



Below is an example Budget Narrative. This example corresponds with the Budget Template Example spreadsheet.

Applicants must provide the following three elements as part of the budget submission:

- Summary Budget
 - Detailed Line Item Budget (Direct and Indirect Costs)
 - Budget Narrative
- In certain situations, a Time Study may also be required.

The template/format of the budget narrative does not necessarily have to look like the example below. If your organization already has a similar template, it may be accepted as long as it provides the necessary details. The important thing to show in the narrative is: 'How did you arrive at the numbers in the Budget?'

In some situations it might be necessary to explain why an expense is necessary and/or how it would be utilized for the award.

Expense allocations do not necessarily have to be calculated in the same method as the example below. For instance: Rent & Utility allocations could be calculated based on Square Footage instead of the Full Time Equivalency (FTE) of the employees. The important thing to show is a reasonable methodology to the calculations.

COMPANY NAME
Program Name Budget Narrative
July 1st 2019 through June 30th 2020

A. Personnel		\$195,720
A.1	Executive Director .25 FTE (\$60,000 per yr x 25%)	\$ 15,000.00
A.2	Accountant .20 FTE (\$48,000 per yr x 20%)	9,600.00
A.3	Project Manager 1.0 FTE (\$48,000 per yr x 100%)	48,000.00
A.4	Specialist (x3) 1.0 FTE (\$40,000 per yr x 100% x 3 employees)	120,000.00
A.5	Staff Assistant (208 hours x \$15 per hour)	3,120.00

The Executive Director (25%) and Accountant (20%) will each have a percentage of their time devoted to the grant. A time study (attached) was used to determine the FTE allocation of each. These positions support the grant by performing (xxx duties).

The Project Manager and 3 Specialist positions are solely devoted to the grant. 100% of their salaries are budgeted to this grant. These positions support the grant by performing (xxx duties).

The Staff Assistant is an hourly employee assisting with multiple projects throughout the year. An estimated 10% FTE (208 hours) will be billed to this grant. Time sheets showing actual hours worked on this grant will be submitted each month with the billing invoice. The Staff Assistant supports the grant by performing (xxx duties).

B. Fringe Benefits		\$ 53,850.93
B.1	FICA \$195,720 x 7.65%	\$14,972.58
B.2	Retirement \$195,720 x 3%	5,871.60
B.3	Unemployment \$56.25 + \$45 + \$900 + \$22.50	1,023.75
B.4	Health Insurance \$2,100 + \$1,092 + \$16,800 + \$10,920	30,912.00
B.5	Dental Insurance \$75 + \$36 + \$600 + \$360	1,071.00

The fringe benefits are based on the costs of the salaries and only on hours directly devoted to this grant during the year.

Company Name contributes 3% of the employee's wages towards their retirement.

Company Name's State Unemployment rate is set at 2.5% of the first \$9000 of each employee's wages for 2020. Executive Director (\$9,000 x 2.5% x .25FTE) = \$56.25. Accountant (\$9,000 x 2.5% x .20FTE) = \$45. Project Manager & 3 Specialists (\$9,000 x 2.5% x 4.0FTE) = \$900. Staff Assistant (\$9,000 x 2.5% x .1FTE) = \$22.50

Company Name pays 70% of health insurance premiums for its employees. The amount will vary by each employee depending on the plan they selected. Executive Director (\$1000 per month x 70% x .25FTE x 12 months) = \$2,100. Accountant (\$650 per month x 70% x .2FTE x 12 months) = \$1,092. Project Manager & 1 Specialist (\$1000 per month x 70% x 2.0 FTE x 12

months) = \$16,800. 2 Specialists (\$650 per month x 70% x 2.0 FTE x 12 months) = \$10,920. The Staff Assistant has elected to not receive medical benefits through **Company Name**.

Company Name pays 50% of dental insurance premiums for its employees. The amount will vary by each employee depending on the plan they selected. Executive Director (\$50 per month x 50% x .25FTE x 12 months) = \$75. Accountant (\$30 per month x 50% x .2FTE x 12 months) = \$36. Project Manager & 1 Specialist (\$50 per month x 50% x 2.0 FTE x 12 months) = \$600. 2 Specialists (\$30 per month x 50% x 2.0 FTE x 12 months) = \$360. The Staff Assistant has elected to not receive dental benefits through **Company Name**.

