BUDGET NARRATIVE TEMPLATE

FOR INTERAGENCY AGREEMENT APPLICATIONS

*For detailed instructions, please see the* [*Budget Narrative Detailed Guidance*](https://restorethegulf.gov/files/BudgetNarrativeTemplate)*. Note: Any sections below that are not applicable can be deleted.*

## SUMMARY AND JUSTIFICATION

*Insert summary narrative here.*

***Budget Summary***

**TOTAL PROJECT OR PROGRAM FUNDS REQUESTED $**

***Total Direct Costs Requested $***

***Total Allowable Indirect Costs Requested $***

***Total Program Income Anticipated $***

## 2.0 Budget Object Classes Applicable to All Projects and Programs – DIRECT COSTS

2.1 PERSONNEL

*Insert explanatory text here.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Position/Role | Duties and Responsibilities | Unit Cost | Unit | % Time (devoted to project) | Quantity | Total |
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**TOTAL PERSONNEL: $**

2.2 FRINGE BENEFITS

*Insert text here to identify the applicant organization’s fringe benefit rate and explain the base for the calculation for each personnel position identified in item Personnel above; or if a fringe benefit rate is not used, itemize how the fringe benefit amount is computed. For example:*

***Computation Cost \_\_\_\_\_\_\_\_\_***

*Position*

*Employer’s FICA Annual Salary x % Rate $*

*Health Insurance Annual Salary x % Rate $*

*Workman’s Compensation Annual Salary x % Rate $*

*Unemployment Compensation Annual Salary x % Rate $*

|  |  |  |  |
| --- | --- | --- | --- |
| Position(s) | Total Compensation (life of project) | Fringe % | Total Fringe Benefit  (life of project) |
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**TOTAL FRINGE BENEFITS: $**

2.3 TRAVEL

*Insert text here to summarize/justify travel requested and:*

1. Indicate the estimated number of trips, number of travelers, points of origin and destination (if known), and purpose of travel;
2. Provide a justification indicating how each trip (or type of trip) is needed to achieve the goals and objectives of the project or program;
3. For each trip:
4. Where possible, itemize the estimate of transportation and/or subsistence costs; and
5. Specify the basis for computation of each type of travel expense (e.g., current airline ticket quotes, past trips of a similar nature, federal government or organization travel policy, etc.).

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| --- | --- | --- | --- | --- | --- | --- |
| Purpose of Travel | Destination | # Trips | # Travelers | Item | Quantity or Rate | Total |
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**TOTAL TRAVEL: $**

2.4 CONSTRUCTION and LAND ACQUISITION

*Insert explanatory text here describing proposed activities. Include the following information as applicable.*

*For projects involving land acquisition or improvements to real property, please include the following.*

1. Descriptive summary of anticipated construction activities/improvements to real property if applicable.
2. Estimated useful life of the proposed improvements and information on how this estimated useful life was determined if applicable.
3. Property ownership if applicable:
   1. Current entity having ownership of the property (provide documentation of title if available).
   2. If the recipient or subrecipient does not own the property, how will the recipient or subrecipient ensure and maintain control of the property for the estimated useful life of the project (i.e., what legal mechanism(s) will be used)?
   3. If property or property rights are being acquired:
      1. Type of acquisition (e.g., fee simple, easement, other agreement).
      2. Verification that all purchases will be from willing sellers.
4. Floodplain information:
   1. Is the property located within an identified floodplain?
   2. If the property is located within an identified floodplain,
      1. What is the flood hazard zone designation (*provide a map if available*)?
      2. How might the proposed activities impact the floodplain?
      3. Are any floodplain notifications or mitigation activities planned?

