# NOTES ON THE FY25 OPTIONAL BUDGET NARRATIVE ATTACHMENT FORM

* *Note:* This is an optional template available to FY25 applicants to assist in the drafting of their submitted budget narrative attachment form, which is a mandatory attachment for all submitted proposals (see SN Appendix E). However, the use of this template is not required.
* *Note:* The Budget Narrative Attachment Form has no page limit.
* *Note:* This form is not reviewed or scored by reviewers (and therefore, some requested information is duplicative of other attachments); however, this attachment is required by the EPA Grants Office for award processing and must be complete & without error before funds can be awarded.
* *Note:* Blue text enclosed in brackets signifies sections of text that should be edited/expanded upon by the applicant; change this text to black and remove brackets before submitting this form.
  + *Example:*

| Staff Position  (Project Role) | Staff Name  (If Known) | Annual  Salary | % of  Time | Annual Cost | Period of Performance (Years) | 3-Year  Personnel Cost |
| --- | --- | --- | --- | --- | --- | --- |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |

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|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Project Manager | Bob Friend | $120,000 | 10% | $12,000 | 3 | $36,000 |

* *Note:* Bulleted lists and table rows/sections throughout this template can be expanded as needed
* *Note:* Detailed examples of how to calculate your budget across categories and populate the tables in this optional template can be found in the [FY25 Exchange Network Solicitation Notice](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) (see Appendix D); applicants are **highly encouraged** to read this section of the SN carefully.
* *Note:* A self-calculating budget tool is available on the [EN website](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#Resources), formatted with automatic formulas to help applicants correctly categorize costs and avoid budget calculation errors.
* *Note:* Numbers should be rounded to the nearest whole number.
* *Note:* Superscript numbers throughout this document link to endnotes (see document pages 6, 7, and 8); to delete these, simply remove the associated superscript number (e.g.,1).
  + *Note:* Delete this introductory page, all italicized notes, all superscript, and all endnotes before submitting your budget narrative. The final budget narrative attachment form should only include the information listed on document pages 2 through 5.

**THE OPTIONAL BUDGET NARRATIVE ATTACHMENT FORM TEMPLATE BEGINS ON THE NEXT PAGE**

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# FY 2025 Exchange Network Grant Program: Budget Narrative Attachment Form

[Month][Day], 2025

**[Project Title]**

**[State, Tribe, or Territory Name]** **[Name of Department or Agency]**

Personnel:$[Insert Total Personnel Cost]

| Staff Position  (Project Role) | Staff Name  (If Known) | Annual  Salary | % of  Time | Annual Cost[[1]](#endnote-2) | Period of Performance (Years) | 3-Year  Personnel Cost |
| --- | --- | --- | --- | --- | --- | --- |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] | 3 | $[dollar amount] |
| **Total Personnel Costs** |  |  |  |  |  | $[dollar amount] |

*Note* *[DELETE BEFORE SUBMISSION]: To calculate the personnel cost for each employee, first multiply the annual salary for that position by the percent of their time dedicated annually to the project to get an annual cost. Then, multiply this product by 3 (the EN grant period of performance). Sum the personnel cost for each staff position to find the total personnel cost.*

Fringe[[2]](#endnote-3)**:** $[Insert Total Fringe Cost]

| Staff Position | Staff Name | 3-Year Personnel Cost[[3]](#endnote-4) | Fringe Benefit Rate | 3-Year Fringe Cost |
| --- | --- | --- | --- | --- |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| [Staff position title] | [Staff name] | $[dollar amount] | [#]% | $[dollar amount] |
| **Total Fringe Costs** |  |  |  | $[dollar amount] |

*Note [DELETE BEFORE SUBMISSION]: To calculate fringe benefit costs for each employee, multiply the 3-year personnel cost as calculated under ‘personnel’ costs by the staff member’s fringe benefit rate. Sum the fringe cost for each staff position to calculate the total fringe benefit rate cost of the project.*

Travel**:** $[Insert Total Travel Cost]

