



Nevada DIVISION of FORESTRY

Grant Project – Budget Development Guidelines and Restrictions

Applicants seeking grant funding from the Nevada Division of Forestry (NDF) are required to submit a project budget prior to being awarded funding. The budget includes grant funded expenses and those necessary to meet the required match with NDF. To be reimbursed, all expenses must be allowable, allocable to specific project activities or costs, reasonable and necessary. Consult federal cost principles for additional requirements (<http://www.whitehouse.gov/omb> and <http://www.ecfr.gov>).

NDF will review your budget to determine whether proposed costs are allowable and reasonable. Estimated expenditure amounts should be comparable to or reflect regional market rates. When projects are evaluated and ranked, wise use of funds and anticipated return on investment in the form of meaningful, lasting, and measurable outcomes will be considered. If the project is funded, NDF will enter into a binding Agreement (Memorandum of Understanding or Cooperative Agreement in the form of a subgrant) with applicants if the applicants have the capability to manage the grant funds and the implementation. This agreement will dictate grant funding parameters— including those documented below, specify the project scope, budget, reimbursement process, and reporting requirements. If the applicant does not have the capability to manage the funds or the implementation, then NDF will manage the grant in-house in cooperation with the applicant.

REFER TO THE FOLLOWING WHEN DEVELOPING BUDGET DETAIL

Contractor Expenses	<p><i>Expenses incurred by grantee for work accomplished through contracts with other entities, usually specialized contractors or consultants (e.g., loggers, forester consultants, arborists, or irrigation installers)</i></p> <ul style="list-style-type: none"> Contracts must be awarded/solicited on a competitive basis and in accordance with associated procurement rules, procedures and internal controls. Recipients will need to ascertain that contractors have not been debarred from receiving federal funding.
Flat Fee	<p><i>A method of establishing/negotiating a “standard rate” for service, product or project scope item on a project</i></p> <ul style="list-style-type: none"> The flat fee method for establishing project costs for grantee (e.g. for staff to administer the grant or to develop and conduct workshops) will not be accepted
Hold-Back	<p><i>The percent of the total awarded funding that is held back (retained) by NDF until the recipient fully and satisfactorily completes the project as stipulated in the Agreement. A holdback helps assure that all grant funds are not exhausted prior to completion of the project scope/deliverables.</i></p> <ul style="list-style-type: none"> Up to 15% of grant funds may be held back by NDF. In practice, this would likely only impact the last (or last few) reimbursement requests. If the project is not completed satisfactorily, the held back funds may be permanently withheld
Ineligible Costs	<p><i>Expenses or activities for which recipient cannot be reimbursed</i></p> <ul style="list-style-type: none"> Equipment—that costs \$5,000 or more and has a life expectancy of at least one year Other Activities—Construction, research or activities on federal land Note: Activities ineligible for grant funds can be used as project leverage
Indirect Costs	<p><i>Costs that benefit common activities and, therefore, cannot be readily assigned to a specific direct cost objective or project. Examples of such costs include: accounting personnel services performed within the recipient organization, use allowances on buildings and equipment, and the costs of operating and maintaining facilities.</i></p> <ul style="list-style-type: none"> No more than 10% of reimbursed direct expenses are eligible for reimbursement as indirect costs Indirect rate requests must not exceed your federal cognizant agency approved indirect rate. If applicant does not have such an approved rate, then they may use their organization’s actual internally calculated indirect cost rate (a ratio or percentage of an organization’s total indirect costs to its direct cost base) subject to the 10% maximum. For example, if an applicant’s cognizant rate for indirect is 5%, they are limited to 5% for indirect. If their rate is 30%, they are limited to 30%. The amount of actual on-the-ground work funded with grant dollars is considered when proposals are evaluated for funding. If you can successfully complete the project without charging indirect, it may help it compete better. Note: recipient personnel working on specific grant tasks, like project management or oversight, cannot be paid with indirect funds. Personnel, must positive time-record their activities and charge the grant for their time under personnel expenses and be reimbursed as direct project costs.