*Provide the following information related to funds requested for construction and/or land acquisition activities.*

1. Construction Management and Legal Expenses—estimated amounts needed to cover expenses, e.g., legal costs generally associated with the purchase of land and certain services in support of construction of the project; do not duplicate Personnel and Fringe costs included above.
2. Land, structures, rights-of-way, appraisals, etc.—includes estimated amounts required for purchase, lease, and/or easements, as well as costs for due diligence activities such as appraisals, surveys and assessments.
3. Relocation expenses and payments—generally includes costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc., required under the Uniform Relocation Act.
4. Architectural and engineering fees—estimated basic architectural, engineering and design fees necessary for planning and construction, which may include start-up services and preparation of project performance work plan.
5. Other architectural and engineering fees—may include other engineering costs, such as surveys, tests, soil boring, etc.
6. Project inspection fees—estimated engineering inspection costs associated with construction activities.
7. Site work—costs of site preparation and restoration associated with construction activities; often included in a separate contract.
8. Demolition and removal—costs associated with demolition and removal of buildings, structures, soil, etc., not included in the basic construction contract or site work.
9. Construction—estimated cost of the construction work or contract.
10. Contingencies—applicable where there is an unknown or unpredictable result at the time of the application, not including amounts for major project scope changes, unforeseen risks or extraordinary events
11. Amounts must be justified, reasonable, and calculated using an established methodology.
12. Detail should be provided on why the contingency costs are needed (e.g., possible fuel rate or other material cost increase) and how the amount was calculated.

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| --- | --- | --- | --- | --- |
| Budget Category | Item Name/Description | Unit Cost | Quantity or Rate | Total Cost |
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**TOTAL CONSTRUCTION/LAND ACQUISITION: $**

2.5 EQUIPMENT

*Insert explanatory text here. Include the following information for equipment requested.*

1. Briefly describe each item or type of item;
2. Indicate the estimate unit cost for each item to be purchased;
3. Provide the basis for cost estimates (e.g., source and item number, previous purchase, etc);
4. Briefly justify the need for items of equipment to be purchased (i.e., explain how the equipment is necessary for the success of the project); and
5. Describe the procurement method to be used and indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are to be followed.

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| --- | --- | --- | --- |
| Item Name/Description | Unit Cost | Quantity | Total Cost |
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**TOTAL EQUIPMENT: $**

2.6 SUPPLIES

*Insert explanatory text here. Include the following information.*

1. Itemize material and supply estimates by the nature of the expense (e.g., office supplies, postage, training materials, etc.);
2. Provide the basis for cost estimates or computations (e.g., vendor quotes, prior purchase of similar or like items, etc.); and
3. Provide a justification for the use of each item or type of item and relate it to specific project activities.

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| --- | --- | --- | --- |
| Item Name/Description | Unit Cost | Quantity | Total Cost |
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**TOTAL SUPPLIES: $**

2.7 OTHER DIRECT COSTS

*Insert explanatory text here. Include the following information.*

1. List and describe items (e.g., rent, reproduction, telephone, janitorial or security services, equipment maintenance, etc. or indirect facilities costs) by major type; and
2. Provide the basis for cost estimates or computations. For example, for rent, provide the square footage and the cost per square foot or a monthly rental cost and how many months of rent are proposed.

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| --- | --- | --- | --- |
| Item Name/Description | Unit Cost | Quantity | Total Cost |
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**TOTAL OTHER COSTS: $**

2.8 SUBRECIPIENTS

*Insert explanatory text here. Note: When completing the Standard Form (SF) 424A, Budget Worksheet, in GrantSolutions, subrecipient costs will be combined with contractual costs under the Object Class of “Contractual.” For the purpose of this narrative, subrecipient costs should be described separately in this section.*

*For each proposed subaward, include the following information.*

1. *Name of Subrecipient*—identify the name of the subrecipient, if known; known subrecipients must be listed in the Subrecipient and Contractor worksheet to be attached to the application.
2. *Method of Selection*—identify the method of selection for the subrecipient; if the subrecipient has been selected, briefly describe the subrecipient’s qualifications to perform the scope of work.
3. *Period of Performance*—specify the anticipated beginning and ending dates of the subaward.
4. *Scope of Work*—describe the specific services/tasks to be performed by the subrecipient and relate them to the accomplishment of program objectives; deliverables should be clearly defined.
5. *Method of Accountability*—describe how the recipient will monitor progress and performance of the subrecipient during and on close of the period of performance; identify who will be responsible for monitoring the subrecipient.
6. *Itemized Budget and Justification*—provide an itemized budget with appropriate narrative support and justification (subrecipient budget narrative) as a separate attachment. A Subrecipient Budget Template is available in GrantSolutions and on the [Grants Office Resources web page](https://www.restorethegulf.gov/gcerc-grants-office/gcerc-grants-resources)[[1]](#footnote-1). Use the same Object Class categories from the SF-424A and/or SF-424C that are required for the applicant. If applicable, include any indirect cost paid under the subaward and specify the indirect cost rate.
7. *Basis for Cost Estimation*—briefly describe how the requested cost for the subrecipient scope of work was determined.
8. *NICRA*—If applicable, attach the subrecipient organization’s negotiated indirect cost rate agreement (NICRA) to the application in GrantSolutions.

