

## BUDGET NARRATIVE

This document is available on the Department’s Consolidated Grant to the Insular Areas website at: <https://oese.ed.gov/offices/office-of-formula-grants/rural-insular-native-achievement-programs/consolidated-grants-to-the-insular-areas/applicant-information-consolidated-grants-to-the-insular-areas/>

The “Budget Narrative” must demonstrate alignment with the corresponding “Project Narrative.” Show a clear alignment to the proposed budget and explain how the budget for the supplemental project supports the achievement of the project’s identified goals (connect to the “Budget Narrative” line items).

BUDGET SUMMARY PAGE				
BUDGET CATEGORIES	INDIRECT COSTS	FY 2019 CARRYOVER FUNDS SUBTOTALS	FY 2020 FUNDS SUBTOTALS	TOTALS
<b>1. PROJECT TITLE:</b>				
<b>2. Personnel Salaries &amp; Fringe Benefits</b>				
<b>3. Travel</b>				
<b>4. Equipment</b>				
<b>5. Supplies</b>				
<b>6. Contractual (Purchased Services)</b>				
<b>7. Other</b>				
<b>Indirect Cost Rate</b>	<b>Subtotals</b>			
<input style="width: 50px; height: 20px;" type="text"/>			<b>Grand Total:</b>	

- ✓ After completing all 7 “Budget Narrative” worksheets, we strongly recommend that the applicant review the totals from each worksheet to ensure that the amounts match what is listed in the Budget Summary direct costs columns.
- ✓ Where there are discrepancies, the applicant must correct the errors prior to submitting the application. **Please be sure to thoroughly review the “Budget Narrative(s)” for accuracy prior to submitting the application.**
- ✓ **The total amount of funds outlined in all combined Project and Budget Narratives should not exceed the amount of funds available for FY 2020. Amounts of funding, equipment, personnel, etc. should be consistent between the Project and Budget Narratives. Do not include State and/or Local funds in the worksheets.**

Other - Indirect Cost Rate: Identify the indirect cost rate (if the applicant will charge indirect costs to the grant). The applicant must include its indirect cost rate in the box at the bottom left hand side of the worksheet. However, the indirect cost rate will not cause amounts to auto-populate in the Indirect Costs column. Instead, applicants must **manually calculate and enter** the amounts for the indirect costs. This is because each applicant will have an individual indirect cost rate.

**NOTE:** All budget costs must be allowable – i.e., they must be necessary and reasonable, allocable to the program, and adequately documented (2 CFR 200.403). They should also be clearly aligned with the “Project Narrative.”

2. PERSONNEL SALARIES & FRINGE BENEFITS											
Personnel			FY 2019 Carryover Funds			FY 2020 Funds			Total Funds for the Project		
Position Title	Purpose of Position	% of Time	Salary	Fringe	FY 2019 Totals	Salary	Fringe	FY 2020 Totals	Salary	Fringe	Totals
<b>Subtotals</b>											
<b>Grand Total</b>											

Prompts for Personnel Salaries & Fringe Benefits:

1. Enter project personnel salaries, wages, fringe benefits, and direct costs.
2. List the title and purpose of each position to be compensated under this project.
3. Explicitly explain how each personnel salary and fringe benefit aligns with the project narrative and supports the project’s goal(s) in the “Purpose of Position” section.
4. Enter the amounts of time, such as hours or percentage of time to be expended by each position under this project (e.g., 75%, or 30 hours per week).

Include fees and expenses for consultants under **Contractual Services**.

**NOTE** for the Personnel Salaries & Fringe Benefits worksheet:

Several columns within the worksheet will perform automated calculations. However, applicants should review the amounts entered to ensure accuracy.

The worksheet will not calculate fringe and salaries based on the percentage of time the personnel will work on project activities. The applicant must **manually calculate and enter** an amount representing the total amount of funds required for each position(s).

When completing the worksheet, applicants are encouraged to **combine similar positions** and enter aggregated amounts into the relevant columns. For example, if a project required 4 ELL Specialists who were paid \$40,000 annually and who would work 100% of the time on the project, the applicant could enter “ELL Specialists (4)” in the Position Titles column, 100% in the “% of Time” column, and \$160,000 in the FY 2020 funds salary column.

