

### **Budget Narrative Guidance Information**

The Budget Narrative must provide a description of costs associated with each line item on the SF-424A.

The Budget Narrative should also include a section describing any leveraged resources provided (as applicable) to support grant activities, however, any indicated leveraged resources will have no bearing on the proposal review, or funding decision. Do not show leveraged resources on the SF-424 and SF-424A.

Each category should include the total cost for the period of performance. Use the following guidance for preparing the Budget Narrative:

#### Personnel:

List all staff positions by title (both current and proposed) including the roles and responsibilities. For each position give the annual salary, the percentage of time devoted to the project and the amount of each position's salary funded by the grant.

#### Fringe Benefits:

Provide a breakdown of the amounts and percentages that comprise fringe benefit costs such as health insurance, FICA, retirement, etc.

#### Travel:

For grantee staff only, specify the purpose, number of staff traveling, mileage, per diem, estimated number of in-state and out-of-state trips, and other costs for each type of travel.

#### Equipment:

Equipment is not an allowed cost under this funding announcement and this line must be left as zero.

#### Supplies:

Identify categories of supplies (e.g. office supplies) in the detailed budget and list the item, quantity, and the unit cost per item. Supplies include all tangible personal property other than "equipment" (see 2 CFR 200.94 for the definition of Supplies).

#### Contractual:

For each proposed contract, specify the purpose and activities to be provided, and the estimated cost.

Under the Contractual line item, delineate contracts separately. Contracts are defined according to 2 CFR 200.22 as a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. A sub-award, defined by 2 CFR 200.92, means an award provided by a pass-through entity

to a sub-recipient for the sub-recipient to carry out part of a Federal award received by the pass-through entity. Sub-awards are not authorized through this funding announcement. This line-item does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

Construction:

Construction costs are not allowed and this line must be left as zero.

Other:

Provide clear and specific detail, including costs, for each item so that we are able to determine whether the costs are necessary, reasonable and allocable. List any item, such as stipends or incentives, not covered elsewhere here.

Indirect Costs:

If applicant includes an amount for indirect costs (through a Negotiated Indirect Cost Rate Agreement or CAP) on the SF-424A budget form, then a Negotiated Indirect Cost Rate Agreement (NICRA) or CAP must be included as well as an explanation of how the indirect costs are calculated. This explanation should include which portion of each line item, along with the associated costs, are included in applicants cost allocation base. Also, provide a current version of the NICRA or CAP approval letter.

Note:

- The SF-424, SF-424A, and Budget Narrative must include the entire Federal grant amount requested (not just one year).
- Applicants should list the same requested Federal grant amount on the SF-424, SF-424A, and Budget Narrative.
- If minor inconsistencies are found between the budget amounts specified on the SF-424, SF-424A, and the Budget Narrative, ETA will consider the SF-424 as the official funding amount requested. However, if the amount specified on the SF-424 would render the application nonresponsive, the Grant Officer will use his or her discretion to determine whether the intended funding request (and match if applicable) is within the responsive range.