent on amounts)

Award amounts: awards may range from a minimum of \$2,500,000 to a maximum of \$2,500,000

Total available funding: \$2,500,000

Type of Funding: FY24 INCLE under the Foreign Assistance Act

C. ELIGIBILITY INFORMATION

1. Eligible Applicant Types

The following organizations are eligible to apply:

- U.S.-based non-profit/non-governmental organizations (NGOs);
- U.S.-based educational institutions subject to section 501(c)(3) of the U.S. tax code or section 26 US 115 of the U.S. tax code;
- Foreign-based non-profits/non-governmental organizations (NGOs);
- Foreign-based educational institutions

Applicants must also meet the following requirements to be eligible to apply to this NOFO:

- Demonstrated experience in legal capacity building, justice-sector institutional strengthening, or government legal advisory programming.
- Demonstrated expertise in international law, maritime law, arbitration, or related legal disciplines relevant to the scope of this project.
- Demonstrated understanding of maritime security and legal issues in the Indo-Pacific region, including the legal and institutional dynamics affecting maritime disputes and enforcement.
- Demonstrated organizational capacity to manage agreements involving substantial donor engagement and performance reporting requirements.

2. Cost Sharing or Matching

Cost share is the portion of project costs not borne by the U.S. government. Cost share is recommended but **not required** for this project. **Applicants must be able to ensure cost share is accounted for/tracked through accounting systems and/or supporting documentation (such as Personnel Activity Records, proof of voluntary hours, proof of any purchases for materials being included as cost share, etc.)**

Any cost share proposed must be appropriately captured within the SF-424A, budget, and budget narrative.

3. Other Eligibility Requirements

- In order to be eligible to receive an award, all organizations must have a Unique Entity Identifier (UEI) issued via SAM.gov as well as a valid registration in SAM.gov. Please see Section D for more information. Individuals are not required to have a UEI or be registered in SAM.gov.
- Applicants are only allowed to submit one proposal per organization. Organizations may form a consortium and submit a combined proposal; however, one organization should be designated as the lead applicant and other organization(s) listed as sub-recipient partner(s).
- Applicants are reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the recipient to ensure compliance with these Executive Orders and laws. This provision must be included in any sub-awards issued under this grant award.

Note: Public International Organizations (PIOs) and For-Profit Organizations are excluded from applying to INL grant/cooperative agreement announcements.

D. APPLICATION AND SUBMISSION INFORMATION

Applicants should carefully follow all instructions in this section to ensure their application is formatted properly and includes all required documents. Proposals that do not meet the requirements of this announcement or fail to comply with the stated requirements will be deemed ineligible for review.

1. How to Apply and Submit Questions

This opportunity is posted on www.grants.gov, along with all required application forms and, where applicable, templates for application documents. Applications and all supporting documents must be submitted via www.grants.gov. INL reserves the right to reject any applications submitted through improper channels.

Applicants are encouraged to closely review the NOFO and email questions to the INL points of contact by the deadline listed on the first page(s) of this document. After the question deadline has passed, INL will respond to all questions publicly through a Questions & Answers document uploaded to the Related Documents tab of this opportunity.

2. Required Application Documents

All documents in the following list must be included in your application, unless explicitly listed as optional. If a document includes a page limit, please adhere to that limit in your application. Applicants that do not submit all required documents will be notified via email of their ineligibility after the application deadline.

Standard Application Forms

- ☐ **SF-424 (Application for Federal Assistance – Organizations)**
 - Must be signed by an authorized signatory of the applicant's organization.
- ☐ **SF-424A (Budget Information for Non-Construction Programs)**
- ☐ **SF-424B (Assurances for Non-Construction Programs) – *Optional***
 - The SF-424B is only required for applicants who are not registered in SAM.gov.

Project Proposal

The proposal should contain sufficient information that anyone not familiar with it would understand exactly what the applicant is proposing to do. The following documents may be submitted separately or combined into one document. If combined, please be sure to adhere to the page limits for each section.

- ☐ **Proposal Narrative – *Maximum 20 pages***

Applicants may use their own proposal template, but it must include all the sections below. Refer to Appendix A for additional guidance on drafting a proposal narrative.

 - **Cover Page:** include organization name, project title, requested number of months, target country(ies), point(s) of contact, and requested funding amount.
 - **Table of Contents:** list all documents and attachments with page numbers.
 - **Executive Summary:** Provide a synopsis of the project.

- **Project Context:** Include an analysis of the issue to be addressed, including why it is important to address, what the main causes of the issue are, and who has power to effect change on the issue; suggested approaches and solutions (with evidence to support suggestions); and suggestions for outcomes, i.e., the specific changes the project could expect to achieve within the period of performance.
- **Theory of Change & Implementation Plan:** Describe the implementation plan (specific activities to implement suggested solutions); and explain how or why they should result in accomplishment of the outcomes. Projects should be designed such that activities, if implemented according to plan, should result in achievement of the outcomes. The Theory of Change should clearly address why the outcomes do not already exist in practice, and how the project will address those constraints. Finally, discuss likely challenges to implementation, including any risks of harm to project implementers or participants, along with mitigation strategies.
- **Evidence:** The theory of change should demonstrate a clear understanding of where previous relevant interventions have succeeded or failed, and demonstrate how those lessons will inform the proposed intervention(s). Projects are also expected to incorporate insights from the evidence on what has been shown to be promising in related areas of the intervention(s). The Center for Evidence-Based Crime Policy provides a good overview of the available systemic reviews in criminal justice policy, linked [here](#). In addition, the National Academies of Sciences, Engineering, and Medicine publishes consensus reports including those on international crime and justice issues such as policing, linked [here](#), that should be reviewed if relevant to the intervention(s). Where feasible, it is highly recommended that projects incorporate a research or evaluation components to ensure lessons developed through the course of implementation can inform the broader stakeholder community for future projects.
- **Description of Prior Work:** Provide brief descriptions, including outcomes and deliverables, of any similar projects the organization has implemented.
- **Future Funding Plan/Sustainability:** Briefly discuss the plan for ensuring the sustainability of the project (i.e., that the project continues to have impact beyond the grant period) or note if sustainability is unlikely without continued support. Applicants may also include a brief section outlining how additional funds could potentially be used to expand work into additional activities or countries beyond the initial project period.

