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FMCSA FY 2019 Commercial Motor Vehicle Operator Safety Training (CMVOST) Funding Conference

Application Due Date

April 26, 2019

5:00pm Eastern Standard Time





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Presenters

Wendy Cunningham, CDL Grant Program Manager

Commercial Driver's License Division

Office of Safety Programs

Rikita Jarrett, Grants Management Specialist

Grants Management Office

Lisa Ensley, Grants Management Specialist

Grants Management Office

James Ross, Grants Management Specialist

Grants Management Office

Lester Finkle, National Title VI Program Manager

Office of Civil Rights





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Agenda

- FY 2018 CMVOST Grant Update
- FY 2019 CMVOST Requirements
 - Eligibility Information
 - Cost Sharing and Matching Requirements
 - Period of Performance
 - Application Structure
- Eligible CMVOST Projects Overview
- Grants Management Office Overview
- Appendix B
 - CMVOST Narrative Samples
 - SF-424A Categories Budget Narrative Sample





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FY 2018 CMVOST Grant Update

Authorized funds	\$1M
Anticipated number of awards/ cooperative agreements	10
Requested funds	\$ 3.5 M
Applications received	25
Awarded funds	\$1M
Awarded Applications	10



FY 2019 CMVOST Grant

Authorized funds	\$2M
Anticipated number of awards/ cooperative agreements	20

Grants & Cooperative Agreement*

<https://www.fmcsa.dot.gov/mission/grants/cooperative-agreements>



FY 2019 CMVOST Grant Program

The CMVOST Grant Program is a competitive program which provides financial assistance for:

- Expanding the number of commercial driver's license (CDL) holders possessing enhanced operator safety training to help reduce the severity and number of crashes on U.S. roads involving CMVs.
- CMVOST Projects seeks to assist current or former members of the U.S. Armed Forces, including the National Guard and Reservists, obtain a CDL.





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CMVOST - Eligibility Information

- The FMCSA may award CMVOST funds to eligible applicants that have an approved program plan
- Individuals are not eligible to apply for CMVOST funding.
- Training Providers should be aware of the Entry-Level Driver Training requirements
 - Effective Date: February 7, 2020
 - Once effective then condition of award/reimbursement



CMVOST - Eligibility Information

- Educational Institutions accredited by an accreditation agency recognized by the U.S. Department of Education.
- Non-Accredited institutions that are approved by the U.S. Department of Labor as:
 - An eligible training provider, AND
 - That accept Workforce Innovation & Opportunity Act (WIOA) grants, AND
 - Are approved by the State Approving Agencies (SAA) and Veterans Administration(VA) to accept VA benefits



Cost-Sharing and Matching Requirements

Applicants should pay close attention to matching requirements when completing their Grant proposals.

- 85% reimbursement / 15% match
 - Ensure the Match is not being used from another Federal Source





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Period of Performance

- Year of award + 1 additional fiscal year
- Period of Performance will end on 9/30/2020.



Application Structure

- Must Complete ALL forms included in the NOTICE of Funding Opportunity (NOFO) at www.grants.gov
- Limited to 25 pages
- Template is *provided*, encouraged to be used but not required
 - See Appendix B of NOFO



Project Narrative Development

- **Introduction:** Explain the project purpose, including the specific grant priorities being addressed.
- **Problem Statement:** Describe the issue the project will be addressing. Include baseline data and targeted outcome.
- **Performance Objective:** Describe the expected project outcome.





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Project Narrative Development

- **Program Activity Plan:** Describe the quantifiable goal related to the Problem Statement.
 - Must have four activity areas:
 - Recruiting Qualified Students
 - Training Qualified Students
 - Providing Qualified Students with post-graduation job placement assistance
 - Waiving fees and expenses for Qualified Students



Project Narrative Development

- **Performance Measurement Plan:** Explain how the progress will be measured to include
 - specific benchmarks
 - # recruited
 - # trained
 - # graduated
 - # licensed
 - # job placement
- **Note:** If the recruited benchmark exceeds the number of CMVOST Qualified Students, please breakdown the placement of those students by funding source and certifying to not charging the other resource for the recruitment costs of the Qualified Students.





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Project Narrative Development

- **Monitoring Plan:** Explain how the project's progress will be assessed.
- **Organizational Capacity:** Explain how your organization has the expertise to successfully implement the stated strategies and achieve its stated goals.
 - Existing training program description
 - Existing recruitment and career placement
 - Ability to successfully manage a federal financial assistance award.





