BUDGET GUIDELINES

In addition to the budget information required on the SF-424A, applicants must provide the following three elements as part of the budget submission:

- **Summary Budget** using the OMB-approved cost categories (see SF-424A)
- **Detailed Line Item Budget** utilizing the attached budget template; you may insert as many lines as needed
- **Budget Narrative** should provide explanation and justification of costs in the same order as they are listed on the spreadsheet

Detailed Line Item Budget

Applicants must provide a detailed line-item budget (in Microsoft Excel or identical spreadsheet format) outlining specific cost requirements within each of the summary budget categories.

- 12-font as a minimum; must fit on **8x11 letter-sized paper**. Do NOT use legal size;
- Cost-sharing should be included in a separate Cost-Share column, follow the budget template. **Cost-share also must be itemized, explained and justified** in the budget narrative
- The budget should be for the ENTIRE project period, state the number of MONTHS. **Do not put start and end dates.**
- All budget line items must be described in the budget narrative in the same order as they are listed in the budget spreadsheet and corresponding j**ustification** provided.

COST CATEGORIES

Personnel – identify staffing by each position separately, such as **position title under THIS project and name of the employee** (for project key* personnel only) and provide clear and concise description of the duties under THIS project in the budget narrative. List annual salary for each position within your organization**; number of months and percentage of time (level of effort/or LOE) devoted to project (e.g., Administrative Director/Name : $30,000/year x 25% x 8.5 months; calculation: $30,000/12 = $2,500 x 25% x 8.5 months = $5,312). **General oversight, such as executive director, president, vice president and other senior executive staff positions providing general oversight of operations, etc. should not be listed under Personnel**; instead their salaries should be charged as **indirect** costs.

*key personnel under this project are individuals that would be directly involved in the implementation and responsible for successful completion of the project.

salary for that particular position **within the organization approved by HR.

<u>Fringe Benefits</u> – State fringe benefit costs SEPARATELY from salary costs and explain how benefits are computed for each category of employee - specify type and rate. Housing, allowances and relocation costs are NOT fringe benefits, those should be charged as Other Direct Costs (ODC), please see 2 CFR 200.

<u>Travel</u> – RECIPIENT STAFF travel as listed under Personnel only for international, in-host country travel or U.S. travel, as applicable. **Separate** international airfare from per diem. Per diem, such as lodging, meals and incidentals must be listed separately for each destination; indicate the origin and destination (**country/city**), same for per diem.

NOTE: USG employee travel and related expenses may NOT be charged to the award.

http://www.gsa.gov/portal/category/100000

Explain differences in airfares for individuals traveling to the same destination (e.g. season, duration, etc). International travel must be in compliance with the Fly America Act wherever applicable. **Economy class only**, NO exceptions

<u>Supplies</u> – Program supplies that are **allocable and necessary** to carry out THIS project. Itemize, using **unit costs** to the maximum extent practicable.

<u>Equipment</u> – Provide justification for any equipment purchase defined as tangible property (including information technology systems) and having a useful life of more than one year and an acquisition cost of $5000 or more per **unit cost.**

Items with a unit cost of **less than $ 5,000** should be listed under Supplies.

<u>Contractual</u>: List sub-recipient organization(s), if applicable, and individual consultant/or other outside expert costs in this cost category.

1) <u>Sub-Recipient</u> is a legal entity carrying out a portion of the award. Provide legal name and the amount of the sub-award; **additional detailed sub-award budget required**. For each sub-award provide a detailed line item budget (using the same budget template) with a corresponding sub-award budget narrative explaining and justifying the costs. Provide the same level of detail as required of the primary applicant.

2) <u>Individual outside experts</u> -- explain the duties, provide the daily fee, explain and justify. . Consultant travel and per diem must be listed separately (insert more lines if needed). Outside expert daily fee shall be consistent with what your organization normally would pay for similar services.

Individual outside expert daily fees must be separated from other costs, such as travel and per diem costs, if applicable. Airfare must be separated from per diem (see the travel guidance above). Outside expert travel costs must be listed in the Contractual cost category.

<u>Other Direct Costs</u> – Costs that do not fall under any of the previous cost categories, such as printing/copying/postage/telephone/venue or vehicle rental/visa or bank fees/venue rentals, etc. other direct costs that are allocable and necessary. Costs may vary depending on the scope of the project. Provide a justification and a breakdown for each costs, e.g. 'meeting costs', provide a breakdown of all anticipated costs related to the meeting.

<u>Indirect Charges</u>

- If your organization has a current indirect cost-rate agreement (NICRA) with the U.S. Government, a copy must be included with the application.
- If your organization does not have a NICRA, you may apply a de minimis rate of **up to** 10% of **Modified Total Direct Costs (MTDC)** as defined in 2 CFR 200. Provide an explanation in the budget narrative, list exclusions per 2 CFR 200.
- Indicate how the de minimis rate is applied, e.g., to direct administrative expenses, such as utilities and maintenance, some of the administrative salaries only, etc.
- If sub-recipient organizations are claiming indirect costs and they do not have an established NICRA , they may also apply the de minimis 10% rate, this is at the discretion of the primary recipient; requires prior approval from the Grants Officer. Must be explained in the budget narrative.
- NO other methodologies for calculating indirect cost rates may be applied.

<u>COST-SHARING:</u> Portion of program costs not borne by the USG federal funds.

If cost- share is voluntarily offered, it should be listed as a separate column in the budget. Cost-share can be either cash or in-kind; assign a US dollar value to each in-kind contribution and provide an explanation in the budget narrative. Cost-share follows the same principles as federal share and must be justified and documented. If the proposed project is a component of a larger program, identify other funding sources and indicate the specific funding amount to be provided by those sources, specify the sources. These costs may be counted towards cost-share.

Applicants should consider all types of cost-sharing. Examples include the use of office space owned by other entities; donated or borrowed supplies and equipment; (non-federal) sponsored travel costs; waived indirect costs; and program activities, translations, or consultations. The values of offered cost share should be reported in accordance with 2 CFR 200. **Other USG funding may NOT be used as cost-share !**

Federal assistance award Recipient must maintain written records to support all allowable costs, including cost-share. Such records are subject to audit. The basis for determining the value of cash and in-kind contributions must be in accordance with 2 CFR 200.

Applicants must be familiar with 2 CFR 200 "UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS".