

BUDGET NARRATIVE INSTRUCTIONS FOR PY 2015

The budget narrative must provide a description of costs associated with each line item on the SF-424A. It should also include a description of nonfederal match provided (as applicable) to support grant activities. Use the following guidance for preparing the budget narrative:

Personnel – List all staff positions by title (both current and proposed). Provide the annual salary of each position, the percentage of each position’s time devoted to the project, the amount of each position’s salary funded by the grant and the total personnel cost for the period of performance.

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

Travel – Specify the purpose, mileage, per diem, estimated number of in-state and out-of-state trips and other costs for each type of travel.

Equipment – Identify each item of equipment to be purchased which has an estimated acquisition cost of \$5,000 or more per unit and a useful lifetime of more than one year (see 2 CFR 200.33 for the definition of Equipment). List the quantity and unit cost per item. Items with a unit cost of less than \$5,000 are considered supplies.

Supplies – Supplies include all tangible personal property other than “equipment” (see 2 CFR 200.94 for the definition of Supplies). The detailed budget should identify categories of supplies (e.g. office supplies). List the quantity and unit cost per item.

Contractual – Identify each proposed contract and specify its purpose and estimated cost. If applicable, identify any sub-recipient agreements, including purpose and estimated costs.

Construction – Construction costs are not allowed and this line must be left as zero. Minor alterations to adjust an existing space for grant activities (such as a classroom alteration) may be allowable. We do not consider this as construction and the costs must be shown on other appropriate lines such as Contractual.

Other – List each item in sufficient detail for us to determine whether the costs are reasonable or allowable. List any item, such as stipends or incentives, not covered elsewhere here.

Indirect Charges – If indirect costs are included in the budget, then include the approved indirect cost rate with a copy of the Negotiated Indirect Cost Rate Agreement (NICRA)—if it is not already on file with ETA. Please note that a grantee must have a current NICRA in place no later than 90 days after the grant award for approval of indirect charges. The following link contains DOL specific information:
<http://www.dol.gov/oasam/boc/dcd/index.htm>.