



BUDGET PROPOSAL INSTRUCTIONS

Assistance Instruments

**DET 8 AFRL/RVK
3550 ABERDEEN AVE SE
KIRTLAND AFB, NM 87117**

1. GENERAL INSTRUCTIONS:

- A. Provide complete responses to the attached Contractor Information document for the **Recipient and each Subrecipient**. If preferred by the offeror, the responses to the information requested may be provided on a similar form or listed on the first page of the budget proposal. (Attachment 1)
- B. Indicate whether Government approval of respective accounting, estimating, and purchasing systems have been obtained. If so, provide evidence of such approval.
- C. Round all dollar amounts to the nearest dollar. Round all labor rates to the nearest penny.
- D. Furnish Tables 1 thru 4 (sample tables are at paragraph 3 below), or in the contractor's format containing the information outlined in these instructions, for the entire performance period (supported by rationale required by paragraph 2) in hard copy and on CD as IBM PC compatible, Microsoft Excel, to include all cell formulas. Include a separate Cost Element Summary by Offeror Fiscal Year (OFY), for each contract line item (CLIN), for the basic and each option or task order as proposed. (For purposes of these instructions, CLIN refers to contract line items that are required to be priced separately.)
- E. **Provide all budget summaries by OFY.**

2. PROPOSED COST ELEMENTS:

The detail required for each major cost element is described below. Address all cost elements applicable to the proposed effort and provide a narrative to support the basis of estimate. Explain the basis of estimate **for each cost element** to include the basis for proposed rates. As applicable, provide the following information for each cost element. If a portion of the required information is not applicable for a particular cost element, so state.

A. DIRECT COSTS:**(1) DIRECT LABOR:**

- (a) As part of Table 1, list the proposed base, rates, and calculated amounts for each direct labor category by OFY, by CLIN. If separately priced CLINs apply, also include a roll-up to Total Program Summary.
- (b) As part of the basis of estimate narrative, provide rationale for proposed hours and labor mix. Identify staffing requirements by each position title and brief description of duties. Explain how the proposed labor hour skill mix has been derived.
- (c) Provide the base labor rates for each category. If composite or blended rates are used, provide the calculations used in deriving the composite rates. Identify the source of the proposed rates. If applicable, identify the proposed escalation factors applied to future estimates and rationale for the proposed factors. Submit source data for proposed direct labor rates. If evidence of a negotiation agreement, or recently audited direct labor are not available for submission, submit the following source data listed in order of preference, current payroll data, or signed employee agreements, or salary survey, etc. to support proposed direct labor.
- (d) If salaries vice hourly rates are proposed, please list the annual salary of each position, percentage of time and number of months devoted to the project. (e.g., Program Director: \$30,000/year x 25% x 8.5 months; calculation: $\$30,000/12 = \$2,500 \times 25\% \times 8.5 \text{ months} = \$5,312.$) The same level of detail required in paragraph 2A(1)(c) above still applies.

(2) SUBCONTRACTS/INTER-ORGANIZATIONAL TRANSFERS (IOTs):

NOTE: Highly recommend the recipient provide these budget proposal instructions to all subrecipients. Fully disclosed Subrecipient/IOT proposals are required for ALL subrecipients (including Tables 1 thru 4), and are due by the closing date identified in this solicitation.

It is especially important that adequate data on subrecipients be provided. Rates are particularly important. Note that the absence of adequate data on subrecipients is a frequent source of a recipient's inadequate proposal and avoidable delay in contract award.

- (a) As part of Table 1, list each subrecipient/IOT cost separately by OFY by CLIN.
- (b) Provide a list of anticipated subrecipients/IOTs using Table 2.
- (c) Explain the services to be provided by the subrecipient.
- (d) OMB Circulars A-110 and A-102 as implemented by DoDGARs establish procurement standards for covered recipients. The standards include requirements to compete procurements whenever practical, conduct a cost analysis, and award to the most advantageous offer, cost, quality and other factors considered. Provide evidence of compliance with the referenced Circulars.

(3) CONSULTANTS:

- (a) Consultants hired to assist with the program, which do not receive benefits, should be included under other direct costs. If the recipient proposes the use of consultants, provide the following FOR EACH NAMED CONSULTANT:
 - (1) The specific project or area in which such services are to be used.
 - (2) Identification of all cost elements included in the consultant's costs. (i.e.: number of hours, the consultant's rate per hour, plus a detailed explanation of any costs that would be charged over and above labor costs)

- (3) A signed consulting agreement between the recipient and the consultant
- (b) In those cases where a consultant IS NOT NAMED but the recipient realizes a need will exist, support the proposed daily rate by supplying a basis of estimate.