<p>Match</p>	<p><i>Project costs that will be paid for or provided in-kind by applicant and will not be reimbursed with grant funds. This includes in-kind or cash donations of/for services, equipment, products, etc. that assist in the completion of the recipient's funded project or directly contributes to its purpose.</i></p> <ul style="list-style-type: none"> ▪ A 10% or greater match will be required and must be documented at time of reimbursement for WSFM and HFCP grants (i.e., 10% of the total amount reimbursed for the grant). A 100% match will be required and must be documented at time of reimbursement for LSR grants (i.e., 100% or more of the total amount reimbursed for the grant). ▪ Recipient match is preferred. However, if this is not possible, in-kind or cash contributions made by other entities can count toward the match, but must be tracked and reported by recipient. ▪ Ineligible match is the same as ineligible costs as shown above.
<p>Operating Expenses</p>	<p><i>Purchases of materials, goods/products or travel needed to accomplish the intent and purpose of the specific project. Examples include: supplies, tools, trees and related planting materials, irrigation parts, and equipment rental fees.</i></p> <ul style="list-style-type: none"> ▪ All operating expenses should be necessary and specific to this project ▪ Ensure operating expenses are not already included or factored into the applicant's indirect cost rate. If certain expenses are customarily categorized as indirect expenses, they cannot be counted as operating expenses.
<p>Payment of Grant Expenses</p>	<p><i>Recipients will need to request funds by submitting an NDF Reimbursement Request Form, progress narrative/report, invoices/receipts, copies of deliverables, and other supporting documentation as specified within the Agreement.</i></p> <ul style="list-style-type: none"> ▪ All payments are made on a reimbursement basis only. These are expenses incurred and paid for by recipient prior to reimbursement by NDF. ▪ Submission of progress/accomplishment reports will be required with reimbursement requests. Depending on the project, additional reports may be requested.
<p>Personnel Expenses</p>	<p><i>Only actual costs for wages & benefits for grant recipient staff time worked on this specific grant project can be reimbursed with grant funds</i></p> <ul style="list-style-type: none"> ▪ Grant recipients must provide the actual hours (not estimated or a calculated percentage) for each staff person's work on this project whose time will be reimbursed with grant dollars ▪ Additionally, recipients will also need to maintain records that account for 100% of all time of staff being reimbursed, including time spent on activities not associated with this project. For example, work on other Federal grant activities, non-grant work, etc. These must be documented in personnel activity reports, or equivalent, and submitted by the individual staff person to your fiscal office at least monthly. Certification of recipient having such a policy will be required.
<p>Program Income</p>	<p><i>Any income recipient derives from the project such as for the sale of product (timber, waste wood, chips etc.), registration fees, etc. must be itemized, reported and deducted from any reimbursement requests made to NDF.</i></p> <ul style="list-style-type: none"> ▪ Procedures to track all project expenses (grant funded and not) as well as the income received makes documenting and reporting at reimbursement time easier
<p>Program/Project Management Costs</p>	<p><i>The cost to the grantee to administer, manage and oversee the project. This may include project oversight and management activities, as well as fiscal management components.</i></p> <ul style="list-style-type: none"> ▪ Identify costs in the Personnel Expenses category if provided by staff, or in the Contractor Expenses category if the services are contracted out ▪ For personnel expenses, time sheet tracking by funding source, or equivalent, is required. If personnel do not positive time record then project management costs should be recorded as match ▪ Note: only paid personnel and contractor expenses which are directly attributed and tracked to the project can be reimbursed; volunteer time can be tracked and submitted as match
<p>Travel & Related Expenses</p>	<p><i>Costs directly associated with the project and approved in advance by NDF for travel, lodging and meals</i></p> <ul style="list-style-type: none"> ▪ These costs cannot exceed Nevada State and/or federal rates. If costs will be higher, prior justification to and approval by NDF is required before such expenses are incurred and allowed for reimbursement