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| --- | --- | --- |
| Organization | Description | Amount |
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**TOTAL SUBRECIPIENT(S): $**

2.9 CONTRACTORS/CONSULTANTS

*Insert explanatory text here. Note: When completing the Standard Form (SF) 424A, Budget Worksheet, in GrantSolutions, subrecipient costs will be combined with contractual costs under the Object Class of “Contractual.” For the purpose of this narrative, contractual costs should be described separately in this section.*

*For each proposed contract, include the following information.*

1. *Name of Contractor*—identify the name of the proposed contractor, if known; known contractors must be listed in the Subrecipient and Contractor worksheet to be attached to the application.
2. *Method of Selection*—identify the method of selection for the contract and indicate whether applicant’s formal, written Procurement Policy or the Federal Acquisition Regulations are followed; if a contract is sole source, include a detailed justification as to why this organization is the only one able to perform the contract services.
3. *Period of Performance*—specify the anticipated beginning and ending dates of the contract.
4. *Scope of Work*—describe the specific services/tasks to be performed by the contractor and relate them to the accomplishment of program objectives; deliverables should be clearly defined.
5. *Method of Accountability*—describe how the progress and performance of the contactor will be monitored during and on close of the period of performance; identify who will be responsible for supervising the contract.
6. *Itemized Budget and Justification*—provide an itemized budget with appropriate justification; recognizing that the level of detail required will vary with the complexity of the contract and services to be provided, in general, provide the same level of detail as provided in the contract.
7. *Basis for Cost Estimation*—briefly describe how the requested cost for the contract scope of work was derived.

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| --- | --- | --- |
| Organization | Description | Amount |
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**TOTAL CONTRACTUAL: $**

**TOTAL OF DIRECT COSTS $**

## 

## 3.0 Budget Object Classes Applicable to All Projects and Programs – INDIRECT COSTS

**INDIRECT, OVERHEAD OR G&A RATE: %**

**BASIS** to which the rate is applied (e.g., salaries and fringe)**:**

**TOTAL CALCULATED INDIRECT/OVERHEAD COSTS: $**

Confirm that the calculated indirect/overhead costs do not exceed the allowable indirect costs; if calculated costs exceed allowable costs, see the Instructions for Calculating Allowable Indirect Costs available on the [Grants Office Resources](https://www.restorethegulf.gov/gcerc-grants-office/gcerc-grants-resources) web page.

**TOTAL 3% ADMINISTRATIVE COST CAP (3% of total project cost): $**

*Note: Provide documentation supporting the cost basis as an upload/attachment in GrantSolutions.*

**TOTAL OF ALLOWABLE INDIRECT COSTS $**

## 4.0 Program Income

1. Identify and describe any anticipated program income, for example:
   1. The entity will receive the program income;
   2. Estimated amount of income;
   3. Source of income; and
   4. When and where income may be generated.
2. Indicate how the applicant plans to handle the program income under the award (e.g., used to defray other expenses incurred under the project or program, additive or deductive method; see [2 CFR § 200.307](http://www.ecfr.gov/cgi-bin/text-idx?SID=132d92feb3ada8ed7020969fd121591a&mc=true&node=se2.1.200_1307&rgn=div8) for more information).

**TOTAL PROGRAM INCOME ANTICIPATED $**

1. <https://www.restorethegulf.gov/gcerc-grants-office/gcerc-grants-resources>. [↑](#footnote-ref-1)