| Trip[[4]](#endnote-5) | Trip Item[[5]](#endnote-6) | Estimated Cost[[6]](#endnote-7) | Duration | # of Travelers | Travel Cost |
| --- | --- | --- | --- | --- | --- |
| 1 | Airfare | $[dollar amount] | N/A | [#] | $[dollar amount] |
| Per Diem | [itemization of applicable items] + [itemization of applicable items] = $[dollar amount][[7]](#endnote-8) | [#] Days | [#] | $[dollar amount] |
| Rental Car | $[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Mileage | [#] miles x [dollar amount] per mile =$[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Hotel | $[dollar amount] | [#] Nights | [#] | $[dollar amount] |
| [Other] | $[dollar amount] | [#] [Unit] | [#] | $[dollar amount] |
| Trip Destination | | [Enter trip destination] | | | |
| Travel Purpose | | [Enter reason for travel] | | | |
| Trip One Cost | | $[dollar amount] | | | |
| 2 | Airfare | $[dollar amount] | N/A | [#] | $[dollar amount] |
| Per Diem | [itemization of applicable items] + [itemization of applicable items] = $[dollar amount]7 | [#] Days | [#] | $[dollar amount] |
| Rental Car | $[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Mileage | [#] miles x [dollar amount] per mile =$[dollar amount] | [#] Days | [#] | $[dollar amount] |
| Hotel | $[dollar amount] | [#] Nights | [#] | $[dollar amount] |
| [Other] | $[dollar amount] | [#] [Unit] | [#] | $[dollar amount] |
| Trip Destination | | [Enter trip destination] | | | |
| Travel Purpose | | [Enter reason for travel] | | | |
| Trip Two Cost | | $[dollar amount] | | | |
| Total Travel Costs | | $[dollar amount] | | | |

*Note [DELETE BEFORE SUBMISSION]: To calculate travel costs for each trip, multiply the estimated cost of each applicable trip item by the duration and number of travelers. Sum these item costs to find the total cost of each trip, then sum the total costs of each trip to find the project’s total travel cost.*

[Equipment](#GLOSSARYequipment)*[[8]](#endnote-9)***:** $[Insert Total Equipment Cost]

| Item Name/Description | Quantity | Price Per Unit | Equipment Cost |
| --- | --- | --- | --- |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Equipment Costs***[[9]](#endnote-10)* |  |  | $[dollar amount] |

*Note [DELETE BEFORE SUBMISSION]: To calculate equipment costs, identify the equipment item, the quantity, and the estimated costs for each item (price per unit, rounded to the nearest whole dollar). Multiply each equipment item’s quantity by its price per unit to find each equipment cost. Sum these equipment costs to calculate the project’s total equipment cost.*

[Supplies](#GLOSSARYsupplies)*[[10]](#endnote-11)***:** $[Insert Total Supply Cost]

| Supply Category*[[11]](#endnote-12)* | Item Name/Description | Quantity | Price Per Unit | Supply Cost |
| --- | --- | --- | --- | --- |
| [Item type/category] *[[12]](#endnote-13)* | [Item name/ description] *[[13]](#endnote-14)* | [#] | $[dollar amount] | $[dollar amount] |
| [Item type/category] | [Item name/ description] | [#] | $[dollar amount] | $[dollar amount] |
| [Item type/category] | [Item name/ description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Supply Costs***[[14]](#endnote-15)* |  |  |  | $[dollar amount] |

*Note [DELETE BEFORE SUBMISSION]: To calculate supply costs, identify the supply category, the specific item name and/or description, the quantity, and the estimated cost for each item (price per unit, rounded to the nearest whole dollar). Multiply each supply item’s quantity by its price per unit to find the cost per supply item. Sum these supply costs to calculate the project’s total supply cost.*

Contractual*[[15]](#endnote-16)***:** $[Insert Total Contractual Cost]

| Type*[[16]](#endnote-17)* | Brief Description[[17]](#endnote-18) | Hours | Hourly Rate[[18]](#endnote-19) | Contract Purpose | Procurement Method | Contractual Cost[[19]](#endnote-20) |
| --- | --- | --- | --- | --- | --- | --- |
| [Specify: ‘individual consultant’, ‘contracting firm’, or ‘vendor firm’] | [Briefly describe the anticipated contractor] | [#] | $[dollar amount] | [Enter basic description of scope of work and how it relates to proposed project] | [Enter ‘sealed bid’, ‘request for proposals’, or ‘non-competitive procurement’] | $[dollar amount] |
| [Specify: ‘individual consultant’, ‘contracting firm’, or ‘vendor firm’] | [Briefly describe the anticipated contractor] | [#] | $[dollar amount] | [Enter basic description of scope of work and how it relates to proposed project] | [Enter ‘sealed bid’, ‘request for proposals’, or ‘non-competitive procurement’] | $[dollar amount] |

|  |  |
| --- | --- |
| Non-Competitive Procurement Rationale[[20]](#endnote-21): | [Enter [N/A] OR [provide a detailed justification for the use of single source or non-competitive procurement, citing specific language under [*2 CFR 200.320(c)*](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320), for each contractor/vendor/ consultant where this procurement type will be utilized]. |
| Method of Vetting to Ensure the Candidate is Qualified: | [Enter a brief description of how the contractor(s) will be vetted at the time of procurement to ensure they are qualified to complete the work]. |
| **Total Contractual Costs** | $[dollar amount] |

