**FISCAL YEAR 2017**

**STATE CLEAN DIESEL GRANT PROGRAM**

**WORK PLAN AND BUDGET NARRATIVE TEMPLATE**

INSTRUCTIONS: States and territories applying for FY 2017 DERA State Clean Diesel Grant Program funding must use this template to prepare their Work Plan and Budget Narrative.

Please refer to the FY 2017 STATE CLEAN DIESEL PROGRAM INFORMATION GUIDE for full Program details, eligibility criteria and funding restrictions, and application instructions.

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**SUMMARY PAGE**

**Project Title:**

**Project Manager and Contact Information**

**Organization Name:**

**Project Manager:**

**Mailing Address:**

**Phone:**

**Fax:**

**Email:**

**Project Budget Overview:**

|  |  |
| --- | --- |
|  | **FY 2017** |
| EPA Base Allocation | $ |
| State or Territory Matching Funds (if applicable) | $ |
| EPA Match Incentive (if applicable) | $ |
| Mandatory Cost-Share | $ |
| **TOTAL Project** | **$** |
| Additional Leveraged Resources | $ |

**Project Period**

October 1, 2017 – September 30, 2018

**Summary Statement**

Insert a brief paragraph that summarizes the proposed project. Please include the state webpage URL that details past DERA State Clean Diesel Program projects, if applicable.

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**SCOPE OF WORK**

This section is a discussion of the state’s or territory’s plan to develop and implement grant, rebate, and/or loan programs and how these programs meet state or territory goals as they relate to the reduction of diesel emissions.

The scope of work should contain a detailed project description, including the following categories and information.

**STATE/TERRITORY GOALS AND PRIORITIES**: A description of the air quality within the state or territory, the quantity of air pollution produced by the diesel fleet in the state or territory, and the primary sectors (e.g. highway, marine vessels, construction equipment) that make up the state’s or territory’s diesel fleet (both public and private).

**VEHICLES AND TECHNOLOGIES**: A description of the eligibility, number, types and typical use, and ownership of vehicles, engines, and/or equipment targeted for emission reductions. Eligibility of vehicles is defined in Section VIII.B of the Program Guide. A description of all verified and/or certified technologies to be used or funded by the applicant. Eligibility of technologies is defined in Section VIII.C of the Program Guide.

**ROLES AND RESPONSIBILITIES**: A discussion of the roles and responsibilities of the state or territory and any other project partners, contractors, or subgrantees. State and territories should indicate whether their Program funds will support grant, rebate, and/or loans, and provide a detailed description of their disbursement methodology. This section of the work plan should also describe any additional leveraged resources beyond any voluntary matching funds or mandatory cost-share funds included in the project budget.

**TIMELINE AND MILESTONES**: A detailed timeline for the project including milestones for specific tasks, such as subgrant or rebate program development, solicitation of project partners, making subawards, program/project implementation, procurement and installation of equipment, monitoring and oversight of projects, and reporting.

**DERA PROGRAMMATIC PRIORITIES**: A discussion of how, in providing grants, rebates, and loans under the Program, the state or territory will ensure that projects selected for funding supports the programmatic priorities as defined in Section VIII.D of the Program Guide.

**EPA’S STRATEGIC PLAN LINKAGE AND ANTICIPATED OUTCOMES/OUTPUTS**: A description of the environmental outputs and outcomes to be achieved under the Program, as defined in Section VIII.E of the Program Guide. To estimate some of the anticipated outcomes of the award (e.g. emissions reductions), EPA encourages states and territories to use the Diesel Emissions Quantifier found at: [www.epa.gov/cleandiesel/diesel-emissions-quantifier-deq](http://www.epa.gov/cleandiesel/diesel-emissions-quantifier-deq).

**SUSTAINABILITY OF THE PROGRAM**: A description of the state’s or territory’s plan for sustaining the project beyond the assistance agreement period. Additionally, describe the state’s or territory’s plan for publicizing and promoting the benefits of the activities within the state or territory.

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**BUDGET NARRATIVE**

This section of the work plan should include a detailed itemized budget proposal (in addition to the Standard Form 424A), using the example below. Justify the expenses for each of the categories being performed within the grant/project period. Indicate which costs will be paid by the state’s or territory’s allocation from EPA (which would include the bonus match, if applicable) and which costs will be paid by the state’s or territory’s voluntary matching funds, if applicable.

Applicants must **itemize** costs related to personnel, fringe benefits, travel, equipment, supplies, contractual costs, other direct costs, indirect costs, and total costs. If the project budget includes any cost-share, mandatory or voluntary, the budget detail portion of the work plan must include a detailed description of how the applicant will obtain the cost-share and how the cost-share funding will be used.

Mandatory cost-share funds must be in the form of cash contributions to the Equipment Category. If EPA accepts an offer for a voluntary cost-share, applicants must meet their sharing commitment in order to receive EPA funding. If the proposed cost-share is to be provided by a third-party, a letter of commitment is encouraged. Any form of cost-share included in the budget detail must also be included on the SF-424 and SF-424A.

Applicants should use the following instructions, budget category descriptions and example table to complete the budget detail section of the work plan. Detailed sample budgets representing various mandatory cost-share versus state voluntary match scenarios are available at: [www.epa.gov/cleandiesel/clean-diesel-state-allocations](http://www.epa.gov/cleandiesel/clean-diesel-state-allocations).

