**NOTES ON THE FY24 OPTIONAL BUDGET NARRATIVE ATTACHMENT FORM**

* *Note:* This is an optional template and is not required; however, the budget narrative attachment form is a mandatory attachment for all submitted proposals (see SN Appendix E).
* *Note:* The Budget Narrative Attachment Form has no page limit.
* *Note:* This form is not reviewed or scored by reviewers; however, this attachment is required by the EPA Grants Office for award processing and must be without error before funds can be awarded.
* *Note:* Blue text enclosed in brackets signifies sections of text that should be edited/expanded upon by the applicant; change this text to black and remove brackets before submitting the Budget Narrative Attachment Form
* *Note:* Bulleted lists and table rows/sections in this template can be expanded as needed
* *Note:* Detailed examples of how to calculate your budget across categories and populate the tables in this optional template can be found in Appendix D of the [FY24 Exchange Network Solicitation Notice](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN); applicants are highly encouraged to read this section of the Solicitation Notice carefully.
* *Note:* A self-calculating budget tool is available on the [EN website](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#Resources), formatted with automatic formulas to help applicants correctly categorize costs and avoid budget calculation errors.
* *Note:* Numbers should be rounded to the nearest whole number.
* *Note:* Superscript numbers throughout this document link to endnotes (see document page 6); to delete these, simply remove the associated superscript number (e.g., 1).
  + *Note:* Delete this introductory page, all superscript, all endnotes, and all template notes (notes within this optional template) before submitting your budget narrative.

**THE OPTIONAL BUDGET NARRATIVE ATTACHMENT FORM TEMPLATE BEGINS ON THE NEXT PAGE**

**DELETE THIS PAGE BEFORE SUBMISSION**

[**[Project Title]**

**[State, Tribe, or Territory Name]** **[Name of Department or Agency]**

**Personnel:** $[Insert Total Personnel Cost]

| Staff Position  (Project Role) | Staff Name  (If Known) | Annual  Salary[[1]](#endnote-2) | % of  Time | Annual Cost | Period of Performance (Years) | 3-Year  Personnel Cost |
| --- | --- | --- | --- | --- | --- | --- |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| **Total Personnel Costs** |  |  |  |  |  | $[dollar amount] |

*Note: To calculate the personnel cost for each employee, multiply the annual salary by the percentage of time dedicated to the grant project to find the annual cost. Then, multiply this annual cost by the period of performance (3 years) to find the 3-year personnel cost. Sum these 3-year personnel costs to find the total personnel costs for the project.*

**Fringe:** $[Insert Total Fringe Cost]

*Note: Fringe costs are defined as allowances and services provided to employees as compensation in addition to regular salaries and wages during the 3-year personnel cost calculated for the project. They include, but are not limited to, cost of leave, employee insurance, pensions and unemployment, and holiday benefits. EPA will compare listed fringe benefit rates against similarly situated recipients to reasonable rates; the* [*Bureau of Labor Statistics website*](https://www.bls.gov/news.release/ecec.toc.htm) *publishes average rates that can be used as a reference.*

| Staff Position | Staff Name | 3-Year Personnel Cost[[2]](#endnote-3) | Fringe Benefit Rate | 3-Year Fringe Cost |
| --- | --- | --- | --- | --- |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| **Total Fringe Costs** |  |  |  | $[dollar amount] |

*Note: To calculate fringe benefit costs for each employee, multiply the 3-year personnel cost as calculated under ‘personnel’ costs by the staff member’s fringe benefit rate. Sum these total costs to calculate the total fringe benefit rate costs of the project.*

**Travel:** $[Insert Total Travel Cost]

| Trip[[3]](#endnote-4) | Trip Item[[4]](#endnote-5) | Estimated Cost[[5]](#endnote-6) | Duration | # of Travelers | Travel Cost |
| --- | --- | --- | --- | --- | --- |
| 1 | Airfare | $[dollar amount] | N/A | [#] | $[dollar amount] |
| Per Diem | [itemization of applicable items] + [itemization of applicable items] = $[dollar amount][[6]](#endnote-7) | [#] Nights | [#] | $[dollar amount] |
| Rental Car | $[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Mileage | [#] miles x [dollar amount] per mile =$[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Other | $[dollar amount] | [#] [Unit] | [#] | $[dollar amount] |
| Trip Destination[[7]](#endnote-8) | | [Enter trip destination] | | | |
| Travel Purpose | | [Enter reason for travel] | | | |
| Trip One Cost | | $[dollar amount] | | | |
| 2 | Airfare | $[dollar amount] | N/A | [#] | $[dollar amount] |
| Per Diem | [itemization of applicable items] + [itemization of applicable items] = $[dollar amount] | [#] Nights | [#] | $[dollar amount] |
| Rental Car | $[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Mileage | [#] miles x [dollar amount] per mile =$[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Other | $[dollar amount] | [#] [Unit] | [#] | $[dollar amount] |
| Trip Destination | | [Enter trip destination] | | | |
| Travel Purpose | | [Enter reason for travel] | | | |
| Trip Two Cost | | $[dollar amount] | | | |
| Total Travel Costs | | $[dollar amount] | | | |

*Note: To calculate travel costs for each trip, multiply the estimated cost of each applicable trip item by the duration and number of travelers. Sum these item costs to find the total cost of each trip, then sum the total costs of each trip to find the project’s total travel costs.*

[**Equipment**](#GLOSSARYequipment)**:** $[Insert Total Equipment Cost]

*Note: Equipment costs are defined as tangible, non-expendable, personal property with a useful life of more than one year and a cost of $5000 or more per unit.*

*Note: EPA will consider total equipment costs against the overall project budget, to ensure it is a reasonable percentage of total project costs. EPA will also consider whether the listed items clearly support the achievement of listed project goals, outputs, and outcomes for the proposed project.*

| Item Name/Description | Quantity | Price Per Unit | Equipment Cost |
| --- | --- | --- | --- |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Equipment Costs** |  |  | $[dollar amount] |

*Note: To calculate equipment costs, identify the equipment item, the quantity, and the estimated costs for each item (price per unit). Multiply each equipment item’s quantity by its price per unit to find each equipment cost. Sum these equipment costs to calculate the project’s total equipment cost.*

[**Supplies**](#GLOSSARYsupplies)**:** $[Insert Total Supply Cost]

*Note: Supply items cost less than $5,000 per unit; items exceeding this amount should be categorized as ‘equipment’.*

*Note: Supply items must be itemized; a lump sum towards ‘office supplies’ or similar is not sufficiently detailed per the EPA Grants Office.[[8]](#endnote-9)*

*Note: EPA will consider total supply costs against the overall project budget, to ensure it is a reasonable percentage of total project costs.*

| Supply Category | Item/Description | Quantity | Price Per Unit | Supply Cost |
| --- | --- | --- | --- | --- |
| [Item type/category] 6 | [Item name/ description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item type/category] | [Item name/ description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item type/category] | [Item name/ description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Supply Costs** |  |  |  | $[dollar amount] |

*Note: To calculate supply costs, identify the supply category, the specific item name and/or description, the quantity, and the estimated cost for each item (price per unit). Multiply each supply item’s quantity by its price per unit to find the supply cost. Sum these supply costs to calculate the project’s total supply cost.*

**Contractual:** $[Insert Total Contractual Cost]

*Note: These costs are derived from those services to be carried out by an individual consultant or for-profit contracting firm or vendor firm; see* [*Solicitation Notice*](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) *Section II-A for further guidance on contracts, vendors, and individual consultants.*

*Note: If using a catering contract to provide light food or refreshments, include these costs as a contract. If light food or refreshments are provided as part of a conference cost through a venue or by the applicant themselves, please instead list these costs under the following cost category of ‘Other’.*

*Note*: *For each contract, the contract cost should exactly equal the duration in hours multiplied by the hourly rate.*

*Note: Non-competitive procurement is not allowable without EPA approval, which is provided only in select cases. Applicants must provide a detailed justification when using this procurement method[[9]](#endnote-10); see* [*2 CFR 200.320(c).*](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d#p-200.320(c))

| Type | Brief Description | Hours | Hourly Rate[[10]](#endnote-11) | Contract Purpose | Procurement Method | Contractual Cost |
| --- | --- | --- | --- | --- | --- | --- |
| [Specify ‘individual consultant’, ‘contracting firm’, or ‘vendor firm’] | [Briefly describe the anticipated contractor] [[11]](#endnote-12) | [#] | $[dollar amount] | [Enter basic description of scope of work and how it relates to proposed project] | [Enter ‘sealed bid’, ‘request for proposals’, or ‘non-competitive procurement’] | $[dollar amount] |
| [Specify ‘individual consultant’, ‘contracting firm’, or ‘vendor firm’] | [Briefly describe the anticipated contractor] | [#] | $[dollar amount] | [Enter basic description of scope of work and how it relates to proposed project] | [Enter ‘sealed bid’, ‘request for proposals’, or ‘non-competitive procurement’] | $[dollar amount] |
| Non-Competitive Procurement Rationale[[12]](#endnote-13): | [Enter [N/A] OR [describe in detail the reason, allowable per EPA contracting guidance, for use of single source or non-competitive procurement, for each applicable contracting firm/vendor firm/individual consultant.]] | | | | | |
| **Total Contractual Costs** | |  |  |  |  | $[dollar amount] |

*Note: To calculate contractual costs, identify all contracts that your project will require and list the contractor type, a brief contractor description, the contract purpose (as relates to the achievement of proposed project goals and outputs), and the procurement method. Estimate the number of hours for each and their hourly rate (rounded to the nearest whole number). Multiply the estimated hours by the hourly rate to find the contractual cost. Sum all contractual costs to find the project’s total ‘contractual’ cost.*

**Other:** $[Insert Total Other Cost]

*Note: ‘Other’ costs include only those types of direct costs that do not fit in any of the other specific budget categories listed above. Examples of ‘other’ costs include subawards (see* [*SN Section II-A*](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN)*), participant support costs, light meals and refreshments[[13]](#endnote-14) that are not contract-related, and the rental/lease of the following: equipment, office space, and meeting or conference facilities.*

*Note: Funds for eligible partnering and mentoring organizations should be distributed as a subaward under this cost category.*

| Category | Item | Quantity | Price Per Unit | Other Cost |
| --- | --- | --- | --- | --- |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Other Costs** |  |  |  | $[dollar amount] |

*Note: To calculate other costs, identify the item category (e.g., ‘subaward’), the specific item name and/or description, the quantity, and the estimated cost for each item (price per unit). Multiply each item’s quantity by its price per unit to find the other cost. Sum these costs to calculate the project’s total other costs.*

[**Indirect Costs**](#GLOSSARYdirectcostscharges)**:** $[Insert Total Indirect Cost]

*Note: Indirect costs are costs incurred to facilitate the general operations of your organization. They include, but are not limited to, space costs, utilities, accounting services, and services associated with human resources that are included in an applicant’s indirect cost rate.*

*Note: Applicants are highly encouraged to review the detailed indirect cost rate example in the ‘How to Correctly Calculate and Capture a Project Budget Across Application Attachments’ section of Appendix D of the* [*FY24 Solicitation Notice*](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN)*.*