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Budget Narrative Development

- Description by budget category (SF-424a object class categories)
- Justification that the expense is allowable, allocable, reasonable and necessary
- Mathematically correct





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Budget Narrative vs 424a

Ensure your budget narrative matches the SF-424a in your application package, including that the object class category total matches.





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Eligible Expenses

Guidance available in:

- **2 CFR part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**



CMVOST Eligible Costs/Activities

- Qualified Student's Recruiting and Placement personnel's Salaries and Fringe:
 - Only the proportional share of salary, fringe benefits, and expenses that directly benefit the recruitment and job placement of Qualified Students.
 - Actual Tuition Expense, i.e. published rate, that an unfunded Qualified Student would incur if not supported by grant fund.





CMVOST Eligible Costs/Activities

- Recruitment material:
 - Handouts for a job fair
 - Poster in a military facility's announcement area
- NOT Eligible:
 - Promotional items such as keychains, coffee mugs, pens and pencils, tote bags, etc.
 - Duplicative costs that are funded directly or indirectly with other Federal Funding or already included in the organization's indirect cost rate agreement cost pools.



Grant Development Tips

- Read the NOFO
- Pay very close attention to the requirements.
- Follow all grant instructions to the letter. Ask questions of the NOFO Point of Contact.
- Tell the same story in the proposal and the budget narrative.
- Be careful when copying from a previous year application.
- Leave plenty of time to prepare. Submit early.
- Read the NOFO





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NOFO Point of Contact

For Programmatic Concerns

Wendy Cunningham, Grant Program Manager

360-481-4485

Wendy.Cunningham@dot.gov

For Financial Concerns

Rikita Jarrett, Grants Management Specialist

202-366-4186

rikita.jarrett@dot.gov





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Title VI Program Requirements

Lester Finkle

National Title VI Program Manager





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Title VI Program Requirements For FY 2019

FMCSA Title VI Program Compliance Plan

Checklist: This is the format for the Title VI Program Compliance Plan. The Plan will include a Chief Executive Officer signed/dated FMCSA Title VI Program Assurance. The following is applicable:





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Title VI Program Requirements For FY 2019 (Cont'd)

- **FY 2018 Grantees:** The FY 2018 approved Plan will be updated to identify any procedural changes (if any) and to update the status regarding any to-be-completed items (if any). The Policy Statement and Assurance will need to be re-signed/re-dated. The approval letter for the FY 2019 Plan will be provided upon receipt of the updated Plan;



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Title VI Program Requirements For FY 2019 (Cont'd)

- **FY 2019 Applicants that did not submit an application in FY 2018:** Develop a FMCSA Title VI Program Compliance Plan using the Checklist or update the FMCSA-approved FY 2017 Plan using the FY 2019 Checklist. The FMCSA National Title VI Program Manager is providing technical assistance to each Applicant. The FY 2019 approval letter will be provided upon receipt of the final/updated Title VI Program Compliance Plan.



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Title VI Program Compliance Plan Checklist

- Policy Statement;
- FMCSA Title VI Program Assurance;
- Description of Federal-Aid Programs;
- Notification to Beneficiaries/Participants;
- Sub-Recipient Compliance Reports;
- Training;



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Title VI Program Compliance Plan Checklist (Cont'd)

- Access to Records;
- Complaint Disposition Process;
- Status of Corrective Actions Implemented by Applicant to Address Deficiencies Identified During a Title VI Program Compliance Review;
- Community Participation Process.



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Questions

Are there any questions or clarifications?





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Contact Information

Lester Finkle

National Title VI Program Manager

lester.finkle@dot.gov

202-366-4474





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CMVOST GRANTS MANAGEMENT OFFICE Overview

Rikita Jarrett, Grants Management Specialist
Grants Management Office

Lisa Ensley, Grants Management Specialist
Grants Management Office

James Ross, Grants Management Specialist
Grants Management Office



Application Submission

- **STEP #1:** To apply, the applicant must complete the Grants.gov registration process. **Note that the new registration process can take as long as four weeks.**
- **STEP #2:** Every applicant must be: 1) registered in the System for Award Management; 2) provide a valid Data Universal Numbering System (DUNS) number; and 3) continue to maintain an **active SAM registration with current information at all times** during which it has an active Federal award or an application under consideration by FMCSA. **Failure to maintain DUNS and SAM registration could jeopardize the successful submission of your application.**
- **STEP #3:** Download the application package from Grants.gov, complete it, and submit the package with required attachments through Grants.gov on or before the **deadline of 5pm (EST) on 4/26/2019**