<b>3. TRAVEL</b>				
<b>Travel Activity</b>	<b>Purpose of Travel Activity</b>	<b>Itemized Budget – Airfare, Hotel, Per-Diem, Local Travel, Conference Fees, Etc.</b>	<b>FY 2019 Carryover Funds</b>	<b>FY 2020 Funds</b>
<b>Travel Subtotals</b>				

Prompts for Travel Activity:

1. List the travel activities and costs of employees and participants only.
2. Explicitly explain the purpose of the travel activity and how each travel activity supports the project’s goal(s) in “Purpose of Travel Activity” section.
3. List travel expenses for participant(s) to attend the Consolidated Grant Technical Assistance Meeting in the Washington D.C. area (**REQUIRED**).
4. Provide an itemized budget breakdown of travel costs (airfare, hotel, per diem, local travel, conference fees, number of travelers and the number of days for each traveler).
5. Calculate and enter the total cost for each travel activity for FY 2019 Carryover Funds & FY 2020 Funds Totals.

The sums of costs will populate in the subtotal row.

**Note: Include travel expenses for consultants under Contractual Services.**

<b>4. EQUIPMENT</b>				
<b>Equipment Type</b>	<b>Purpose of Equipment</b>	<b>Itemized Budget – Machinery/Equipment, Information Technology Equipment, Computer Hardware, Computer</b>	<b>FY 2019 Carryover</b>	<b>FY 2020 Funds</b>
		<b>Equipment Subtotals</b>		

**Equipment** is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. 2 CFR 200.33

Prompts for Equipment:

1. List each type of equipment.
2. Describe the purpose of each piece of equipment and how it supports the project’s goal(s) in the “Purpose of Equipment” section.
3. Provide the estimated unit cost for each item to be purchased.
4. Calculate and enter the total cost for each equipment purchase for FY 2019 Carryover Funds & FY 2020 Funds Totals.

The sums of costs will populate in the subtotal row.

<b>5. SUPPLIES</b>			
<b>Supply Type</b>	<b>Itemized Budget – Office Supplies, Repair and Maintenance Supplies, Small Tools and Equipment (e.g., computers, cameras, instructional materials)</b>	<b>FY 2019 Carryover Funds</b>	<b>FY 2020 Funds</b>
<b>Supply Subtotals</b>			

**Supplies** is defined as tangible personal property other than those described in 2 CFR 200.33 (Equipment). A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. *2 CFR 200.94*

Prompts for Supplies:

1. List materials and supplies by nature of expense or general category (e.g., instructional materials and office supplies).
2. Provide an itemized budget breakdown of costs for materials and supply items.
3. Calculate and enter the total cost for each supply purchase for FY 2019 Carryover Funds & FY 2020 Funds Totals.

The sums of costs will populate in the subtotal row.

<b>6. CONTRACTUAL – (PURCHASED SERVICES)</b>				
<b>Contractual Product or Service</b>	<b>Purpose of Product or Service</b>	<b>Itemized Budget – Contractual/Professional Services; Communication Services; Advertising and Promotion; Printing and Binding; Training/Professional Development, Etc.</b>	<b>FY 2019 Carryover Funds</b>	<b>FY 2020 Funds</b>
<b>Contractual Subtotals</b>				

Prompts for Contractual Product or Service:

1. Include all costs specifically incurred with actions that the applicant takes in conjunction with an established internal procurement system (**Required**).
2. Include consultant fees, expenses, and travel costs in this category if the consultant’s services are obtained through a written binding agreement or contract.
3. Briefly explain the purpose of each contractual product or service and how it supports the project’s goal(s) in the “Purpose of Product of Service” section.
4. Identify the products to be acquired, and/or the professional services to be provided.
5. Provide an itemized budget breakdown of costs for the deliverables under each contract.
6. Calculate and enter the total cost for each contract for FY 2019 Carryover Funds & FY 2020 Funds Totals.

The sums of costs will populate in the subtotal row.

7. OTHER DIRECT COSTS				
Other Direct Cost Items	Purpose of Direct Cost Item	Itemized Budget – <i>Space Rental, Required Fee, Honoraria and Travel (where a contract is not in place for services), Training, and Communication and Printing Costs, Etc.</i>	FY 2019 Carryover Funds	FY 2020 Funds
<b>Other Subtotals</b>				

Prompts for Other Direct Costs:

1. Identify all direct costs not previously covered in the other budget categories. For example, include costs such as space rental, required fee, honoraria and travel (where a contract is not in place for services), training, and communication and printing costs.
2. List and identify items by major type or category (e.g., communications, printing, postage, equipment rental, etc.).
3. Explicitly explain the purpose for each direct cost item and how it supports the project’s goal(s) in the “Purpose of Direct Cost Item” section.
4. Provide an itemized budget breakdown of costs per item (printing = \$500, postage = \$750).
5. Calculate and enter the total cost for each other direct cost purchase for FY 2019 Carryover Funds & FY 2020 Funds Totals.
6. **Do not include costs that are included in the indirect cost rate.**

The sums of costs will populate in the subtotal row.