*Note [DELETE BEFORE SUBMISSION]: To calculate contractual costs, identify all contracts that your project will require and list the contractor type, a brief contractor description, the contract purpose (as relates to the achievement of proposed project goals and outputs), the procurement method, and the method of qualification vetting. If non-competitive procurement will be used, provide an appropriate justification, citing* [*2 CFR 200.320(c)*](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320)*. Estimate the number of hours for each contractor/vendor/consultant and their hourly rate. Multiply the estimated hours by the hourly rate to find the cost per contract (rounded to the nearest whole number). Sum all contractual costs to find the project’s total contractual cost.*

Other[[21]](#endnote-22)**:** $[Insert Total Other Cost]

| Category | Name/Description[[22]](#endnote-23) | Quantity | Price Per Unit | Other Cost |
| --- | --- | --- | --- | --- |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| [Enter item type] | [Enter item name/description] | [#] | $[dollar amount] | $[dollar amount] |
| **Total Other Costs** |  |  |  | $[dollar amount] |

*Note [DELETE BEFORE SUBMISSION]: To calculate other costs, identify the item category (e.g., ‘subaward’), the specific item name and/or a sufficiently detailed description, the quantity, and the estimated cost for each item (price per unit, rounded to the nearest whole dollar). Multiply each item’s quantity by its price per unit to find the other cost. Sum these costs to calculate the project’s total other costs.*

[Indirect Costs](#GLOSSARYdirectcostscharges)[[23]](#endnote-24)**:** $[Insert Total Indirect Cost]

| Effective Period[[24]](#endnote-25) | IDC Rate | Description of Base[[25]](#endnote-26) | Base Amount | Total |
| --- | --- | --- | --- | --- |
| [mm/dd/yyyy] – [mm/dd/yyyy] | [#]% | [Enter description] | $[dollar amount] | $[dollar amount] |
| **Total Indirect Costs** |  |  |  | $[dollar amount] *[[26]](#endnote-27)* |

*Note [DELETE BEFORE SUBMISSION]: To calculate indirect costs, identify your organization’s approved, current indirect cost rate and calculate the base amount as described in your organization’s Negotiated Indirect Cost Rate Agreement. Multiply the base amount by the approved indirect cost rate to calculate the project’s indirect costs.*

# ENDNOTES

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1. Round this number up or down to the nearest whole number; do NOT include penny amounts. [↑](#endnote-ref-2)
2. Fringe costs are defined as allowances and services provided to employees as compensation in addition to regular salaries and wages during the 3-year personnel cost calculated for the project. They include, but are not limited to, cost of leave, employee insurance, pensions and unemployment, and holiday benefits. EPA will compare listed fringe benefit rates against similarly situated recipients to reasonable rates; the [Bureau of Labor Statistics website](https://www.bls.gov/news.release/ecec.toc.htm) publishes average rates that can be used as a reference. [↑](#endnote-ref-3)
3. Use the 3-year personnel costs for each staff position, as calculated in ‘personnel’ table. [↑](#endnote-ref-4)
4. Expand the table as needed so that all trips are included. [↑](#endnote-ref-5)
5. Delete rows with non-applicable trip items, as necessary. [↑](#endnote-ref-6)
6. EPA recognizes that travel destinations may not be known at the time of application submittal; applicants should compose their travel to the best of their ability based on travel estimates to comparable past destinations. [↑](#endnote-ref-7)
7. For example: “$22 meals (x 3 daily) + $124 lodging = $66 + $124 = $190 in per diem. [↑](#endnote-ref-8)
8. Equipment costs are defined as tangible, non-expendable, personal property with a useful life of more than one year and a cost of $10,000 or more per unit. [↑](#endnote-ref-9)
9. EPA will consider total equipment costs against the overall project budget, to ensure it is a reasonable percentage of total project costs. EPA will also consider whether the listed items clearly support the achievement of listed project goals, outputs, and outcomes for the proposed project. [↑](#endnote-ref-10)
10. Supply items cost less than $10,000 per unit; items exceeding this amount should be categorized as ‘equipment’. [↑](#endnote-ref-11)
11. Supply items must be itemized; a lump sum towards ‘office supplies’ or similar is not sufficiently detailed per the EPA Grants Office. EPA will contact selected grantees during the award process to clarify any unspecified costs; to avoid delays to the award process, applicants are asked to provide a sufficient level of detail so that EPA can easily understand what is being budgeted and how it relates to the proposed project. [↑](#endnote-ref-12)
12. For example, ‘office supplies’. [↑](#endnote-ref-13)
13. For example, ‘reams of paper’, ‘boxes of pens’, ‘staplers’, etc. [↑](#endnote-ref-14)
14. EPA will consider total supply costs against the overall project budget, to ensure it is a reasonable percentage of total project costs. [↑](#endnote-ref-15)
15. These costs are derived from those services to be carried out by an individual consultant or for-profit contracting firm or vendor firm; see [Solicitation Notice](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) Section 4B for further guidance on contracts, vendors, and individual consultants. [↑](#endnote-ref-16)
16. If using a catering contract to provide light food or refreshments, include these costs as a contract. If light food or refreshments are provided as part of a conference cost through a venue or by the applicant themselves, please instead list these costs under the following cost category of ‘Other’.