Required Application Document Checklist

1. SF-424 Application for Federal Assistance
2. SF-424A Budget Information for Non-Construction Programs
3. SF-424B Assurances for Non-Construction Programs
4. Grants.Gov Lobbying Form
5. SF-LLL Disclosure of Lobbying Activities (if applicable)
6. Key Contacts Form
7. Project Narratives
8. Budget Narratives
9. Indirect Cost Rate Agreement (if applicable)



SF424

- FMCSA uses Boxes 8f and 21 as the appropriate point of contact (POC) for all pre-award and awarding activities, such as matters involving the application and accepting NGAs.
- The associated user account role in GrantSolutions (GS) for Box 8f is the Principal Investigator/Program Director (PI/PD) and for Box 21 is the Grantee Authorized Representative (ADO).
- The SF-424 establishes the POC for pre-award and awarding activities, it does not necessarily establish the POCs for all post-award activities throughout the grant's lifecycle.



Key Contact Form

- The Key Contact Form (KCF) requests contact information for: 1.) Authorized Designated Official (authorized signer) 2.) Principal Investigator or Program Director (program/project manager); and 3) Financial Official (grants Manager).
- This form should also be used when establishing additional personnel for all award activities throughout the grant's lifecycle; such as shared responsibilities for ADO and/or PI/PD roles.



Indirect Cost Guidance

- Before FMCSA will pay any reimbursements for indirect costs, a current and approved indirect cost rate agreement must be in force.
- If the budget includes indirect costs, attach a copy of the fully executed, negotiated agreement with your application in Grants.gov (www.grants.gov)
- If the rate will not be approved by the application due date, attach the letter of renewal or letter of request that you sent to your cognizant agency to your application.



Title VI Requirements

Note: Both the Plan & Assurance must be submitted each Fiscal Year in which Applicants submits a Grant Application to FMCSA. ***Please do not submit in Grants.gov with application. Both Plan and Assurances should be submitted directly to the Title VI Program Manager for approval by FMCSA.***

For more information and/or answers to questions, please contact:

Lester G. Finkle
FMCSA National Title VI Program Manager
lester.finkle@dot.gov
202-366-4474



How do I know that my application has been received by Grants.gov?

- Once Grants.gov has received your submission, they will send email messages to advise you of the progress of your application through the system.
- Over the next two business days, you should receive two emails:
 - 1) confirms application receipt by the Grants.gov system; and
 - 2) indicates that the application has either been successfully validated by Grants.gov prior to transmission to FMCSA or has been rejected due to errors.



How do I know that my application has been received by Grants.gov? (cont.)

- **IMPORTANT:** Attachment file names must be limited to the following characters:
 - A-Z, a-z, 0-9, underscore (_), hyphen (-), space, and period.
 - Using any other characters will cause the application to be rejected by Grants.gov!
 - Please note that late application submissions will not be accepted.





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If you do not receive these emails contact Grants.Gov at:

- Phone: 1-800-518-4726 (toll-free) or 606-545-5035
- Business Hours: 24 hours a day, 7 days a week.
Closed on Federal holidays
- Email: support@grants.gov



What to Expect After the Application is submitted and accepted by Grants.gov

Applications undergo a series of reviews

- Intake Review
- Technical Merit Review
- Budget Review/Cost Analysis
- Federal Awarding Agency Review of Risk Posed by Applicants
- Applicant Past Performance w/ FMCSA
- Consideration of Program-Specific Aspects



Technical Merit Review

TRP reviewers evaluate applications to determine how:

- the proposal describes the CMVOST program that will meet the stated objectives of the notice of funding availability
- the proposed work is based on sound principles to improve CMV safety and will likely result in project success.
- staffing resource allocation is sufficient to achieve the program objectives.



Technical Merit Review (cont.)

