

## BUDGET NARRATIVE

This budget narrative uses the following budget categories to break out costs associated with implementation of the proposed measures. Davis-Bacon and related acts and the Build America Buy America Act will be added to any agreements with partners, sub awardees, and contractors.

Subawards and pass-through grant to qualified entities will support the following activities:

- Staffing and contractual costs necessary to fulfill the roles and responsibilities under this proposal;
- Planning and implementation meetings, workshops, and convenings necessary to perform community and stakeholder outreach and education;
- Evaluation and metrics-tracking activities;
- Training and staff capacity-building costs;
- Indirect costs;
- Other activities as necessary to fulfill the grant agreement.

### *Budget Detail*

An explanation of costs associated with each measure and a consolidated budget are presented below. A breakdown of costs for each budget category for each measure is provided in the CPRG Implementation Grants Budget Table included with this proposal (attachment Budgetcalcs.xlsx). The fringe benefit rate is 22.98% with a base of \$16,846.16 for blended health benefits and \$344 for retirement fund matching. The overall budget is shown in Table 1 and consolidated budget by project (Total Other) is shown in Table 2.

*Table 1: Consolidated Budget by Year*

COST-TYPE	CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
<b>Direct Costs</b>	TOTAL PERSONNEL	\$62,358	\$78,389	\$79,956	\$94,251	\$96,136	\$411,090
	TOTAL FRINGE BENEFITS	\$26,356	\$30,040	\$30,400	\$35,403	\$35,836	\$158,035
	TOTAL TRAVEL						
	TOTAL EQUIPMENT						
	TOTAL SUPPLIES						
	TOTAL CONTRACTUAL						
	TOTAL OTHER (subawardee)	\$61,616,844	\$61,616,844	\$61,616,844	\$4,952,421	\$4,952,421	\$194,755,374
	<b>TOTAL DIRECT</b>	<b>\$61,705,558</b>	<b>\$61,725,273</b>	<b>\$61,727,200</b>	<b>\$5,082,075</b>	<b>\$5,084,393</b>	<b>\$195,324,499</b>
	TOTAL INDIRECT (rate @ 18.8%)	\$16,217	\$19,821	\$20,173	\$23,701	\$24,124	\$104,035.86
<b>TOTAL FUNDING</b>		<b>\$61,721,775</b>	<b>\$61,745,093</b>	<b>\$61,747,374</b>	<b>\$5,105,775</b>	<b>\$5,108,517</b>	<b>\$195,428,534</b>

Table 1: Consolidated Budget by Project (Other)

Measure	Measure Name	Total Cost	% of Total
1	<i>Solar</i>	<i>\$118,705,500</i>	<i>61%</i>
2	<i>Energy Efficiency</i>	<i>\$48,466,945</i>	<i>25%</i>
3	<i>Transportation</i>	<i>\$19,977,355</i>	<i>10%</i>
4	<i>Industrial Electrification</i>	<i>\$1,288,749</i>	<i>1%</i>
5	<i>Waste Reduction</i>	<i>\$1,532,075</i>	<i>1%</i>
6	<i>Green Space and Agriculture</i>	<i>\$4,784,750</i>	<i>2%</i>
7	<i>IDEM Costs</i>	<i>\$673,160</i>	<i>0.3%</i>
Total		<i>\$195,428,534</i>	<i>100%</i>

#### *Expenditure of Awarded Funds*

IDEM will expend and account for awarded funds in accordance with state laws and procedures for expending and accounting for the state's own funds. The financial management system for IDEM complies with the requirements of 2 CFR 200.302(b).

IDEM will enter into a grant agreement with each project sponsor prior to disbursement of subaward funds. These agreements will include all applicable pass-through requirements for subrecipients in accordance with [EPA's Subaward Policy](#) and [EPA's General Term and Condition for Subawards](#).

IDEM will include a precise description of any participant support costs for subawards in the EPA approved budget and workplan. IDEM will include proper reporting requirements in each of the grant agreements with the subawardees so that IDEM can ensure management of grant funds.

The quarterly reports and status report will include a breakdown of expenditure associated with implementation of this proposal. Awards will be distributed in a timely manner.

#### *Reasonableness of costs*

The proposed grant expenditures are reasonable for accomplishing the goals, objectives, and environmental outcomes described in this application. Only eligible costs have been included for each measure activity. Costs dedicated to the measure of solar and solar plus battery are reasonable due to the direct effect on implementation of more projects than programs. Solar projects have the added benefit of the high potential for educational outreach in communities, as solar panels will be installed on school and community buildings. Solar projects are more likely to be replicated by other members of the community when the public sees them in their own backyard. With additional outreach on IRS tax credits, it'll become readily apparent that solar projects are financially viable. Project costs for the measures of energy efficiency, transportation, industrial electrification, organic waste diversion, green space expansion, and agricultural best practices are reasonable as most activities are leveraging existing resources of municipal and city partners. This reduces outreach costs spent by CPRG funds and allocates more funding directly to GHG reducing activities. Evaluating cost effectiveness of similar projects statewide demonstrated relatively comparable cost effectiveness across the projects, therefore, they are in line with the outcomes achievable from a dollar per ton of CO<sub>2</sub>.