□ **Performance Monitoring Plan**

See Appendix A for more details and instructions. Applicants **MUST** submit the following:

- **Change Map (see template).** Note: The Change Map will eventually include INL Standard Indicators, as determined by grantee responses to the Standard Indicator Form. These do not need to be reflected in the Change Map at the application stage.
- **Illustrative Performance Indicator Reference Sheet (see template)**

Note 1: If full performance monitoring information is not available at the time of the proposal, the applicant should indicate that the Change Map and PIRS are notional. If selected, a final version of the documents will be required as an early deliverable.

Note 2: Grantee must generate quarterly performance reports using INL's performance monitoring system (DevResults). Grantee must submit several forms and templates (see Appendix A) within 30 days of award to enroll in the system. INL will provide user accounts and training for new users.

☐ **Project Risk Analysis**

A template is included under the Related Documents section of this NOFO announcement on www.grants.gov. Refer to Appendix B for additional guidance on drafting a Project Risk Analysis.

☐ **Timeline**

Outline key milestones in the project, project start-up, and closeout, programmatic activities, and monitoring and evaluation activities (e.g., monitoring trips or semi-annual reviews). May be a written schedule and/or a GANTT chart.

Organization, Staff, and Partners

The following documents may be submitted separately or combined into one document. If combined, please be sure to adhere to the page limits for each section.

☐ **Biographical Information of Applicant Organization – *Maximum 4 pages***

- Introduce the applicant organization, including biographical information such as mission statement, organization size, relevant office location(s), etc.
- Provide a summary description of past and present operations, demonstrating the applicant's ability to carry out the project
- Describe any experience the organization has in the target country or region
- Confirm whether the organization is a registered business entity within the target country or region

☐ **List of Key Personnel – *Maximum 3 pages***

- Names, titles, responsibilities, and relevant experience or qualifications of key personnel involved in the management of the project

☐ **Partner Information (if subrecipient) is being proposed) – *Maximum 3 pages***

- Introduce and provide relevant information about key partner organizations and sub-recipients
- Briefly describe the division of labor and/or distinct roles and responsibilities among the applicant organization and its partners
- If proposing a sub-recipient, please briefly describe the applicant organization's experience related to managing sub-recipients

☐ **Letters of Support – *Optional***

- If desired, applicants may submit letters of support from project partners, host government entities, or other relevant stakeholders

Project Budget and Cost Documents

☐ **Summary and Detailed Budgets**

A proposal budget must be submitted in spreadsheet format (e.g., Microsoft Excel). A template is located under the Related Documents section of this NOFO announcement on www.grants.gov for applicants as a reference. Refer to Appendix C for additional guidance on drafting a proposal budget.

- One tab of the spreadsheet shall contain the Summary Budget, which lists the OMB-approved budget categories and total estimated cost per category
- One tab of the spreadsheet shall contain the Detailed Budget, which breaks down the OMB-approved budget categories into individual line items and provides detailed cost estimates per line item
- If applicable, federal costs and recipient cost share must be reported in separate columns

☐ **Budget Narrative**

The Budget Narrative is a companion document to the summary and detailed budgets and must be submitted in word document format. A template is included under the Related Documents section of this NOFO announcement on www.grants.gov. Refer to Appendix C for additional guidance on drafting a Budget Narrative.

- The Budget Narrative should communicate to INL any budgetary information that is not readily apparent in the detailed budget. Rather than simply repeating with words what is stated numerically in the budget, the Budget Narrative should explain the logic behind the amount budgeted for each line item
- If applicable, proposed recipient cost share must be included in the Budget Narrative, including reference to the source of the cost share

☐ **Indirect Costs**

Negotiated Indirect Cost Rate Agreement (NICRA):

- If the applicant has an approved Negotiated Indirect Cost Rate Agreement (NICRA) and includes NICRA charges in the budget, a copy of the organization's most-recent NICRA **must** be included in the application
- If the applicant is proposing a sub-recipient that has an approved NICRA, and includes NICRA charges in the sub-award budget, a copy of the sub-recipient organization's most recent NICRA **must** be included in the application

De Minimis Rate:

- The applicant can elect to charge the de minimis rate up to 15% of modified total direct costs (MTDC), which is allowable if the organization does **not** have a current agreement. (*Please see Appendix C: Budget and budget narrative for more information regarding the De Minimis Rate.*)
- If the applicant elects to utilize the De Minimis Rate, that rate may be used indefinitely.
- If an award is issued utilizing the de minimis rate and the recipient subsequently negotiates a NICRA, the GO may consider amending the award to reflect the new NICRA rate under the following conditions:
 - o If the applicant intends to negotiate a NICRA, the applicant **must** inform the GO during the application period that they plan to negotiate a NICRA, or are in the process of doing so, and would like to amend the award in the future after a rate is finalized.

- Once the recipient receives a rate, they may submit a written request for a budget realignment. The new rate may only be applied to costs incurred during the effective period of the NICRA.
- The NICRA cannot be applied to costs incurred during a period of performance that is prior to the effective date of the new rate.

Applicant Management Capabilities

INL must assess each potential applicant for organizational risks related to the financial and programmatic management of a federal assistance project.

☐ **History of U.S. Government Federal Assistance Awards**

This document outlines the applicant organization's experience with implementing U.S. government-funded federal assistance awards, including current and completed projects.

- The list must include the awarding agency, point of contact, name of the project, start and end dates, and amount of the award.
- If the applicant has never received a U.S. federal assistance award, please list other projects the organization has implemented, including the information requested in the bullet above.

☐ **FY2026 INL Applicant Pre-Award Risk Survey**

This risk survey reviews the applicant organization's financial capacity, policies, and infrastructure. The FY2026 template is included under the Related Documents section of this NOFO announcement on www.grants.gov.

- Please take note of the questions within the survey that request additional documentation. These documents must be included in the application.
- Submission of an outdated INL Applicant Pre-Award Risk Survey does not satisfy the FY2026 INL Applicant Pre-Award Risk Survey submission requirement.

☐ **Organizational Audit**

- If the applicant organization is required to undergo an audit per 2 CFR 200.501 (Subpart F – Audit Requirements), a complete copy of the organization's most recent audit must be submitted. Organizations (domestic and foreign) that expend \$1,000,000 or more in federal awards during their fiscal year must submit a single audit report conducted in accordance with 2 CFR 200.514. The submission of financial statements does not satisfy the single audit submission requirement.
- If the applicant organization is not required to undergo an audit (per the regulation cited above), a brief explanation must be submitted with the application. This explanation shall include confirmation that the organization is under the threshold for which an audit is required and/or plans for the organization to undergo an audit in the future. The brief explanation can be included in the FY2026 INL Applicant Pre-Award Risk Survey.