(4) MATERIALS/ EQUIPMENT/ SUPPLIES:

- (a) As part of Table 1, list material/equipment costs by OFY by CLIN. Using Table 4, provide a consolidated priced summary of individual quantities and the basis for pricing by OFY, by CLIN. As part of the basis of estimate narrative, provide information regarding the rationale/methodology used to derive the proposed estimate.
- (b) Include raw materials, parts, components, assemblies, etc., to be produced or performed by others. Equipment is defined as having a per unit cost of \$5,000 and a service life of more than one year. If the item meets these criteria then all federal procurement policies and procedures must be followed. If an item does not meet these criteria it is considered a supply. List items separately using unit costs (and the percentage of each unit cost being charged to the Government) for photocopying, postage, telephone/fax, printing, and office supplies (for example, Telephone: \$50/month x 50% = \$25/month x 12 months).
- (c) For those assistance awards where the procurement standards of the DoDGARs apply, state whether the cognizant field administration office (CFAO) has reviewed the intended recipient's procurement system. If the CFAO has found the recipient to be in compliance with the DoDGARs requirements, provide evidence of such finding, otherwise if the procurement meets any of the conditions at DoDGARs 32.44(e) and 34.31(b), provide copies of supporting documentation (Purchase Orders, Vendor Quotes, Invoice Prices, Catalog Prices, or Historical Information) to substantiate a MINIMUM of 70% of the proposed material/equipment/supply costs.

Specifically, provide supporting documentation for the highest unit prices.

(5) OTHER DIRECT COSTS (ODCs):

As part of Table 1, list ODC costs by OFY by CLIN. The inclusion of each should be justified in the budget narrative. A-133 audit costs can be included if they are not part of the indirect pool and only the portion of the cost associated with this program can be included.

(a) ODCs - Travel

- i. Identify the following information for each trip: location of origin and destination; number of travelers; duration; airfare cost; rental car cost; per diem (meals and lodging) cost; any other costs.
- ii. As part of Table 1, list travel costs by OFY by CLIN. Using Table 3, separately identify costs for travel. Note that Table 3 is a summary format and may be expanded to include more detailed travel rate information and calculations.

(b) ODCs - Other

- i. Using Table 4, identify and provide a detailed description of any other direct costs that do not fit into the ODC categories above, including the basis for determining those costs (e.g., vendor quotes, catalog pricing data, company estimating procedures, etc.).
- ii. Provide an explanation/rationale for all other proposed ODCs.
- (c) For those assistance awards where the procurement standards of the DoDGARs apply, state whether the cognizant field administration office (CFAO) has reviewed the intended recipient's procurement system. If the CFAO has found the recipient to be in compliance with the DoDGARs requirements, provide evidence of such finding, otherwise if the procurement meets any of the conditions at DoDGARs 32.44(e) and 34.31(b), provide copies of supporting documentation for proposed ODCs.

B. INDIRECT COSTS

- (1) As part of Table 1, list the proposed base, rate/factor and calculated amount for each indirect cost by OFY, by CLIN.
- (2) As part of the basis of estimate narrative, identify all indirect cost rates/factors and the applicable allocation bases.
- (3) Identify the basis of proposed rates (e.g., rate agreement, actual rates and effective date, etc.). Submit source data for all proposed indirect rates. If evidence of negotiated or approved rates, or recently audited indirect rates are not available for submission, submit the following source data in order of preference, budgetary data to include details of the indirect rate cost pools, or supporting historical trend data.
- (4) If recipient is subject to full CAS coverage and is proposing FCCOM, submit a properly executed DD Form 1861. Provide the basis for proposed percentage of land buildings and equipment.
- (6) **Note: Normally, neither G&A nor COM can be applied to costs that are included in the recipient's Independent Research and Development account.**

C. NEW MEXICO GROSS RECEIPTS TAX (NMGR)

- (1) NMGR may be applicable to the proposed effort. For assistance in determining the extent to which NMGR may apply and applicable rates, contact the New Mexico Taxation and Revenue Department, 5301 Central Ave., NE, PO Box

8485, Albuquerque, NM 87198, (505) 841-6200, <http://www.tax.newmexico.gov/All-Taxes/Pages/Gross-Receipts-Tax.aspx>. Identify the cost elements and amounts included in the NMGR base, if applicable. Demonstrate the method of calculating total tax dollars included in the proposal.

- (2) As part of Table 1, list the proposed base, rate/factor and calculated amount for each NMGR line item cost by OFY, by CLIN.
- (3) Identify the location(s) where the work will be performed, whether nexus applies, and where the final deliverables will be initially used.

3. SAMPLE COST PROPOSAL TABLES (Revise to comply with established accounting practices.):

A. Table 1 (Sample): Cost Element Summary. If applicable, list each Subrecipient and IOT separately.

SAMPLE Table 1 - COST ELEMENT SUMMARY								
COST ELEMENT	OFY YYYY (DD MMM YYYY - DD MMM YYYY)			OFY YYYY (DD MMM YYYY - DD MMM YYYY)			TOTAL PROPOSED	
	BASE	RATE	AMOUNT	BASE	RATE	AMOUNT	BASE	AMOUNT
Direct Labor								
Labor Category #1	1,200.0	\$ 20.00	\$ 24,000	1,200.0	\$ 20.00	\$ 24,000	2,400.0	\$ 48,000
Labor Category #2	2,400.0	\$ 30.00	\$ 72,000	2,400.0	\$ 30.00	\$ 72,000	4,800.0	\$ 144,000
Labor Category #3	600.0	\$ 40.00	\$ 24,000	600.0	\$ 40.00	\$ 24,000	1,200.0	\$ 48,000
TOTAL DIRECT LABOR	4,200.0		\$ 120,000	4,200.0		\$ 120,000	8,400.0	\$ 240,000
Labor Overhead	\$ 120,000	50.00%	\$ 60,000	\$ 120,000	50.00%	\$ 60,000	\$ 240,000	\$ 120,000
Fringe	\$ 180,000	20.00%	\$ 36,000	\$ 180,000	20.00%	\$ 36,000	\$ 360,000	\$ 72,000
SUBTOTAL LABOR			\$ 216,000			\$ 216,000		\$ 432,000
Subrecipients – IOTs			\$ 200,000			\$ 200,000		\$ 400,000
Material			\$ 100,000			\$ 100,000		\$ 200,000
Material Overhead	\$ 100,000	3.00%	\$ 3,000	\$ 100,000	3.00%	\$ 3,000	\$ 200,000	\$ 6,000
ODC - Travel			\$ 8,000			\$ 8,000		\$ 16,000
ODC - Consultants	600.0	\$ 100.00	\$ 60,000	600.0	\$ 100.00	\$ 60,000	1,200.0	\$ 120,000
ODC - Other			\$ 3,000			\$ 3,000		\$ 6,000
SUBTOTAL			\$ 590,000			\$ 590,000		\$ 1,180,000
F&A or G&A	\$ 590,000	10.00%	\$ 59,000	\$ 590,000	10.00%	\$ 59,000	\$ 1,180,000	\$ 118,000
SUBTOTAL			\$ 649,000			\$ 649,000		\$ 1,298,000
FCCOM - Overhead	\$ 120,000	1.00%	\$ 1,200	\$ 120,000	1.00%	\$ 1,200	\$ 240,000	\$ 2,400
FCCOM - G&A	\$ 590,000	0.10%	\$ 590	\$ 590,000	0.10%	\$ 590	\$ 1,180,000	\$ 1,180
TOTAL COST			\$ 650,790			\$ 650,790		\$ 1,301,580
NMGR - Kirtland AFB	\$ 606,048	6.2500%	\$ 37,878	\$ 606,048	6.2500%	\$ 37,878	\$ 1,212,210	\$ 75,756
NMGR - Albuquerque	\$ 41,815	7.0000%	\$ 2,927	\$ 41,815	7.0000%	\$ 2,927	\$ 83,630	\$ 5,854
NMGR - Out-of-State	\$ 2,927	5.1250%	\$ 150	\$ 2,927	5.1250%	\$ 150	\$ 5,854	\$ 300
TOTAL COST + NMGR			\$ 691,745			\$ 691,745		\$ 1,383,490

B. TABLE 2 (Sample): SUBRECIPIENTS/IOTs & CONSULTANTS

SAMPLE Table 2 - PRICE SUMMARY for SUBRECIPIENTS / IOTs & CONSULTANTS						
NAME	TASKS	TYPE	QUOTED PRICE	RECIPIENT'S EVALUATED COST	DIFFERENCE	% of WORK
TOTALS			\$ -	\$ -		0.00%

C. TABLE 3 (Sample): TRAVEL

SAMPLE Table 3 - Travel											
OFY	From	To	Purpose	No. Trips	No. Tvlrs	No. Days	Per Diem	Lodging	Rental Car	Airfare	Total
YYY1											
YYY1											
YYY1 Subtotal:											\$ -
YYY2											
YYY2											
YYY2 Subtotal:											\$ -
TOTAL TRAVEL:											\$ -