C. Travel		\$2,656.28
C.1 Mileage	880 + 382 + 1375 = 2637 miles x \$0.575 per mile.	\$1,516.28
C.2 Lodging	\$124 per room x 2 rooms x 3 nights	\$744.00
C.3 Meals	\$66 per person x 2 people x 3 days	\$396.00

The Executive Director, Project Manager, and three Specialists travel to quarterly **xxx training** in Omaha. They car pool using 2 vehicles. (55 miles per Google Maps **110 miles round trip X 2 cars X 4 trainings per year = 880 miles) The Executive Director and Project Manager travel the **xxx conference** in Kansas City in August. (191 miles per Google Maps = 382 miles round trip). The Project Manager and three Specialists occasionally travel to serve clients throughout the community. The actual miles will vary based on the clients and services referred. We are budgeting last year's actual miles of 1250 plus an additional 10% for expected growth in services provided = 1,375 miles.

The Executive Director and Project Manager travel to the **xxx conference** in Kansas City in August. They will spend 3 nights in Kansas City. The US GSA Per Diem Rate for lodging in Kansas City is \$124. (\$124 x 2 rooms x 3 nights = \$744).

The Executive Director and Project Manager travel to the **xxx conference** in Kansas City in August. They will spend 3 days in Kansas City. The US GSA Per Diem Rate for meals & Incidentals in Kansas City is \$66. (\$66 x 2 people x 3 days = \$396).

D. Equipment		\$0.00
E. Supplies		\$1,109.87
E.1 Office Supplies	\$1827 x 26.8%	\$489.64
E.2 Postage	\$231 x 26.8%	\$61.91
E.3 Printing	(\$236.25 x 26.8%) + \$495	\$558.32

Company Name supplies are allocated based on the FTE of all of its employees. There is a total of 17 FTE employees at **Company Name**. 4.55 FTE (26.8%) are devoted to this grant.

Miscellaneous office supplies totaled \$1740 in the last year. That is projected to grow by 5% this year for a total of \$1,827. \$1,827 x 26.8% = \$489.64

Postage for the office totaled \$220.00 in the last year. That is projected to grow by 5% this year for a total of \$231. \$231 x 26.8% = \$61.91.

Company Name prints (**xxx program**) training materials for its clients. 100% of these training materials are allocated to this grant. Last year those training materials totaled \$450. That is projected to grow by 10% this year for a total of \$495. The remainder of **Company Name's** printing costs are allocated based on the FTE of all its employees. Last year the remainder of the printing costs totaled \$225. That is projected to grow by 5% this year for a total of \$236.25. $\$236.25 \times 26.8\% = \63.32 .

F. Consultants/Contracts	\$2,500 x 12 months	\$3,868.24
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Company Name contracts with (**xyz company**) to perform (**xyz task**). 100% of these services are in support of this grant. The monthly contract amount is \$2,500.

G. Other Direct Costs		\$59,219.14
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G.1 Rent	\$24,000 + \$12,864	\$36,864.00
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G.2 Utilities	\$14,810.40 + \$7,544.74	\$22,355.14
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Company Name currently has two facilities. **Site A** is used for (**xxx purpose**) and is 100% allocated to the grant. **Site B** is the general office used by all employees. Rent and utilities are allocated based on the FTE of all of its employees. There is a total of 17 FTE employees at **Company Name**. 4.55 FTE (26.8%) are devoted to this grant.

Site A rent is \$2000 per month. $\$2000 \times 12 \text{ months} = \$24,000$. **Site B** rent is \$4000 per month. $(\$4,000 \times 26.8\% \times 12 \text{ months} = \$12,864)$.

Utilities include electricity, water, gas, phone, internet, garbage and recycling service. **Site A** utilities averaged \$1,210 per month in the last year. That is projected to grow by 2% this year for a total of \$1234.20 per month. $\$1,234.20 \text{ per month} \times 12 \text{ months} = \$14,810.40$. **Site B** utilities averaged \$2,300 per month. That is projected to grow by 2% this year for a total of \$2,346 per month. $\$2,346 \times 26.8\% \times 12 \text{ months} = \$7,544.74$