3. Document Formatting

Applicants must ensure that their application documents conform to the following requirements:

- The proposal clearly addresses the goals and objectives of this funding opportunity
- All documents are in English
- All budgets are in U.S. dollars

- All pages are numbered
- All documents are formatted to fit 8 ½ x 11 paper, and
- All Microsoft Word documents are single-spaced, 12-point **Times New Roman** font, with a minimum of 1-inch margins.

4. Required Entity and Account Registrations for Applicants

All organizations, whether based in the United States or in another country, must have a Unique Entity Identifier (UEI) and an active registration in SAM.gov. A UEI is one of the data elements mandated by Public Law 109-282, the Federal Funding Accountability and Transparency Act (FFATA), for all Federal awards. An applicant must maintain an active registration while it has a proposal under review by the Department and must continue to keep the registration active for the entire duration of the period of performance of any Federal award that results from this NOFO.

The 2 CFR 200 requires subrecipients to obtain a UEI. Please note the UEI for subrecipients is not required at the time of application but will be required before an award is processed and/or directed to a subrecipient.

Note: The process of obtaining or renewing a SAM.gov registration may take anywhere from 4-8 weeks. Please begin your registration as early as possible.

- Organizations **based in the United States** or that pay employees within the United States will need an Employer Identification Number (EIN) from the Internal Revenue Service (IRS) and a UEI prior to registering in SAM.gov.
- Organizations **based outside of the United States** and that do not pay employees within the United States do not need an EIN from the IRS but do need a UEI prior to registering in SAM.gov.
- **Organizations based outside of the United States that do not intend to apply for U.S. Department of Defense (DoD) awards are no longer required to have a NATO Commercial and Government Entity (NCAGE) code to apply for non-DoD foreign assistance funding opportunities.** If an applicant organization is mid-registration and wishes to remove an NCAGE code from their SAM.gov registration, the applicant should submit a help desk ticket (“incident”) with the Federal Service Desk (FSD) online at www.fsd.gov using the following language: “I do not intend to seek financial assistance from the Department of Defense. I do not wish to obtain an NCAGE code. I understand that I will need to submit my registration after this incident is resolved in order to have my registration activated.”

Organizations based outside of the United States and that DO NOT plan to do business with the DoD should follow the below instructions:

Step 1: Proceed to SAM.gov to obtain a UEI and complete the SAM.gov registration process. SAM.gov registration must be renewed annually.

Organizations based outside of the United States and that DO plan to do business with the DoD in addition to Department of State should follow the below instructions:

Step 1: Apply for an NCAGE code by following the instructions on the NSPA NATO website linked below:

NCAGE Homepage:

<https://eportal.nspa.nato.int/AC135Public/sc/CageList.aspx>

NCAGE Code Request Tool (NCRT):

[NCAGE Code Request Tool \(nato.int\)](#)

Exemptions

An exemption from the UEI and sam.gov registration requirements may be permitted on a case-by-case basis. See [2 CFR 25.110](#) for a full list of exemptions.

Organizations requesting exemption from UEI or SAM.gov requirements must email the point of contact listed in the NOFO at least two weeks prior to the deadline in the NOFO providing a justification of their request. Approval for a SAM.gov exemption must come from the warranted Grants Officer before the application can be deemed eligible for review.

Grants.gov

To submit an application to this NOFO, applicants must register in grants.gov.

- Go to www.grants.gov and select “Register” from the banner at the top of the page.
- This should be the last step of the entity registration processes, completed after obtaining a UEI number, NCAGE/CAGE Code (if applicable), and SAM.gov registration.

Help with grants.gov registrations and application submission:

- Go to the grant.gov support page at <https://www.grants.gov/web/grants/support.html>
- Call +1 800-518-4726
- Email support@grants.gov

Each applicant is responsible for ensuring that their application is correctly submitted through www.grants.gov. INL is **not** responsible for errors resulting from transmission or conversion processes during application submission. If applicants cannot resolve technical issues with the system, they should email the INL points of contact listed on the first page of this NOFO, providing an explanation of the issue and proof of attempts to resolve it (e.g., correspondence with grants.gov support). The INL Grants Office will then determine whether the applicant may submit application materials via email.

5. Funding Restrictions

i. Funding Restrictions for the United Nations Relief and Works Agency (UNRWA)

None of the funds awarded resulting from this Notice of Funding Opportunity may be made available for subawards, direct financial support, or otherwise used to provide any payment or transfer to United Nations Relief and Works Agency (UNRWA).

ii. Certification Regarding Compliance with applicable Federal anti-discrimination laws

If the place of performance or delivery of any award made under this NOFO will be within the United States, applicants are advised that they will be required to certify the following at the time of award:

- 1) Its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code and;
 - 2) It does not operate any programs promoting Diversity, Equity, and Inclusion that violate any applicable Federal anti-discrimination laws. A program promoting Diversity, Equity, and Inclusion means a program whose purpose is to promote preferences based on race, color religion, sex, or national origins, such as in training or hiring.
- iii. Certification Regarding Compliance with 20 U.S.C. 1011f and any other applicable foreign funding disclosure requirements

Applicants are advised that IHEs must certify the following at the time of award, and that this certification requirement must be included in any subaward agreements to IHEs:

- 1) Its compliance in all respects with section 1011f of title 20, United States Code, and any other applicable foreign funding disclosure requirements is material for purposes of section 3729 of title 31, United States Code, and for receipt of appropriate Federal grant funds.
- iv. Certification of Trafficking in Persons Compliance and Compliance Plan

Applicants are advised that they will be required to certify the following at the time of award **for awards where the estimated value of services to be performed outside the United States exceeds \$500,000:**

- 1) To the best of the Recipient's knowledge, neither the Recipient, nor any subrecipient, contractor, or subcontractor of the Recipient or any agent of the recipient or of such a subrecipient, contractor, or subcontractor, is engaged in any of the activities described in [2 CFR 175.105\(a\)](#);

The recipient has implemented a Trafficking in Persons compliance plan to prevent activities described in [2 CFR 175\(a\)](#) and is compliant with this plan; and the compliance plan must follow the minimum requirements described in 2 CFR 175(b)(5).

- 2) That the Recipient has and will implement procedures to prevent activities described in [2 CFR 175.105\(a\)](#) and to monitor, detect, and terminate any subrecipient, contractor, subcontractor, or employee of the recipient engaging in these activities.

