

NIST-1022C
DAO 203-2U.S. DEPARTMENT OF COMMERCE
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY**TECHNOLOGY INNOVATION PROGRAM (TIP)
BUDGET NARRATIVE**Organization Name: Year: **A. Personnel**

Add Line

Remove Line

Employee Name

Position Title

Annual Salary

Percentage of
Time

Cost

TOTAL:

B. Travel

Add Line

Remove Line

Purpose of Travel

Destination

Item (Mode of
transportation,
lodging and
subsistence)

Computation

Cost

TOTAL:

Justification for foreign travel and/or foreign conference(s) [include an explanation of how the foreign travel and/or foreign conference(s) are specifically related to the R&D activities of the TIP project (i.e., how will the information gathered contribute to funded tasks), why the information cannot be obtained in the United States, and summarize conference agenda or topics for meeting with key experts (name and expertise) at the conference, etc.]:

Justification for domestic conference(s) [include an explanation of how the conference(s) specifically relates to the R&D activities of the TIP project (i.e., how will the information gathered contribute to funded task(s), summarize conference agenda or topics for meeting with key experts (name and expertise) at the conference, etc.]:

C. Equipment

Add Line

Remove Line

Item

Methodology

Computation

Cost

TOTAL:

Justification for each equipment item exceeding \$100,000, to be purchased outside the United States, and/or any construction costs:

D. Materials/Supplies

Add Line

Remove Line

Item

Methodology

Computation

Cost

TOTAL:

E. Contractors

Add Line

Remove Line

Name of Contractor	Service Provided	Computation	Cost
SUBTOTAL:			

If contractor's fees are in excess of \$550 per day, justify here:

Contractor Expenses		Add Line	Remove Line
Name of Contractor	Expense	Computation	Cost
SUBTOTAL:			
TOTAL:			

F. Other		Add Line	Remove Line
Description	Methodology	Computation	Cost
AUDIT			
TOTAL:			

Check here if audit is part of indirect costs. (If checked, enter 0 for AUDIT costs above.)

Check here if cognizant federal audit agency will perform audits and provide names of agency:

G. Indirect Costs

Percentage Rate:

Check here if the indirect cost rate has been negotiated and approved by a cognizant federal agency and a copy of the agreement is included in proposal.

Check here if the indirect cost rate has not been negotiated and approved by a cognizant federal agency.

Total:

H. Cost Sharing

Nonfederal Cash

Nonfederal Third Party In-Kind Contributions

FEDERAL (direct costs only):

NONFEDERAL (direct costs only):

NONFEDERAL (indirect costs only, which must be the same amount in section G.):

Total:

Instructions for Form NIST-1022C Technology Innovation Program (TIP) Budget Narrative

The Budget Narrative is used to determine reasonableness and allowability of costs in a TIP proposal. Proposed costs must be reasonable, allocable, and allowable in accordance with applicable federal cost principles and TIP guidelines.

TIP recognizes that unexpected events may occur in R&D projects and that budgets may need to be changed as a project proceeds. Providing a multi-year budget beyond the first year may not lock the proposal into all of the details. TIP allows a certain amount of flexibility in moving funds from one line item to another as circumstances change in accordance with the terms and conditions of the award. In stating an amount for a given task, you will not be required to spend precisely that amount on that task. For example, if, in the second or third year of your project, you find that you need to spend more on one task and less on another than anticipated, that can be accommodated as long as you obtain the required prior approval from the NIST Grants Officer. A task that proves unnecessary may be deleted and a new task defined if there is adequate justification that such changes will enhance the chances of accomplishing the objectives of the project and the spirit of the original proposal objective is maintained.

Recognizing that change is inevitable, recipients may be requested to submit a revised budget prior to the beginning of each year of a multi-year project. However, the total amount provided by TIP for the project cannot be increased and cost-share commitments must be honored. You will not be reimbursed for project overruns. Overestimating or underestimating project costs should be avoided. The dollar amount requested must be commensurate with the defined tasks, as TIP will evaluate for cost reasonableness.

All proposed direct and indirect costs must be consistent with costs incurred for like or similar items on all other federal and nonfederal projects or cost centers. A Budget Narrative is

required for each year of the project and for each joint venture participant, if a joint venture. Joint Venture members cannot be deleted from the form NIST-1022A Joint Venture Members once the form NIST-1022C Budget Narrative is shown. Any inter-organizational transfers included in the respective object class categories that are not within the United States must be clearly identified next to the budgeted item as "Foreign Inter-organizational Transfer." All figures must be rounded to the nearest dollar. The data entered in the NIST-1022C is populated automatically into the section 1 of the NIST-1022E Estimated Multi-Year Budget – Single Company or NIST-1022F Estimated Multi-Year Budget – Joint Venture. Therefore, no data entry is required for section 1 of the NIST-1022E or NIST-1022F. However, the computation for each line item of each section is not automatically calculated. Therefore, be sure calculations are correct. The total of the costs for each line will automatically be computed. The underlying structure of this form should not be altered.