- All costs identified in budget are clearly linked to the project goal and are necessary to adequately train qualified students.
- Proposed expenditures are reasonable in amount and clearly necessary to conduct the activities; these expenditures do not include unallowable expenses;
- Includes clearly-identified performance goals and measurements; and
- Includes a self-monitoring and evaluation component that indicates how the recipient will ensure project success



Budget Review/Cost Analysis

Reviewers will evaluate applications to determine how:

- Budget costs are legitimate (allowable, allocable, necessary and reasonable) per Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200)
- Costs identified in a particular cost category are properly identified as allowable, with the necessary detail for its use, and not duplicative to the other budget line items.



Applicant Performance

Reviewers evaluate applications to determine that:

- the application is reasonable in scope, adequate to address existing and emerging commercial vehicle safety issues, and likely to succeed;
- the proposed expenditures are reasonable based on personnel and budgetary practices; and
- the applicant successfully performs/manages current or past projects.
- the proposed application includes a plan, milestones, measurable outcomes.



Federal Awarding Agency Review of Applicant Risk

Includes:

- A debarment and suspension review, and a review of the applicant's administrative capability and SAM records;
- A review of the applicant's history with other Federal agencies including Single Audit Clearinghouse Database; and
- An evaluation of the applicant's Single Audit in accordance with the Single Audit Act.



Developing a Successful Budget Narrative

What is a Budget Narrative?

- A budget narrative explains the “who, what, when, where, how and why” of a line item cost to carry out grant project goals and objectives. (helps the reviewer understand the legitimacy of the cost proposed)
- The budget narrative:
 - Is clear, specific, detailed and mathematically correct
 - Shows how costs are allowable, allocable, reasonable and necessary
 - Is a description, by budget category (object class) that details the costs necessary to complete the proposed projects
 - Provides a sufficient level of detail to justify the funding requested.





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Eligible Expenses

Guidance available in:

- **2 CFR part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**



Additional Considerations

- FMCSA may conduct inquiries to obtain clarification (if necessary).
- The FMCSA will consider the results of the reviews, applicant responses (if applicable) and recommend that the application:
 - be approved for award from currently available funds (in its entirety or in part), or
 - be declined due to limited funds or unfavorable review.



Award Administration Information

- Once the FMCSA Administrator approves the recommendations, they may be presented to the United States Secretary of Transportation for final approval.
- The FMCSA may not award grants or release information concerning application recommendations until Secretarial approval is obtained.
- FMCSA may not award grants until the enactment of authorizing legislation, an appropriations act, budget authority, and apportionment from the Office of Management and Budget.



What are the expectations after approval?

- After approval, the GMO issues the Notice of Grant Award (NGA) to the recommended applicant via GrantSolutions, the FMCSA grant management system.
- Attached to the NGA is the FMCSA Financial Assistance Agreement General Provisions, Terms and Conditions of Award and Assurances.
- Applicants must agree fully to the terms and conditions, by accepting the award, before grant funds are made available.



GMO Contact Information

- **By E-mail:** FMCSA_GrantMgmtHelpdesk@dot.gov
- **By Telephone:** (202) 366-0621
- Office hours are from 9 a.m. to 5 p.m., Eastern Standard Time, Monday through Friday, except Federal holidays.





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Appendix B

- **Project Narrative Guidance**
 - **Budget Narrative Sample and Tips /SF-424A**
- Categories:**
- Personnel
 - Fringe
 - Travel
 - Equipment
 - Supplies
 - Contractual
 - Other





Project Plan Template

- Goal
- Objective
- Work Plan
- Program Evaluation and Monitoring Plan
- Organizational Capacity
- Budget Narrative





NOFO APPENDIX B: Template

- The Template found in Appendix B is not required, but all the elements within the template must be addressed in your applications project plan submitted into Grants.gov





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Template GOAL

Goal

To expand the number of individuals receiving commercial motor vehicle operator safety training in order to reduce the severity and number of crashes on U.S. roads involving commercial motor vehicles. Specifically, to recruit current and former members of the United States Armed Forces (including Guard members and Reservists) and their spouses (Qualified Students), provide them with superior safety-focused training, and provide placement services to assist them in becoming employed in the transportation industry.