Recipients do not need to submit a copy of the plan. However, they must provide it to the Grants Officer upon request, and as appropriate, must post the useful and relevant contents of the plan or related materials on their website and at the workplace. Recipients must re-certify on an annual basis for the entire award period of performance.

v. Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities

(a) *Definitions.*

American Security Drone Act-covered foreign entity means an entity included on a list developed and maintained by the Federal Acquisition Security Council (FASC) and published in the System for Award Management (SAM) at <https://www.sam.gov>

FASC-prohibited unmanned aircraft system means an unmanned aircraft system manufactured or assembled by an American Security Drone Act-covered foreign entity.

Unmanned aircraft means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft .

Unmanned aircraft system means an unmanned aircraft and associated elements (including communication links and the components that control the unmanned aircraft) that are required for the operator to operate safely and efficiently in the national airspace system.

(b) *Prohibition.* Recipients of funding under this Notice of Funding Opportunity (including subawards and subcontracts issued by the recipient) will be prohibited from:

- (1) delivering any FASC-prohibited unmanned aircraft system, which includes unmanned aircraft (i.e., drones) and associated elements;
- (2) Operating a FASC-prohibited unmanned aircraft system in the performance of the award; and
- (3) Using Federal funds for the purchase or operation of a FASC-prohibited unmanned aircraft system .

c) *Exemptions, exceptions, and waivers.* The prohibitions described above will not apply if the agency determines that an exemption, exception, or waiver applies and the award indicates that such a determination has been made. [See sections 1823 through 1825 and 1832 of Public Law 118-31 ([41 U.S.C. 3901](#) note prec.) for statutory requirements pertaining to exemptions, exceptions, and waivers.].

vi. Promoting Human Flourishing in Foreign Assistance (PHFFA)

Applicants for foreign assistance awards should be aware of requirements in 2 CFR Part 602, 603, and 604.

These policies are referred to collectively as the Promoting Human Flourishing in Foreign Assistance (PHFFA) Policy.

[602](#): The award term imposes certain abortion-related requirements on foreign nongovernmental organizations (NGOs), United States NGOs, public international organizations, foreign governments, and parastatals.

603: The award term imposes certain requirements relating to gender ideology on foreign nongovernmental organizations (NGOs), United States NGOs, international organizations, foreign governments, and parastatals.

604: The award term imposes certain requirements relating to discriminatory equity ideology on foreign nongovernmental organizations (NGOs), United States NGOs, international organizations, foreign governments, and parastatals.

The Department recognizes there are costs associated with these policies. Potential one-time and recurring costs the Department identifies for recipients and grantees are for familiarization with the policy, development and delivery of organizational training and implementation guidance, routine compliance monitoring, and recordkeeping and reporting requirements.

E. APPLICATION REVIEW INFORMATION

1. Technical Evaluation Criteria

A technical evaluation committee, using the criteria shown in this Section, will evaluate the applications. The various functional elements of the technical criteria are assigned weighted scores, so that the applicants will know which areas require emphasis in the preparation of applications.

Where technical applications are considered essentially equal, cost may be the determining factor. Applicants should note that these criteria serve as the standard against which all applications will be evaluated and serve to identify the significant matters which applicants should address in their applications.

The relative importance of each criterion is indicated by the number of points assigned. A total of 100 points is possible.

Project Analysis & Design – Total Possible Points: 50

- Demonstrated knowledge of maritime legal and institutional dynamics in the Indo-Pacific region (10)
- Analysis of the problem is insightful and accurate. Insightful analysis includes a thorough discussion of the main causes and scope of the issue the project seeks to address and discussion of who has power to effect change on the issue (10)
- Suggested approaches and solutions (i.e., the theory of change) are: (10)
 - Specific and clear;
 - Based on evidence-based research, learning, or experiential analysis; and
 - Appropriate given the problem, its causes, and its scope.
 - Present coherent, phased technical approach that progresses from foundational capacity building to advanced case preparation and international legal engagement
- Proposed implementation plan is: (12)

- Aligned with suggested approaches and solutions;
 - Feasible given timeline, resources, and context; and
 - Designed such that activities, if implemented according to plan, should result in achievement of outcomes.
- Description of likely challenges to implementation plan, including risks of harm to organization staff, project participants, and/or others, is thorough and mitigation strategies are appropriate (3)
- Analysis and planning for sustainability is realistic (5)

Program Monitoring and Risk – Total Possible Points: 25

- Change Map includes quantitative and concrete (i.e., it is clear what to count or measure) indicators demonstrating applicant's ability to eventually monitor the most important outcomes (10)
- Illustrative Performance Indicator Reference Sheet demonstrates a thorough plan for data collection for the outcome indicators (9)
- Risk assessment is thorough and realistic, addresses challenges in the operating environment, and proposes adequate strategies to mitigate risks to the project (6)

Institution's Record and Capacity Rating – Total Possible Points: 10

- The applicant demonstrates an institutional record of successful programs in the proposed country/region and program area (2)
- Professional experience of staff and institutional resources are adequate and appropriate to achieve the project's objectives (2)
- The roles and responsibilities are clearly delineated among staff and partners (2)
- Applicant is a current/former INL grantee and they successfully manage/managed the project OR the applicant has not worked with INL previously and demonstrates experience in managing similar-sized projects (2)
- Applicant submits copies of organization-wide policies and procedures on Preventing Sexual Exploitation and Abuse (PSEA)/Do No Harm or explains how the applicant plans to develop such policies and procedures, which should also apply to sub-recipients. (2)

Cost Effectiveness – Total Possible Points: 15

- Activity-related costs are realistic, appropriate, and clearly linked to project objectives (5)
- Personnel costs (e.g., staff salaries, contractor rates, and honoraria) are reasonable given the amount of work and oversight needed to manage the project (5)
- Administrative costs (e.g., staff travel, supplies, office costs) are necessary, justified, and in good proportion to direct activity costs (5)

2. Indirect Costs

If two or more applications receive equivalent scores based on the evaluation criteria outlined in this NOFO, preference will be given to the applicant with the lower indirect cost rate, as consistent with Executive Order 14332, Section 4(b)(iii). This preference will only be applied as a tie-breaking mechanism and does not supersede the primary evaluation criteria.

3. Review and Selection Process

INL first reviews all submitted applications for technical eligibility, based on the list of required documents in Section D: Application and Submission Information. All technically eligible applications are then passed to a review committee, which will evaluate the applications against the Technical Evaluation Criteria listed in the previous sub-section. The application(s) selected by the review committee are then presented to INL management and the Grants Officer for approval.

INL will notify successful applicant(s) via email and pass along any conditions, recommendations, or questions from the review committee. INL will notify unsuccessful applicants via email after an award has been issued to the successful applicant(s); therefore, this notification process may take several months.

INL reserves the right to fund any number of applications or none of the applications submitted and will determine the resulting level of funding for each award(s).

4. Risk Review

i. Risk Factors – must include

Under the merit review as required by 2 CFR 200.206, prior to making a Federal Award the Department will review and consider the following risk factors:

- a. Financial stability
- b. Management systems and standards
- c. History of performance
- d. Audit reports and findings
- e. Ability to effectively implement requirements

ii. Responsibility/Qualification Information in SAM.gov (*formerly FAPIIS*)

The Federal awarding agency, prior to making a Federal award with a total amount of Federal share greater than the simplified acquisition threshold, is required to review and consider any information about the applicant that is in the U.S. government designated integrity and performance system accessible through SAM.gov (see 41 U.S.C. 2313)

An applicant can review and comment on any information in the responsibility/qualification records available in SAM.gov.

Before making decisions in the risk review required by 2 CFR 200.206, the Department will consider any comments by the applicant, along with information available in the responsibility/qualification records in SAM.gov.

F. AWARD ADMINISTRATION INFORMATION

1. Federal Award Notices

The award or cooperative agreement will be written, signed, awarded, and administered by the Grants Officer. The award agreement is the authorizing document, and it will be provided to the recipient for review and counter-signature. The recipient may only start incurring project expenses beginning on the start date shown on the award document signed by the Grants Officer.

If a proposal is selected for funding, the Department of State has no obligation to provide any additional future funding. Renewal of an award to increase funding or extend the period of performance is at the discretion of the Department of State.

Issuance of this NOFO does not constitute an award commitment on the part of the U.S. government, nor does it commit the U.S. government to pay for costs incurred in the preparation and submission of proposals. Further, the U.S. government reserves the right to reject any or all proposals received.

Unsuccessful applicants: Unsuccessful applicants will be notified by **February 2027** via email.

Payment Method:

Recipients will be required to request payments by completing form SF-270—Request for Advance or Reimbursement and submitting the form to the Grants Officer.

Recipients may not draw down funds without the affirmative authorization of the Department of State. In addition, recipients must submit, with each SF-270 payment request, a detailed payment breakdown justifying the request.

2. Administrative and National Policy Requirements

Before submitting an application, applicants should review all the terms and conditions and required certifications which will apply to this award, to ensure that they will be able to comply. These include:

In accordance with the Office of Management and Budget's guidance located at 2 CFR part 200, all applicable Federal laws, and relevant Executive guidance, the Department of State will review and consider applications for funding, as applicable to specific programs, pursuant to this notice of funding opportunity in accordance with the following:

- [Guidance for Grants and Agreements in Title 2 of the Code of Federal Regulations](#) (2 CFR), as updated in the Federal Register's 89 FR 30046 on April 22, 2024, particularly on:
 - Selecting recipients most likely to be successful in delivering results based on the program objectives through an impartial process of evaluating Federal award applications (2 CFR part 200.205),
 - Promoting the freedom of speech and religious liberty in alignment with *Promoting Free Speech and Religious Liberty* (E.O. 13798) and *Improving Free Inquiry, Transparency, and Accountability at Colleges and Universities* (E.O. 13864) (§§ 200.300, 200.303, 200.339, and 200.341),

- Providing a preference, to the extent permitted by law, to maximize use of goods, products, and materials produced in the United States (2 CFR part 200.322), and
- Terminating agreements pursuant to the U.S. Department of State Standard Terms and Conditions, including, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities (2 CFR part 200.340). For the avoidance of doubt, the Department has sole discretion over the determination that an award no longer effectuates program goals or agency priorities, and this provision permits awards to be terminated at the Department's convenience, including when it determines that the award no longer advances the national interest.
- [2 CFR 25 - UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT](#)
- [2 CFR 170 - REPORTING SUBAWARD AND EXECUTIVE COMPENSATION INFORMATION](#)
- [2 CFR 175 - AWARD TERM FOR TRAFFICKING IN PERSONS](#)
- [2 CFR 182 - GOVERNMENTWIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE \(FINANCIAL ASSISTANCE\)](#)
- [2 CFR 183 - NEVER CONTRACT WITH THE ENEMY](#)
- [2 CFR 600 – DEPARTMENT OF STATE REQUIREMENTS](#)
- [U.S. DEPARTMENT OF STATE STANDARD TERMS AND CONDITIONS](#)
- Recipients must comply with all applicable Executive Orders A searchable list can be found in the Federal Register: <https://www.federalregister.gov/>

3. Program-Specific Requirements

State Department Leahy Amendment Vetting Requirements

Funds provided under this award will be subject to Section 620M of the Foreign Assistance Act of 1961, as amended, a provision titled “Limitation on Assistance to Security Forces” (the “Leahy Amendment”). Subsection (a) of that provision states: “(a) In General.—No assistance shall be furnished under this Act [the Foreign Assistance Act] or the Arms Export Control Act to any unit of the security forces of a foreign country if the Secretary of State has credible information that such unit has committed a gross violations of human rights.” Accordingly, none of the funds under this award may be used to provide training or other assistance to any unit or member of the security forces of a foreign country if the Department of State has credible information that such unit or individual has committed a gross violation of human rights.

The recipient will be required to exercise due diligence to ensure compliance with the Leahy provision and State Department policy, and to cooperate with the State Department in implementation of the Leahy requirement for funds under this award. The Department implements the Leahy requirement by vetting units or individuals proposed for training or other assistance to check for credible information of a gross violation of human rights by such units or individuals. To facilitate State Department vetting, the Recipient must provide the required

information for proposed participants at least sixty (60) calendar days prior to commencing award activities. This information should be submitted to the U.S. Embassy in the country where the award will be implemented in order to initiate Leahy vetting procedures.

4. Reporting

Reporting Requirements: Recipients will be required to submit financial reports and program reports. The award document will specify what reports are required and how often these reports must be submitted.

The Recipient is required to submit quarterly program performance reports and financial reports within 30 days after the end of each reporting quarter. A final certified financial report and final program report must be submitted to the Grants Officer within 120 days after the end of the award period.

Performance Reporting

The recipient must submit performance reports using the INL DevResult system. In accordance with approved information collection requirements, performance reports must include:

- A comparison of actual accomplishments with the objectives and goals established for the reporting period.
- When accomplishments can be quantified, recipients may be required to provide cost information related to units of accomplishment, if such information is useful for program evaluation.
- Performance trend data and analysis, when relevant and requested by INL.
- An explanation of why established goals or objectives were not met, when applicable.
- Additional relevant information, including analysis and explanations of cost overruns, unusually high unit costs, or other significant variances.

