



## *B-WET Program*



### **Budget Categories SF-424A Federal Form**

Remember: The budget detail and narrative submitted with the application should match the dollar amounts on all required forms. Explain the calculations and provide a narrative for both Federal and non-Federal funds to support each budget category. All non-Federal contributions must have the same level of budget detail as the Federal share.

### **Object Class Categories (Section B of Standard Form 424A)**

#### **PERSONNEL:**

- # Includes Salaries and Wages
- # Provide breakdown of personnel by classification (i.e., by job title)
- # Identify key investigators (if applicable)
- # State time commitments in hours or percent of time for each person/position in the budget narrative
  - Ensure that time commitments and related charges appear reasonable
  - Ensure that the combined charges for each individual does not exceed 100% of his/her time
- # List total charges for each person/position with calculations of costs as Federal and/or non-Federal
- # All costs charged directly for Support or Executive personnel must NOT be included as Indirect Costs
- # All personnel costs must be allowable
  - No Federal employees
  - No Legislative personnel

#### **FRINGE BENEFITS:**

- # Identified separately from salaries/wages
- # Provide description of benefits received by personnel when the fringe rate is more than 35% of the associated salary
- # Ensure that fringe benefits are charged to Federal and non-Federal (matching/cost share) categories in the same proportion as salaries
- # Do not charge separately any costs that are included within the fringe rate or indirect costs

#### **TRAVEL:**

- # Always a big AUDIT item!
- # Provide breakdown of travel costs totaling more than \$5,000 or 5% of the award- whichever is greater
  - Destination and duration
  - Estimated cost and type of transportation (government mileage rate should be used)

- Number of travelers and related lodging and subsistence (e.g., per diem costs)
- # Budget narrative should:
  - Briefly describe the travel involved, its purpose, and explain how the proposed travel is necessary for successful completion of the project regardless of dollar amount.
- # Other considerations:
  - If travel details are unknown, then basis for proposed costs should be explained (i.e., historical information). Do not pull numbers out of the air or list a lump sum estimate.
  - Travel costs can be charged on an actual basis, on a per diem or mileage basis in lieu of actual costs incurred, or a combination of the two if applied consistently and results in reasonable charges

### **EQUIPMENT:**

- # Equipment is non-expendable, tangible personal property with a unit cost of \$5,000 or more and has a useful life of more than one year
- # Items that do not meet the definition of Equipment can be included in Supplies
- # List each piece of equipment to be purchased and provide a description of how it will be used in the project
- # Lease vs. purchase analysis should be completed as appropriate
- # Budget Narrative should explain why the equipment is necessary for successful completion of the project
- # General use equipment (e.g., computers, faxes, etc.) must be used 100% for the proposed project if charged directly to the grant

### **SUPPLIES:**

- # Explanation necessary for supplies costing more than \$5,000 or 5% of the award, whichever is greater
- # Requirements for supplies which exceed threshold:
  - Explain the type of supplies to be purchased or the nature of the expense in the Budget Narrative
  - Provide a breakdown of supplies by quantity and cost per unit if known
  - Indicate basis for estimate of supplies- i.e., historical use on similar projects

### **CONTRACTUAL:**

- # List each contract or subgrant as a separate item
- # Describe products/services to be obtained and indicate the applicability or necessity of each to the project
- # Provide separate budgets for each subgrant or contract regardless of the dollar value and indicate the basis for the cost estimates
- # List all subgrant or contract costs under the Contractual line item on the SF-424a
  - Example: Do not incorporate the indirect costs of a subgrantee under the Indirect Costs line item of the applicant/grantee

### **OTHER:**

- # List items by type of material or nature of expense
- # Breakdown total costs by quantity and cost per unit if applicable

- # State necessity of “other” costs for successful completion of the project
- # Exclude unallowable costs:
  - Alcohol
  - Contingency
  - Entertainment
  - Fund-raising

**INDIRECT COSTS:**

- # Should be based on an approved Indirect Cost Rate Agreement from cognizant Federal Agency
  - If indirect costs are included in the budget, it is required that a copy of the rate agreement be included in the application package.

**PROGRAM INCOME: Considerations and requirements**

- # Explanation of the use of program income should be included in the statement of work of the application.
- # Program income earned during the award period is reported on the SF-269 (long form).
- # Costs incident to the generation of program income can be deducted from gross income if the costs have not been charged to the award.
- # Recipient has no obligation to the Federal government for program income earned after the end of the award period unless otherwise provided in the terms and conditions of the award.