D. Table 4 (Sample): MATERIALS/EQUIPMENT/SUPPLIES & ODCs (other than Travel & Consultants)

SAMPLE Table 4 - MATERIALS/EQUIPMENT/SUPPLIES & OTHER ODCs								
MATERIALS								
Item	OFY	Description	Qty	Unit Price	Total Price	Vendor/Source	Basis of Estimate	Totals
1	YYY1							
3	YYY1							
4	YYY1							
5	YYY1							
6	YYY1							
7	YYY1							
OFY YYY1 Subtotal:								\$ -
8	YYY2							
9	YYY2							
10	YYY2							
11	YYY2							
12	YYY2							
OFY YYY2 Subtotal:								\$ -
Total MATERIALS Proposed:								\$ -
ODCs								
Item	OFY	Description	Qty	Unit Price	Total Price	Vendor/Source	Basis of Estimate	Totals
1	YYY1							
3	YYY1							
4	YYY1							
5	YYY1							
6	YYY1							
7	YYY1							
OFY YYY1 Subtotal:								\$ -
8	YYY2							
9	YYY2							
10	YYY2							
11	YYY2							
12	YYY2							
OFY YYY2 Subtotal:								\$ -
Total ODCs Proposed:								\$ -

RECIPIENT INFORMATION

1. SOLICITATION / CONTRACT / MODIFICATION NO. /BAA NUMBER		2. RECIPIENT'S FISCAL YEAR (OFY):	
3. NAME AND ADDRESS OF RECIPIENT (Include ZIP Code)	4A. NAME AND TITLE OF RECIPIENT'S POINT OF CONTACT		4B. TELEPHONE NO.
	5A. ASSISTANCE INSTRUMENT TYPE:		5B. TYPE OF ACTION:
	6. DUNS NUMBER		7. CAGE CODE
	8A. PERFORMANCE START DATE:		8B. PERFORMANCE END DATE
9. PLACE OF PERFORMANCE	10. PROPOSED COST (A + B = C)		
	A. TOTAL COST \$	B. NMGR \$	C. TOTAL COST + NMGR \$
11. PROVIDE NAME, ADDRESS, AND TELEPHONE NUMBER FOR THE FOLLOWING			
11A. DEFENSE CONTRACT AUDIT AGENCY (DCAA) or Govt Contract Audit Ofc		11B. DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA) or Cognizant Field Admin Ofc	
12. WILL YOU REQUIRE THE USE OF ANY GOVERNMENT PROPERTY THE PERFORMANCE OF THIS WORK? (If "yes," identify in proposal) ☐ YES ☐ NO		13. IS THIS PROPOSAL CONSISTENT WITH YOUR ESTABLISHED ESTIMATING AND ACCOUNTING PRACTICES AND PROCEDURES AND FAR PART 31, COST PRINCIPLES? (If "No," explain in proposal) ☐ YES ☐ NO	
14. COST ACCOUNTING STANDARDS BOARD (CASB) DATA (Public Law 91-379 as amended and FAR PART 30)			
A. WILL THIS CONTRACT ACTION BE SUBJECT TO CASB (If "No," explain in proposal) ☐ YES ☐ NO		B. HAVE YOU SUBMITTED A CASB DISCLOSURE STATEMENT REGULATIONS? (CASB DB-1 OR 2)? (If "Yes," specify in proposal the office to which submitted, and if determined to be accurate.) ☐ YES ☐ NO	
C. HAVE YOU BEEN NOTIFIED THAT YOU ARE OR MAY BE IN NON-COMPLIANCE WITH YOUR DISCLOSURE STATEMENT OR COST ACCOUNTING STANDARDS? (If "Yes," explain in proposal) ☐ YES ☐ NO		D. IS ANY ASPECT OF THIS PROPOSAL INCONSISTENT WITH YOUR DISCLOSED PRACTICES OR APPLICABLE COST ACCOUNTING STANDARDS? (If "Yes," explain in proposal) ☐ YES ☐ NO	
This proposal complies with the cost proposal instructions. If support data are required, this proposal reflects our estimates and/or actual costs as of this date. By submitting this proposal, we grant the Grant/Agreements Officer or authorized representative(s) the right to examine, at any time before award, those records, which include books, documents, accounting procedures and practices, and other data, regardless of type and form or whether such supporting information is specifically referenced or included in the proposal as the basis for pricing, that will permit an adequate evaluation of the proposed price.			
15. NAME AND TITLE		16. NAME OF RECIPIENT	
17. SIGNATURE			18. DATE OF SUBMISSION

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