Activity Reporting

In addition to the quarterly reports, the Recipient must submit a brief activity report for each project activity conducted under the award. Activity reports should be submitted within 5 business days after the completion of each activity and should summarize the following:

- Title, date and location of the activity
- Description of the activity conducted
- Number and type of participants or beneficiaries
- Key outcomes or results achieved
- Any challenges encountered and lessons learned
- Supporting documentation, such as attendance records, photos, or materials produced, when applicable

Program and Financial Progress Report Schedule

Reporting Period	Report Range	Report Due Date
First Quarter	October 1 – December 31	January 30
Second Quarter	January 1 – March 31	April 30
Third Quarter	April 1 – June 30	July 30
Fourth Quarter	July 1 – September 30	October 30

Foreign Assistance Data Review: As required by Congress, the Department of State must make progress in its efforts to improve tracking and reporting of foreign assistance data through the

Foreign Assistance Data Review (FADR). The FADR requires tracking of foreign assistance activity data from budgeting, planning, and allocation through obligation and disbursement. Successful applicants will be required to report and draw down federal funding based on the appropriate FADR Data Elements, indicated within their award documentation. In cases of more than one FADR Data Element, typically program or sector and/or regions or country, the successful applicant will be required to maintain separate accounting records.

Applicants should be aware of the post award reporting requirements reflected in [2 CFR 200 Appendix XII—Award Term and Condition for Recipient Integrity and Performance Matters](#).

Branding and Marking

The Department of State, its programs, and U.S. Government funding and assistance should be easily identifiable to the Department's global audiences.

Recipients of federal assistance awards must follow the branding guidance published at [Guidance for Contracts and Grants - U.S. Department of State Brand System](#). Branding policy exceptions are outlined in the U.S. Department of State Foreign Affairs Manual [10 FAM 416, Policy Exceptions](#).

For more information, visit: <https://brand.america.gov/>

APPENDIX A: PERFORMANCE MONITORING PLAN

Monitoring is the ongoing collection and analysis of information to inform project management and decision making. A monitoring plan is an agreement between stakeholders about how, when, and by whom the intervention's expected outcomes will be measured, and how measurement will inform decisions.

Requirements for INL Performance Monitoring are met through three documents:

1. Change Map;
2. Performance Indicator Reference Sheet; and
3. Performance Monitoring Reports generated using the INL DevResults system.

The INL Change Map serves to document in very specific terms the results a project is trying to achieve (i.e., goals and objectives), key implementation steps needed to achieve the results (i.e., activities), and indicators to monitor progress (both for implementation and results). The Change Map is intended to be a living document that is updated as new information is learned and plans change accordingly. Indicators may be updated at any time during the project's period of performance, so long as these changes do not require any changes to the Scope of Work, Award, or Terms and Conditions. If the Change Map is not final at the time of award, it is due as an early deliverable within 60 days of award.

The Performance Indicator Reference Sheet (PIRS) provides detailed information for each indicator in the Change Map, excluding INL Standard Indicators. (Standard Indicators are assigned based on grantee responses to the Standard Indicator Form). They are included in the Change Map. They should not be included in the PIRS.) An illustrative PIRS is a required component of a project proposal. A complete PIRS, with full information for every indicator, is required as an early project deliverable due within 60 days of award. The PIRS may be modified as needed over the life of the project.

The INL DevResults System includes two components: an online database (DevResults) and a companion application that produces summary reports in document form for submission to MyGrants and other systems of record. INL will set up reporting templates for the project that reflect the applicable INL Standard Indicators (as assigned by the Standard Indicator Form), the Change Map, PIRS, and a set of standard narrative questions. Grantee enters quantitative indicator data and narrative information into the database, then uses the companion application to generate a document report based on the information entered into the database. INL will provide user accounts for grantees and training for new users. There is no cost to the grantee to use DevResults. To begin reporting in the system, grantees must complete the following, INL-provided forms within 30 days of award:

1. New User Form
2. Activities, Milestones, and Deliverables Table
3. Standard Indicator Form

APPENDIX B: PROJECT RISK ANALYSIS

Risks are unavoidable – all programs inherently contain both internal and external risks. However, with proper identification and management, risks can be prepared for, minimized or mitigated. The purpose of a risk analysis is to identify the internal and external risks associated with the proposed project in the application, rate the likelihood of the risks, rate the potential impact of the risks on the project, and identify actions that could help mitigate the risks. A risk analysis should not be considered a one-time exercise or a static document.

INL defers to organizations to conduct adequate risk analysis and remediation for all of its operations and advises that risk analysis and remediation occur throughout the life of a program and should result in revisions to risk analysis documents and processes as necessary. Applicants should incorporate all assumptions and external factors identified in the Monitoring Plan and Proposal Narrative into the risk analysis. Applicants should rate the likelihood of a risk and potential impact of the risk as “high”, “medium”, or “low.”

The safety and security of recipients and beneficiaries are of utmost importance. INL requires all recipients to conduct thorough risk assessments and take all actions necessary in accordance with those assessments to mitigate those risks. Applicants should identify risks to staff, implementers, participants, or their communities, in alignment with [Do No Harm principles](#). Besides political and environmental factors, risks may include domestic violence, sexual exploitation and abuse, and other forms of physical, psychological, economic, or social backlash against beneficiaries. They may also include unintended power shifts within or between communities, local competition over program funds and opportunities, unintended crowding out of local civil society actors, or “brain drain” of their own staff or members. INL does not take responsibility for the risks incurred by any recipient.

If available, applicants should submit copies of any organization-wide policies and procedures on Do No Harm and Preventing Sexual Exploitation and Abuse (PSEA). If such policies are not available, applicants should either explain the organization’s plan for developing such policies and procedures or clearly describe how they will follow Do No Harm principles and prevent sexual exploitation and abuse from occurring during their program. If not already explained in its policies and procedures, applicants should outline in its proposal how it will work with and support any sub-grantees who do not yet have Do No Harm and PSEA policies and procedures to develop and apply them over the course of the program.

INL has included a template for the Project Risk Analysis in the Related Documents tab of the NOFO announcement on grants.gov. For more information about the Risk Analysis, please see 2 CFR 200.519.

APPENDIX C: BUDGET AND BUDGET NARRATIVE

Before grants are awarded, INL reserves the right to reduce, revise, or increase proposal budgets in accordance with the needs of the INL program and availability of funds.

A. Budget Proposal

Complete budget proposals should include a Summary Budget; Detailed Budget; and Sub-recipient Detailed Budget(s), if applicable. The Summary Budget and Detailed Line-Item Budget should be combined in one spreadsheet document. They should be organized according to the OMB-approved budget categories:

- Personnel
- Fringe Benefits
- Travel
- Equipment
- Supplies
- Contractual
- Construction
- Other Direct Costs
- Indirect Costs

If proposing sub-recipient(s), applicants should include detailed sub-recipient budget(s) as additional tabs within the budget spreadsheet. These budgets should follow the same formatting as the primary budget proposal, including all OMB-approved budget categories.

B. Budget Narrative

The Budget proposal provides a numeric-based description of costs under the project. The Budget Narrative is a critical companion document to the Budget that provides numeric and narrative descriptions of each cost item included in the Budget.

All costs included in the project, whether federal or recipient cost share, must be allowable, allocable, reasonable, necessary, and consistent with OMB guidelines. The applicant should keep this in mind when drafting the Budget Narrative, as INL will reference both the Budget and Budget Narrative to determine whether proposed costs fit these requirements.

Category A. Personnel

Staffing of direct employees should be appropriate to the successful implementation of the proposal and cost should conform to the requirements identified in 2 CFR 200.430. This section should include all staff from the applicant organization that will work on this project.

- Identify staff by name, where possible, and position title and include a brief description of duties.
- List the annual or monthly salary of each position, their level of effort (i.e., percentage of time working on project), and number of months or years they will work on the project.
- If applicable, separate personnel by location (e.g., headquarters staff and field office X staff)

- Consultants or contractors hired through a contractual agreement to assist with the project **must** be included under section F. Contractual, **not** section A. Personnel.

Category B. Fringe Benefits

Fringe Benefits are the non-wage compensation provided to employees in addition to their normal wages or salaries. Benefit costs should be listed separate from salary costs with an explanation of how benefits are calculated for each category of employee (specify type and rate) as well as whether the benefit is required by law, an established policy of the non-federal entity, or a non-federal entity-employee agreement. Common examples include health insurance, vacation and sick leave, and employer-paid taxes. Fringe benefit application must be consistent with organization's written policy.

- Explain how benefits are computed for each category of employee
- Specify the type of benefit and rate. If applicable, reference rates found in NICRA.

Category C. Travel

Travel costs include expenses for transportation, lodging, subsistence, and related items incurred by direct employees who are in travel status on official business for the non-federal entity or participating in program activities conducted by the non-federal entity. This category outlines travel planned for staff.

- **Domestic and International Airfare**
 - Indicate origin and destination (city and country), number of travelers, number of trips each, unit cost per round trip, and purpose.
 - All travel must be booked with economy class fares only.
 - Where applicable, travel should comply with the Fly America Act. More information located here: <http://www.gsa.gov/portal/content/103191>.
- **In-Country Travel**
 - Indicate origin and destination cities, mode of transportation, number of travelers, and unit cost per traveler per trip.
- **Per Diem**

This includes lodging, meals and incidentals (M&IE) for staff and participant travel.

 - Rates of maximum allowances for U.S. and foreign travel are located here: <https://www.gsa.gov/travel/plan-book/per-diem-rates>
 - Per diem rates must follow the organization's own policy; however, institutions may use official government per diem rates as reference.
 - Per diem rates may be prorated and/or removed if the project is paying for refreshments and/or meals for participants (e.g., while attending a workshop or conference).

Category D. Equipment

Equipment is defined as an item with a per-unit cost of \$10,000 or more and a service life of more than one year. This includes information technology systems. If the item meets these criteria, all federal procurement policies and procedures must be followed. If an item does not meet these criteria, it should be listed as a supply item under Category E.

- Provide a description and justification for all equipment, breaking down the total cost into its components where possible.
- Specify whether the equipment will be purchased or rented.

Category E. Supplies

Supplies are defined as an item with a per-unit cost of less than \$10,000. Materials and supplies including the cost of computing devices should be reasonable and necessary for the implementation of the proposal and conform to the 2 CFR 200.314. Supplies include tangible items (e.g., toner, laptops, paper) and intangible items (e.g., computer software and licenses) used to manage the project and activities.

- List items separately, including a brief description and justification for the item, number of units, and unit cost.
- For electronic supplies (e.g., mobile phones and laptops), specify which staff will receive the items and the programmatic need.

Category F. Contractual

Contractual: Describe any subawards to non-profit partners that will help carry out the program activities. Also describe goods and services that the applicant plans to acquire through a contract with a vendor.

- **Subawards**

A subaward means an award provided by the applicant as a pass-through entity to a subrecipient for the subrecipient to carry out a part of the Federal award. A subaward is not payment for the contract of goods or services. See 2 CFR 200.330 for the subaward and contractor determinations.

- Each subaward should be listed as a line within the main budget and be supported by a separate detailed line-item breakdown explaining specific services in a separate tab in the excel workbook. Subaward budgets should include the same level of detail for personnel, fringe benefits, travel, equipment, supplies, other direct costs, and indirect costs required of the direct applicant.
- For simple subawards, the applicant may elect to include the subaward's line items within the contractual section of the Budget Narrative; for more complex subawards, the applicant should include the subaward's line items at the end of the Budget Narrative.
- All proposed subrecipients are required to have a Unique Entity Number (UEI) prior to receiving funding. Please note: the UEI for subrecipients is not required at the time of application but will be required before an award is processed and/or directed to a subrecipient. An active SAM.gov registration is not required for subrecipients.

- **Fixed Amount Subawards (FAA subawards)**

FAA subawards of up to simplified acquisitions threshold, up to \$500,000, may be executed with prior written approval from the INL Grants Officer, per 2 CFR 200.332. Per 2 CFR 200.201, fixed amount subawards may be used:

- If the project scope is specific and if adequate cost, historical, or unit pricing data is available to establish a fixed amount award based on a reasonable estimate of actual cost.
 - Payments are based on meeting specific requirements of the award. Accountability is based on performance and results.

- At the completion of the fixed amount award, the organization must certify in writing that the project or activity was completed, or the level of effort was expended. If the required level of activity or effort was not carried out, the amount of the fixed amount award must be adjusted.

Please note: Fixed Amount subawards must be stated in the budget and budget narrative at the time of application. ***It is the applicant's responsibility to ensure that the proposed subgrantees are eligible for U.S. government funding.***

- **Consultant Fees and Contracts**

These include payments to contractors/consultants for the purpose of obtaining goods or services for the non-federal entities own use and creates a procurement relationship. Common examples include lecture fees, honoraria, travel and per diem for outside speakers or independent evaluators, and subject-matter expert consultants.