A. Personnel. List each employee's name, if available, position title, annual salary, percentage (up to 3 digit whole number, e.g., "100" for 100%, "75" for 75%, or "5" for 5%) of time to be devoted to the project, and cost. Compensation paid for employees must be consistent with that paid for similar work within the proposer's organization and similar positions in the industry. Employees who are considered indirect labor should not be included as direct personnel costs. Escalation rates for the out-years should be reasonable. If unable to identify all of the personnel to be assigned to the project, state "To be determined" or "TBD" under "Employee Name." Use generic position titles such as "senior chemical engineer." Non-employees of the organization such as consultants and temps should NOT be included in this category; they should be included in Section E Contractors.

B. Travel. Provide best estimate of essential travel under the project. For each trip, provide purpose of travel, destination, item (total cost per person for each trip, which includes mode of transportation, lodging, and subsistence), computation (i.e., item multiplied by number of people multiplied by number of trips), and cost. Note that TIP recipients are expected to adhere to Federal Travel Regulations regarding travel, such as coach rather than first-class accommodations. Do not include travel to NIST for project review meetings as these meetings are held at the funded organizations. Travel costs should represent a coherent part of the project's "communications strategy" for smooth coordination among participants. While foreign travel is not precluded, it is discouraged and requires strong justification. Likewise, conference costs are not generally considered R&D-related expenses and should not typically be included; however, if attendance is critical to performing the R&D, strong justification is required.

C. Equipment. Identify each item of equipment, methodology used to arrive at proposed costs (i.e., historical costs, competitive bid, published price lists, or cost/price analysis), computation (i.e., cost per item multiplied by number of items), and cost. In addition, be sure the need for the equipment is clearly stated in the technical plan. Any equipment item exceeding \$100,000 to be purchased outside the United States and/or any construction costs must be clearly identified and require strong justification. TIP funds may not be used for the construction of new buildings; however, they may be used for construction of experimental R&D facilities to be located within a new or existing building provided that the equipment or facilities are essential for carrying out the project. General-purpose office equipment, e.g., office computers, printers, copiers, etc., are normally included in indirect costs and should not be budgeted as direct costs. If they are not included in indirect costs, then they may be included as a direct cost, however, they must be used exclusively for the TIP project, and a justification and explanation must be provided. Office furniture is not allowed. Also identify by placing an asterisk on any third party in-kind equipment. The value of equipment must be prorated according to the share of total use dedicated to carrying out the proposed project.

D. Materials/Supplies. Provide a breakdown of each item/type of expendable materials/supplies, methodology (methodology used to arrive at proposed costs, i.e., historical costs, competitive bid, published price lists, or cost/price analysis), computation (i.e., item multiplied by number of items), and cost. Office supplies, e.g., paper, pens, toner cartridges, etc., are normally included in indirect costs and should not be budgeted as direct costs. If they are not included in indirect costs, they must be used exclusively for the TIP project, and a justification and explanation must be provided.

E. Contractors. For each contractor identified on Form NIST-1022B, Contractors, enter the name, if known, service to be provided, computation (i.e., hourly or daily fee [8-hour day] multiplied by estimated time on the project) and cost. If contractor fees are in excess of \$550 per day, provide a justification. Contractors should be selected on a competitive basis pursuant to the Procurement Standards in 15 C.F.R. Part 14. If proposing any foreign contractors, a completed form NIST-1022H, R&D Work Performed Outside the United States by the Recipient or Contractor Questionnaire, is required. List any contractor expenses in addition to their fees. Identify the name of the contractor to incur the expense, the type of expense, computation ((i.e., item multiplied by number of items), and cost. Expenses such as office supplies and conferences/workshops for contractors are not allowed.

F. Other. Describe in detail any other direct costs that do not fall within the direct object cost categories above, methodology (methodology used to arrive at proposed cost, i.e., historical costs, competitive bid, published price lists, or cost/price analysis), computation (i.e., cost per item multiplied by number of items), and cost. The cost of the project audit should also be included in this category unless it is part of the indirect costs or to be performed by a cognizant federal audit agency, e.g., DCAA. If it is part of indirect costs or to be performed by a cognizant federal audit agency, indicate it as such. If a joint venture, each joint venture participant should budget for its own audits individually. Nonprofit organizations subject to OMB Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*, the annual Circular A-

133 audit is deemed to meet the TIP audit requirement. Audits must be conducted by an independent Certified Public Accountant (CPA) or cognizant federal audit agency auditor. For projects less than 24 months, an audit is required at the end of the project; for 2-, 3-, or 4-year projects, an audit is required after the first year and at the end of the project; for 5-year projects, an audit is required after the first year and the third year and at the end of the project. If a recipient has never received federal funding from any federal agency, a certification will be required within 60 days of award from an independent CPA to determine whether the recipient has a functioning financial management system that meets the provisions of 15 C.F.R § 14.21. Costs may be budgeted for this certification expense.

G. Indirect Costs. Specify the current indirect cost rate(s) and cost. Also indicate if a copy of a negotiated indirect cost rate agreement by a cognizant federal agency is included in your proposal. If an indirect cost rate has not been established by a cognizant federal agency, check the appropriate box.

H. Cost Sharing. Identify the associated amount of cost share by cash and third party in-kind contributions, if any. If there are any third party in-kind contributions, a completed Form NIST-1022D Third Party In-Kind Contributions, must be provided at the time of proposal submission. Additionally, since TIP cannot fund any indirect costs, the following cost sharing breakdown must be identified: federal direct costs, nonfederal direct costs, nonfederal indirect costs, and total.