    * Training costs not related to staff travel should be categorized as ‘contractual’; procurement method and method of vetting can be marked as 'N/A' for these costs.

    [↑](#endnote-ref-17)
17. For example, 'an individual consultant with SensorThings API experience'. [↑](#endnote-ref-18)
18. If utilizing an individual consultant, the hourly rate cannot exceed $93.53/hour. [↑](#endnote-ref-19)
19. For each contract, the contract cost should exactly equal the duration in hours multiplied by the hourly rate. [↑](#endnote-ref-20)
20. Only required if non-competitive (aka sole-source) procurement is used; mark as N/A if not applicable. Please note that non-competitive procurement is not allowable without EPA approval, which is provided only in select cases. Applicants must provide a detailed justification when using this procurement method, citing the specific allowable case as detailed under [2 CFR 200.320(c)](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d/section-200.320). [↑](#endnote-ref-21)
21. ‘Other’ costs include only those types of direct costs that do not fit in any of the other specific budget categories. Examples of ‘other’ costs include, but are not limited to:

    1. Subawards to formal EN partners (see SN Section 4C) or an EN mentor (see SN Appendix C, ‘Individual Capacity Building with Mentorship’);
    2. Participant support costs;
    3. Meals and light refreshments *that are not contract-related*;
       1. Please note that, under [2 CFR 200.432,](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-E/subject-group-ECFRed1f39f9b3d4e72/section-200.432) the costs of meals and light refreshments are allowable if the work continues during the meal, unless expressly restricted. The refreshments should be related to a conference or an event that is hosted by the grantee (or a formal EN partner), and that relates to the successful completion of project goals and/or outputs. See additional restrictions on the allowability of the costs for meals and light refreshments at: [EPA’s General Terms and Conditions](https://www.epa.gov/grants/grant-terms-and-conditions).
    4. Rental/lease of the following: equipment, office space, and meeting or conference facilities.
       1. Please note that EPA will only pay for rental and/or lease costs as relate to time allocated to the project; if the rented/leased spaces will be used by the grantee organization for work outside of the awarded EN grant, those hours/costs cannot be included in this project budget.

    [↑](#endnote-ref-22)
22. Applicants are encouraged to provide sufficient detail in their ‘other’ item names/descriptions, to ensure that EPA understands the cost(s) as listed; clear, detailed descriptions can help to avoid delays in the award process. [↑](#endnote-ref-23)
23. Indirect costs are costs incurred to facilitate the general operations of your organization. They include, but are not limited to, space costs, utilities, accounting services, and services associated with human resources that are included in an applicant’s indirect cost rate.

    Applicants are highly encouraged to review the detailed indirect cost rate example in the ‘How to Correctly Calculate and Capture a Project Budget Across Application Attachments’ section of Appendix D of the [SN.](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) [↑](#endnote-ref-24)
24. Applicants charging indirect costs must include their current indirect cost rate agreement in their application package, valid at least through 9/30/2026. Applicants without a current indirect cost rate agreement may elect to charge indirect costs at a 15% de minimus rate (see [Solicitation Notice](https://www.epa.gov/exchangenetwork/exchange-network-grant-program#SN) Appendix E: Negotiated Indirect Cost Rate for more information). Tribal applicants may also charge indirect costs using their draft rate as submitted to the Department of Interior (DOI), as long as this draft agreement is provided in the submitted application package. [↑](#endnote-ref-25)
25. Applicable base costs will be specified within the applicant's Negotiated Indirect Cost Rate Agreement; for example, if an applicant's base for the purposes of distributing indirect costs is salaries, fringe benefits, and employee travel, then the applicant would sum their personnel, fringe, and travel costs and apply their indirect cost rate to this total. Applicants using the de minimus rate should list the base as modified total direct costs (see [2 CFR 200.1](https://www.ecfr.gov/current/title-2/section-200.1)).

    As defined in [2 CFR 200.1](https://www.ecfr.gov/current/title-2/section-200.1), modified total direct cost (MTDC) includes all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of $50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs and with the approval of the cognizant agency for indirect costs. [↑](#endnote-ref-26)
26. An applicant can elect to charge less indirect costs than is allowable per their IDC rate agreement. [↑](#endnote-ref-27)