- Describe the nature of the contract/consultancy and list number of people and rates
- Fees and rates should be consistent with the level of experience and based on fair market value.
- Fees and honorarium should not exceed \$784.62/day per person, effective October 1, 2025. The 2025 rates will apply to all NOFOs issued after October 1, 2025, until amended. (Note: The designated INL GO can negotiate final fees and rates during the review process of an award and prior to issuance of an award.)

Please note: Organizations must adhere to their own documented procurement procedures, which must reflect applicable U.S. State, local, and tribal laws and regulations, provided that the procurements conform to applicable U.S. Federal law and the standards identified in 2 CFR 200.318 through 2 CFR 200.326.

Category G. Construction

Due to the nature of INL programs, construction costs are not allowable or applicable.

Category H. Other Direct Costs

Other directs costs are any costs not included in the other categories. This category may include the entity's operating expenses that are directly linked to the award but not included as an indirect cost.

- For shared costs (e.g., office rent, utilities, Wi-Fi, etc.), justify the percentage of the total cost that is being charged to this project.
- Participant support costs including stipends, subsistence allowances, travel allowances, registration fees, per diem
- Items may include venue rentals, catering costs, or other activity related costs.
- Audit costs can be included if they are not covered by indirect costs. Only the portion of an organizational audit cost associated with this project should be charged to this project.
- Avoid using vague wording such as "miscellaneous", "other", "etc.", and "contingency fund".

Category I. Total Direct Costs

This category simply adds together the totals of all previous categories (A through H) to provide a summary of all direct costs. No additional narrative information is necessary for this category.

Category J. Indirect Costs

Indirect costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. These are costs that cannot be linked directly to the program activities, such as overhead costs needed to help keep the organization operating. The organization's elected methodology must be used consistently for all federal awards.

Indirect costs can be included in the budget under one of the following methods:

- **Negotiated Indirect Cost Rate Agreement (NICRA)**

Applicants with an established NICRA may charge their approved indirect rate(s).

- Indicate the rate(s) and the base(s) to which they are applied (e.g., all direct costs, to wages and salaries only, etc.)
- If an applicant is electing to charge a rate lower than their approved NICRA, an explanation should be provided within the Budget Narrative.

- **De Minimis Rate**

Applicants that have never received a NICRA can charge a de minimis rate up to 15% of modified total direct costs (MTDC) to cover indirect expenses.

- MTDC includes “all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subaward)”
- MTDC excludes “equipment, capital expenditures, charges for patient care, rental costs, tuition reimbursement, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000”. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.
- Justify the MTDC calculation and outline which costs the applicant is proposing to be included within the MTDC base.
- 15% of MTDC is the maximum allowable, but anything below 15% is acceptable if voluntarily offered by the applicant.

Cost Share

Cost Share is the portion of program costs not borne by the Federal Government. Cost sharing may take the form of allowable direct or indirect costs offered by the applicant and/or in-country partners. Applicants should consider all types of cost sharing, including in-kind and public-private partnerships. Additional information on cost share can be found in 2 CFR 200.306. Common examples include the use of office space owned by other entities; donated supplies and equipment; and activities and services conducted by qualified volunteers.

- Line items that include cost share should be identified as such within the Budget Narrative and include the same level of detail requested within this Appendix for federal expenses.
- Monetary values should be assigned to each cost-share line item, in accordance with 2 CFR 200.306.
- **Funding from other U.S. government entities or programs does not constitute cost sharing.**

Please note: INL programs do not require cost share, but if it is included the recipient must maintain written records to support all allowable costs that are claimed as its contribution to cost-share, as well as costs to be paid by the Federal government. Such records are subject to audit. In the event the recipient does not meet the minimum amount of cost-sharing as stipulated in the recipient's budget, INL's contribution may be reduced in proportion to the recipient's contribution.

C. Budget Allowances and Restrictions:

Program Income

Recipients must report any income generated by the project, also known as “program income.” Program income earned during the project period shall be retained by the recipient and, in accordance with the terms and conditions of the award, shall be addressed in one or more of the following ways:

- Added to the award total and used to further program objectives
- Used toward the recipient’s cost sharing requirement
- Deducted from the total allowable costs in order to determine the net allowable costs for the award

Cost Share

If a resulting federal award includes recipient cost share, the recipient must maintain written records to support all allowable costs that are claimed as its contribution to cost share. Such records are subject to audit. In the event the recipient does not meet the minimum amount of cost sharing as stipulated in the recipient’s budget, INL may reduce the federal share of the award in proportion to the recipient’s actual cost share contribution.

Considered Costs

INL will consider approval of the following (non-exhaustive) list of expenses:

- External evaluation to assess the project’s impact
- Internal evaluation conducted by the grantee
- Audit for the recipient organization or specific project
- Visa fees, immunizations, and medical insurance necessary for travel under the project
- English translations for reporting, relevant documents, or events
- Training for project staff related to monitoring and evaluation, financial management, and other skills necessary to effectively manage the project

Unallowable Costs

The following (non-exhaustive) list of expenses are not allowed in INL grants and cooperative agreements and should not be included within the proposed budget:

- Projects designed to advocate policy views or positions of foreign governments or views of a particular political faction
- Alcoholic beverages
- Buying or leasing land
- Direct support or the appearance of direct support for individual or single-party electoral campaigns
- Duplication of services immediately available through municipal, provincial, or national government
- **Travel, personnel, administrative, or other costs for USG employees and contractors—including full-time employees (Foreign or Civil Service personnel), third-party contractors (TPCs), Personal Services Contractors (PSCs), Locally Employed Staff (LE Staff), or When Actually Employed (WAEs).**

INL Grants Officer Specific Approvals

The following list of expenses will require the pre-approval of an INL Grant Officer:

- Program income for the grantees and/or subrecipients (Note: Program income is defined as "gross income earned by a recipient that is directly generated by a sponsored activity or earned

as a result of the award”. Program income must be identified, appropriately documented, and the resulting revenue and expenses properly recorded and accounted for. Program Income must be pre-approved by the Grants Officer).

- Expenses incurred before or after the award period of performance, unless prior written approval is given by INL Grants Officer
- Costs of entertainment, including amusement, diversion, and social activities, except where these costs have a demonstrable programmatic purpose and are authorized by INL
- Construction

Additional Notices

The applicant is reminded that funds provided under this agreement must be used in a manner fully consistent with U.S. law.

The applicant will be responsible for complying with all applicable tax treaties and federal, state, and local laws on tax withholding and reporting for program participants.