OBJECTIVE

Objective

Insert the requested information in the available column and any additional information that may support your application:

<u>Description</u>	<u>Response</u>
Your institution's publicly advertised Tuition Cost for the CMV operator safety training program you conduct. (insert institution's tuition link for the public)	\$
<u>Your tuition cost</u> for each student trained under this proposed program.	\$
Proposed number of <u>New Qualified Students Recruited</u>	
Anticipated number of <u>Students Graduated (based on the expected number of students recruited and the historical graduation rate for this program)</u>	
Anticipated number of <u>students employed in the transportation industry</u> after graduation (based on the expected number of students graduated and the historical placement rate for this program)	





Work Plan & Activity 1: Recruiting Qualified Students

Work Plan

This section describes the various tasks and program activities the Applicant proposes to carry out using grant funds to accomplish the objectives and mitigate issues identified in the problem statement. The Work Plan must include a description of the site(s) where the work will be performed, the duration of each proposed task or activity, a list of required goods or services, the number of personnel necessary to conduct the activities, and the entire time schedule for the effort. The level of detail should be concise and sufficient to support the project goal and justify the funding requested in the budget.

Activity 1 – Recruiting Qualified Students:

Describe your proposed activities for recruiting Qualified Students for enrollment into your training program and note whether your published tuition includes student recruitment. (Does the institution already have recruiting personnel? How do they support if requesting funding for position? How many students will be recruited including and above requested tuition requested students?)

Insert Response Here





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Work Plan Activity 2: Training Qualified Students

Activity 2 – Training Qualified Students:

Describe your proposed activities to provide superior, safety-focused CMV training for Qualified Students. Focus on the specific components of your training program. Include any details about the program that make it unique and a synopsis of the performance of the program in previous years. Include the amount of classroom, driving range, and on-the-road training included in your curriculum. Please include any endorsements the Qualified Students will qualify for after completing their CDL training. Are the endorsements included in the tuition base being requested? Is it broken out to show the costs by endorsement?

Insert Response Here





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Work Plan Activity 3: Providing Graduated Students with Job Placement Assistance

Activity 3 – Providing Graduated Students with Job Placement Assistance

Describe your proposed activities to assist in placing the trained students into the transportation industry after graduation.

Insert Response Here





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Work Plan- Activity 4: Providing Qualified Students with Fees and Expenses Outside of Tuition Costs

Activity 4 – Providing Qualified Students with Fees or Expenses Outside Tuition Costs

Describe how published fees or associated costs not included in your published tuition will be paid. (will students be responsible for costs, if not who will and describe how the expenses are recorded). All costs must be incurred and expensed prior to the last day of the period of performance in order to be eligible for reimbursement.

Insert Response Here





Program Evaluation and Monitoring Plan

Program Evaluation and Monitoring Plan:

Evaluation or Monitoring Plan: This section explains how the Applicant will monitor program strategies to ensure they are being implemented as designed and are achieving desired results. Applicants should use the same program performance objectives established earlier in the application and describe how they plan to measure the effectiveness of each activity and strategy, such as using incremental benchmarks for a multi-phased strategy to determine whether targets/milestones were met. Applicants should also identify process evaluation measures that describe how their organization will remain focused on implementing a quality program on time and within budget. Providing a timeline to support the period of performance to indicate all class, range, and placement services that are being sought for reimbursement should be concluded prior to the end of the period of performance.





Evaluation and Monitoring

Evaluation and Monitoring:

Project Quarter	Anticipated Number of Students Recruited and Enrolled	Anticipated Number of Students Graduated	Anticipated Number of Students Placed in the Transportation Industry
Q4 – FFY 2019 - CMVOST			
Q4 – FFY 2019 – GI Bill			
Q4 – FFY 2019 – Department of Labor			
Q1 – FFY 2020 - CMVOST			
Q1 – FFY 2020 – GI Bill			
Q1 – FFY 2020 – Department of Labor			





Organizational Capacity

Organizational Capacity

This section demonstrates that the Applicant has the expertise to successfully implement the stated strategies and attain stated goal(s). This section includes information related to the Applicant's training program, its ability to conduct recruitment and career placement, and its ability to successfully manage a Federal financial assistance award. **This section may also be used to include a discussion on match requirements (match must be an eligible expense that supports the proposed objectives of the project being submitted).**

Describe Your Organizational Capacity to Conduct the Proposed Program and define any required match component.