**Itemized Project Budget**

|  |
| --- |
| **FY 2017** |
| **Budget Category** | **EPA Allocation** | **Voluntary Match****(if applicable)** | **Mandatory Cost-Share****(if applicable)** |
| 1. Personnel |  |  |  |
| 2. Fringe Benefits |  |  |  |
| 3. Travel |  |  |  |
| 4. Supplies |  |  |  |
| 5. Equipment |  |  |  |
| 6. Contractual |  |  |  |
| 7. Program Income |  |  |  |
| 8. Other |  |  |  |
| **9. Total Direct Charges** |  |  |  |
| 10. Indirect Charges |  |  |  |
| **Grand Total** |  |  |  |

**Explanation of Budget Framework**

Personnel

* **Personnel - List all staff positions by title. Give annual salary, percentage of time assigned to the project, and total cost for the budget period.** This category includes only direct costs for the salaries of those individuals who will perform work directly for the project (generally, paid employees of the applicant organization). If the applicant organization is including staff time (in-kind services) as a cost share, this should be included as Personnel costs. Personnel costs do not include: (1) costs for services of consultants, contractors, consortia members, or other partner organizations, which are included in the “Contractual” category; (2) costs for employees of subrecipients under subawards, which are included in the “Other” category; or (3) effort that is nor directly in support of the proposed project, which may be covered by the organization’s negotiated indirect cost rate.The budget detail must identify the personnel category type by Full Time Equivalent (FTE), including percentage of FTE for part-time employees, number of personnel proposed for each category, and the estimated funding amounts.
* **Fringe Benefits - Identify the percentage used, the basis for its computation, and the types of benefits included**. Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to the cost of leave, employee insurance, pensions and unemployment benefit plans.
* **Travel - Specify the mileage, per diem, estimated number of trips in-State and out-of-State, number of travelers, and other costs for each type of travel.** Travel may be integral to the purpose of the proposed project (e.g. inspections) or related to proposed project activities (e.g. attendance at meetings). Travel costs do not include: (1) costs for travel of consultants, contractors, consortia members, or other partner organizations, which are included in the “Contractual” category; (2) travel costs for employees of subrecipients under subawards, which are included in the “Other” category.
* **Equipment - Identify each item to be purchased which has an estimated acquisition cost of $5,000 or more per unit and a useful life of more than one year.** Equipment also includes accessories necessary to make the equipment operational. Equipment does not include: (1) equipment planned to be leased/rented, including lease/purchase agreement; or (2) equipment service or maintenance contracts. These types of proposed costs should be included in the “Other” category. Items with a unit cost of less than $5,000 should be categorized as supplies, pursuant to 2 CFR Part 200. The budget detail must include an itemized listing of all equipment proposed under the project.
* **Supplies - “Supplies” means all tangible personal property other than “equipment”.** The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies). Non-tangible goods and services associated with supplies, such as printing service, photocopy services, and rental costs should be included in the “Other” category.
* **Contractual - Identify each proposed contract and specify its purpose and estimated cost.** Contractual/consultant services are those services to be carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. Leased or rented goods (equipment or supplies) should be included in the “Other” category. The applicant should list the proposed contract activities along with a brief description of the scope of work or services to be provided, proposed duration, and proposed procurement method (competitive or non-competitive), if known.
* **Other - List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost.** This category should include only those types of direct costs that do not fit in any of the other budget categories. Examples of costs that may be in this category are: insurance, rental/lease of equipment or supplies, equipment service or maintenance contracts, printing or photocopying, rebates, and subaward costs. Subawards (e.g., subgrants) are a distinct type of cost under this category. The term “subaward” means an award of financial assistance (money or property) by any legal agreement made by the recipient to an eligible subrecipient. This term does not include procurement purchases, technical assistance in the form of services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Subcontracts are not subawards and belong in the contractual category. Applicants must provide the aggregate amount they propose to issue as subaward work and a description of the types of activities to be supported.
* **Indirect Charges - If indirect charges are budgeted, indicate the approved rate and base.** Indirect costs are those incurred by the grantee for a common or joint purpose that benefit more than one cost objective or project, and are not readily assignable to specific cost objectives or projects as a direct cost. In order for indirect costs to be allowable, the applicant must have a federal or state negotiated indirect cost rate (e.g., fixed, predetermined, final or provisional), or must have submitted a proposal to the cognizant Federal or State agency. Examples of Indirect Cost Rate calculations are shown below:
	+ Personnel (Indirect Rate x Personnel = Indirect Costs)
	+ Personnel and Fringe (Indirect Rate x Personnel & Fringe = Indirect Costs)
	+ Total Direct Costs (Indirect Rate x Total direct costs = Indirect Costs)
	+ Direct Costs minus distorting or other factors such as contracts and equipment

 (Indirect Rate x (total direct cost – distorting factors) = Indirect Costs)

**Administrative Costs Expense Cap**

States and territories must demonstrate that no more than 15% of a state’s or territory’s total project costs are being used to cover administrative costs as identified in OMB Circular A-87 Appendix B (e.g. personnel, benefits, travel, supplies). Total project costs include the federal share as well as any cost-share provided by the state. However, Regions have the discretion to allow state matching funds to exceed the 15% cap if the state provides justification for unique circumstances. The 15% maximum does not include indirect cost rates or funds assigned to projects, and total cost for the budget period.

**Matching Funds and Cost-Share Funds**

States and territories must provide a detailed description of the source of funding for any voluntary match or mandatory cost-share funds included in the project budget, if applicable. Include details on when the match will be available for use. If applicable, include letters of financial support, which specifically indicate how supporting organizations will assist in the project.

See Sections V.B and X of the Program Guide for more information on the voluntary matching incentive and mandatory cost-share funds.