*Note: Applicants charging indirect costs must include their current indirect cost rate agreement in their application package, valid at least through 9/30/2024. Applicants without a current indirect cost rate agreement may elect to charge indirect costs at a 10% de minimus rate (see* [*Solicitation Notice*](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) *Appendix E: Negotiated Indirect Cost Rate for more information). Tribal applicants may also charge indirect costs using their draft rate as submitted to the Department of Interior (DOI), as long as this draft agreement is provided.*

| Effective Period[[14]](#endnote-15) | IDC Rate | Description of Base | Base Amount | Total[[15]](#endnote-16) |
| --- | --- | --- | --- | --- |
| [mm/dd/yyyy] – [mm/dd/yyyy] | [#]% | [Enter description] | $[dollar amount] | $[dollar amount] |
| **Total Indirect Costs** |  |  |  | $[dollar amount] |

*Note: To calculate indirect costs, identify your organization’s approved, current indirect cost rate and calculate the base amount as described in your organization’s Negotiated Indirect Cost Rate Agreement[[16]](#endnote-17). Multiply the base amount[[17]](#endnote-18) by the approved indirect cost rate to calculate the project’s indirect costs.*

1. Round this number up or down to the nearest whole number; do NOT include penny amounts. [↑](#endnote-ref-2)
2. Use the 3-year personnel costs for each staff position, as calculated in ‘personnel’ table. [↑](#endnote-ref-3)
3. Expand the table as needed so that all trips are included. [↑](#endnote-ref-4)
4. Delete rows with non-applicable trip items, as necessary. [↑](#endnote-ref-5)
5. EPA recognizes that travel destinations may not be known at the time of application submittal; applicants should compose their travel to the best of their ability based on travel estimates to comparable past destinations. [↑](#endnote-ref-6)
6. For example: “$22 meals (x 3 daily) + $124 lodging = $66 + $124 = $190 in per diem. [↑](#endnote-ref-7)
7. For example: office supplies, computing devices, monitoring equipment, etc. [↑](#endnote-ref-8)
8. For example, a project may have 3 rows under the supply category of 'office supplies', and include costs for: 5 reams of paper, 10 boxes of pens, and 5 staplers. [↑](#endnote-ref-9)
9. An existing relationship or a history of prior work completed by a contractor or vendor does not justify the use of non-competitive procurement. Similarly, proximity of a contracting firm to an applicant’s organization is not sufficient reasoning. One example of a valid non-competitive procurement rationale is that software required for the proposed project is proprietary and developed by the contractor; therefore, the item is available only from a single source. [↑](#endnote-ref-10)
10. If utilizing an individual consultant, the hourly rate cannot exceed $91.95/hour. [↑](#endnote-ref-11)
11. For example, 'an individual consultant with SensorThings API experience'. [↑](#endnote-ref-12)
12. Only required if non-competitive (aka sole-source) procurement is used; non-competitive procurement is only allowable under certain limited conditions, see Section II-A of the [Solicitation Notice](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) for more information. [↑](#endnote-ref-13)
13. Under [2 CFR 200.432,](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.432) the costs of meals and light refreshments for conferences are allowable if the work continues during the meal, unless expressly restricted. See additional restrictions on the allowability of the costs for meals and light refreshments at: [EPA’s General Terms and Conditions](https://www.epa.gov/grants/grant-terms-and-conditions). [↑](#endnote-ref-14)
14. The effective period of the Negotiated Indirect Cost Rate Agreement must be valid through at least September 30th, 2024. [↑](#endnote-ref-15)
15. An applicant can elect to charge less indirect costs than is allowable per their IDC rate agreement. [↑](#endnote-ref-16)
16. Unless utilizing the 10% de minimus rate, applicants must include their current Negotiated Indirect Cost Rate Agreement in their submitted application package at the time of application submittal. [↑](#endnote-ref-17)
17. Applicable base costs will be specified within the applicant's Negotiated Indirect Cost Rate Agreement; for example, if an applicant's base for the purposes of distributing indirect costs is salaries, fringe benefits, and employee travel, then the applicant would sum their personnel, fringe, and travel costs and apply their indirect cost rate to this total. [↑](#endnote-ref-18)