Insert Response Here





Section 2: Budget Narrative

How to use this guidance:

1. Carefully read the instructions for each section. The FMCSA will only consider applications responsive if the information they provide is complete, clear, and accurate.
2. Within each section there is a table. This table allows the applicant to itemize specific costs and provide an explanation for those costs. Carefully review the instructions in *italics* in each table and provide the information that is indicated in *italics*.
3. Remember to include clear, concise explanations on how you came up with the costs and how the costs are necessary for project success.
4. The costs associated with tuition should be entered in the “Other Cost Budget Narrative” as the cost of tuition for each student, times the number of students, for the total training tuition amount requested.





Sample Personnel Budget Narrative

Personnel Budget Narrative (SF-424A, Line 6a)				
Position(s)	# of Staff	% of Time	Hourly Salary/Wage	Total Cost
<i>[Add additional lines, as necessary, especially if you are budgeting personnel overtime costs]</i>				
<i>Provide a narrative justifying the proposed personnel cost provided in the budget for employee(s) salaries that are directly associated with advertising, recruiting, and providing employment placement assistance for Qualified Students, if not already included in the institution's Indirect Cost Rate Pool. Statement should be included to verify that any costs being budgeted here are neither included in the IDC pool nor supported by other Federal funding. Include the number and type of personnel, the percentage of time directly dedicated to the project (e.g., supporting the qualified students, and if applicable, the number of qualified students in excess of the number of tuition supported), hourly wage, and total cost. For additional information, please refer to Section B Program Cost Eligibility Criteria and Information.</i>				





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Personnel Budget Tips

- FMCSA evaluates personnel costs to determine that:
 - Proposed number of personnel is appropriate and aligns to amount of effort described to support the number of Qualified Students projected to fund.





Sample Fringe Budget Narrative



Fringe Benefits Budget Narrative (SF-424A, Line 6b)

Position(s)	Benefit(s)	Rate	Base Amount	Total Cost
[Add additional lines, as necessary]				

Provide a narrative justifying the proposed fringe benefits costs provided in the budget (including the cost of employer's share of FICA, health insurance, workers' compensation, and vacation) that are directly associated with advertising, recruiting, and providing employment placement assistance for Qualified Students, if not already included in the institution's Indirect Cost Rate Pool. Statement should be included to verify that any costs being budgeted here are neither included in the IDC pool nor supported by other Federal funding. Include the number and type of personnel, the percentage of time directly dedicated to the project (e.g., supporting the qualified students, and if applicable, the number of qualified students in excess of the number of tuition supported), hourly wage, and total cost. For additional information, please refer to Section B Program Cost Eligibility Criteria and Information. Include a description of specific benefits that are charged to a project and the benefit percentage.



Fringe Budget Tips

- Include how you calculated the benefit amount
 - E.g., actual fringe benefits, rate approved by the Health and Human Services State Wide Cost Allocation Plan or cognizant agency
- Explain what is included in the benefit package
- Fringe percentages are averages—the SF-270 will provide specific fringe costs of employees when you seek reimbursement



Fringe Budget Tips, cont.

- Do not combine the fringe benefit costs with direct salaries and wages in the personnel category.
- An agency who is on a cash basis shall not accrue leave expenses per 2 CFR 200.431(b)(3)(i-ii).





Sample Travel Budget Narrative

Travel Cost Budget Narrative (SF-424A, Line 6c)

Purpose	# of Staff	Method of Travel	Days	Total Cost
[Add additional lines, as necessary]				
<i>Provide a narrative justifying the proposed travel costs provided in the budget guidance which are directly associated with advertising, recruiting, and providing employment placement assistance for Qualified Students. If a published tuition is being utilized within this application, the applicant must certify that any costs detailed within the budget are not already part of the published tuition cost or Indirect Cost Pool. Provide the purpose, method of travel, number of persons traveling, number of days, and estimated cost for each trip. If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested.</i>				





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Travel Budget Tips

- Travel costs include field work activities that support the purpose of the application
- FMCSA evaluates:
 - The number of travelers and trips is consistent with the trip purpose





Sample Supplies Budget Narrative

Supplies Cost Budget Narrative (SF-424A, Line 6e)

Item Name	# of Units	Cost per Unit	Total Cost
[Add additional lines, as necessary]			
<i>Provide a narrative justifying the proposed supplies costs provided in the budget guidance which are directly associated with training, advertising, recruiting, and providing employment placement assistance for Qualified Students and that are not included in student tuition or Indirect Cost Pool. Indicate the approximate expenditure of the unit as a whole. Include a quantity and unit cost for larger cost supply items such as computers and printers.</i>			





Supplies Budget Tips

- Supplies are tangible personal property other than equipment
- FMCSA evaluates supplies costs to ensure a sufficient level of detail that would allow an informed reader to understand that the standard office supplies are reasonable





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Supplies Budget Tips

Some more helpful tips

- Document supplies by indicating the approximate expenditure of the unit as a whole
- Remember to include a quantity and unit cost





Sample Contractual Budget Narrative

Contractual Cost Budget Narrative (SF-424A, Line 6f)

Description of Services	Total Cost
<i>[Add additional lines, as necessary]</i>	
<i>Provide a narrative justifying the proposed contractual costs provided in the budget guidance which are directly associated with training, advertising, recruiting, and providing employment placement assistance for Qualified Students. If including consulting cost provide the rationale for all costs.</i>	





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Contractual Budget Tips

FMCSA reviews the contractual narrative to ensure it contains:

- Descriptive information about what specific costs





Sample Other Budget Narrative

Other Cost Budget Narrative (SF-424A, Line 6h)

Item Name	# of Qualified Students or Units	Cost per Qualified Student or Unit	Total Cost
[Add additional lines, as necessary]			
<i>Provide a narrative justifying the proposed "Other" costs provided in the budget guidance; typically, this cost category is used for student tuition; show the per student cost and the number of students to be trained (all associated costs elements in cost per student need to be defined; include any other costs that are directly associated with advertising, recruiting, and providing employment placement assistance for Qualified Students but are not already included in the categories above or Indirect Cost Pool. You must itemize and justify ALL "Other" direct costs.</i>			



Other Budget Tips

- (Tuition) would be charged to the grant
 - What is included in the tuition rate
- A rationale for how those costs were derived,(i.e. published rates on website reference)
- Other costs are costs that do not fit within any of the other object class categories
- Typical costs in this category include printing and advertising costs



Other Budget Tips, cont.

FMCSA reviews other costs to determine costs are:

- Consistent with the proposed work plan
- Necessary to complete the approved work plan
- Allowable
- Reasonable





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Other Budget Tips, cont.

Ensure other costs are not already in your indirect cost rate agreement/cost allocation plan



Sample Indirect Cost Budget Narrative

Indirect Cost Budget Narrative (SF-424A, Line 6j)				
Indirect Cost Rate	Rate Period	Rate Period End	Cost Base	Indirect Cost Expense
35%	7/1/2016	6/30/2017	108,750.00	38,062.50
In this example, there is a current approved indirect rate of 35% which applies to salaries/wages and fringe benefits. The total salary amount included in the budget is \$70,200, and the associated fringe costs are \$38,550. The total eligible indirect expense is \$108,750 to which the rate of 35% may be applied. The resulting indirect expense is \$38,062.50.				





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Indirect Cost Tips, cont.

- Remember to include your indirect cost rate agreement with your application in Grants.gov (www.grants.gov)
 - If your rate will not be approved by the due date, attach the letter of renewal or letter of request you sent to your cognizant agency
 - This will be a placeholder until the rate is approved
- Grantees may not receive reimbursement for indirect costs until the rate is approved



Indirect Cost Tips, cont.

- Grantees can request a one time extension of their indirect rate for up to 4 years. See 2CFR.200.414 (g) Restrictions apply:
- Request should be approved by the Federal Cognizant Agency.
- If extension is granted, the rate will not be reduced or renegotiated until the extension period is over.
- Grantees can request another one time extension of a current rate, as long as there's another negotiated rate between the 4 year extension.



Indirect Cost Tips, cont. (de minimis)

- The de minimis rate is allowable at 10% and the following restrictions apply:
- Grantee has never had a Federally approved indirect rate
- Rate is applied to modified total direct cost only
- State or local gov't agencies that receive more than \$35Min federal funds can't use de minimis rate
- A grantee must use the de minimis rate for all their Federal awards (if indirect is allowable). Grantee's can't use a negotiated rate for one Federal agency and the de minimis rate for a different Federal agency.



Indirect Cost Tips (de minimis)

- Grantee can use this rate for as long as they choose or until they get a negotiated rate
- **2 CFR 200.414 (f)**

In an effort to relieve administrative burden, Office of Management and Budget (OMB) specified that non-federal entities that have never received a negotiated indirect cost rate many elect to charge a de minimis rate of 10% of modified total direct costs, which may be used indefinitely.

