

Budget Narrative Requirements for Cooperative Endangered Species Conservation Fund (CESCF)

Budget Narrative requirements are often specific to the U.S. Fish and Wildlife Service grant program. Budget Narratives must provide the details on how the SF-424 totals were determined. This includes the Federal requested funds and the non-Federal cost share. Appendix I of this document contains the FY 2024 Budget Narrative requirements for all CESCF applications. Appendices II and III provide examples of CESCF Budget Narratives.

A Budget Narrative includes **costs by category found in the SF-424 forms** (e.g., personnel, fringe, travel, equipment, supplies, contractual or subawards, indirect, other). **Costs associated with subawards or contracts must have their own separate explanation and justification.** Budget Narratives must be sufficiently detailed to show that the project is cost-effective, and that costs are **both necessary and reasonable** for accomplishing the purposes of the proposal.

Budget Narratives should provide enough information for reviewers to be able to understand the cost basis and calculation at a glance. For example, a \$3,300 charge for lodging should include the formula for how the cost was calculated (*e.g. Lodging for 20 nights x 11 people x \$15/night = \$3,300*). Proper Budget Narratives should explain how the costs associated with each line item or category relate to the implementation of the project as outlined in the Project Narrative.

Dollar amounts should be rounded to the nearest dollar.

Personnel (Salaries & Wages):

Identify project personnel by position (if known) and provide how much time they will contribute to the project in hours or workdays. Use accurate current salaries as the basis for calculating salaries and wages for each individual. If funds are being requested to support a vacant position, so indicate and use a salary rate appropriate to the position. Enter months of effort as full-time equivalents, regardless of how many calendar months the individual will work on the project for both the Federal requested funds and the matching funds. Entries must be done in separate rows.

Fringe Benefits

Fringe benefits are those customarily paid by the recipient institution, following its usual practices in the payment of such benefits. Provide the fringe benefit rate used. If a fringe rate is greater than 35%, a description and breakdown of the benefits must be provided unless a negotiated indirect cost rate agreement has been provided with that information. If fringe benefits are not computed by using a percent of salaries, provide a breakdown of how the computation is done. The applicant should not combine the fringe benefit costs with direct salaries and wages in the personnel category. This also applies to subrecipients.

Travel

Project a narrative justification describing the travel staff will perform. List origin and destination, number of trips planned, who will be making the trip, purposed of travel and how it relates to the scope of work, and approximate dates. If mileage is to be paid, provide number of miles and the cost per mile. If travel is by air, show cost of airfare. If per diem/lodging is to be paid, indicate the number of days and the amount for each day's per diem and the number of nights and the amount for each night's lodging. Include any ground transportation when applicable. Total each trip planned.

If travel details are unknown, then the basis for proposed costs should be explained.

Equipment

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. A description of the item and associated costs is required. Provide justification for the use of each item and relate them to specific program objectives.

General use of equipment must be used 100% for the proposed project if charged directly to the grant. Maintenance fees for equipment should be shown in the “other” category. Non-Federal entities should conduct a lease versus purchase analysis to determine best value. General purpose equipment such as office equipment and furnishings, and information technology equipment and systems are typically not eligible for direct cost support (2 CFR 200.439).

Supplies

Expendable supplies and equipment must be described according to major categories, e.g., chemical reagents, computer paper and supplies, glassware, lumber, etc. Fuel for boats should be budgeted here rather than under travel. Fuel for vehicles should be budgeted in the “travel” category. The justification may be based on historical costs.

Contractual

For CESCO grants, contracts and subawards must provide separate budgets for each substantial contract or subaward. Subaward budgets should include the same level of detail for personnel, fringe benefits, travel, equipment, supplies, other direct costs, and indirect costs required of the direct applicant. This is necessary to determine whether proposed costs are reasonable, necessary, allowable, and allocable. Describe projects or services to be obtained and indicate the applicability or necessity of each to the project. Do not incorporate contractual indirect costs under the indirect costs line item for the applicant/grantee on the SF-424A or Budget Narrative.

Construction

Activities under an award are considered construction when the major purpose of the award is construction. In contrast, alteration of facilities incidental to a non-construction purpose is not considered construction.

Most Federal programs do not allow construction costs, and those that do typically have detailed instructions describing how to figure construction costs.

Other

This category includes only those types of direct costs that do not fit in any of the specific budget categories.

Indirect Charges

Indirect costs are those costs incurred for common or joint objectives which cannot be readily identified with an individual project or program budget are necessary to the operations of the organization.

Provide the most recent negotiated indirect cost rate agreement (NICRA) with the itemized budget. Any non-Federal entity that has never received a NICRA may elect to charge a de minimis rate of 10% of modified total direct costs.

APPENDIX I

Budget Narrative language for U.S. Fish and Wildlife Service, discretionary and competitive programs

Applicants must include a Budget Narrative that describes and justifies requested budget items and costs. In your Budget Narrative, describe how the SF-424 Budget Information, “Object Class Category” totals were determined. For personnel salary costs, generally describe how estimates were determined by identifying what type of staff will support the project and how much time they will contribute to the project (**in hours or workdays**). Describe any proposed [items of cost that require prior approval](#) under the [Federal award cost principles](#), including any anticipated subawarding, transferring, or contracting out of any work under the award. **Provide a separate description and total estimated costs for both contractual and subaward costs.** If equipment previously purchased with Federal funds is available for the project, provide a list of that equipment and identify the Federal funding source. Identify any third-party cash or in-kind contributions that a partner or other entity will contribute to the project and describe how the contributions directly and substantively benefit completion of the project. For in-kind contributions, identify the source, the amount, and the valuation methodology used to determine the total value. See [2 CFR §200.306](#) for more information. Please note the prohibitions on certain telecommunications and video surveillance services or equipment in [2 CFR 200.216](#). The Department of the Interior’s [Unmanned Aircraft web page](#) provides a list of approved unmanned aircraft and related equipment and software.

Additional NOFO language and requirements specific to CESCOF

Budget narratives must be **sufficiently detailed to show that the project is cost-effective**, and that **costs are both necessary and reasonable for accomplishing the purposes of the proposal**. Indicate whether partial funding of the project is practicable and, if so, what specific portion(s) of the project could be implemented with what level of funding. **The budget narrative should provide sufficient detail for reviewers to understand how costs were estimated.** Reviewers must be able to clearly see that costs are realistic and are commensurate with the project needs and time frame. **Applications will be disqualified if reviewers cannot determine that applications meet this threshold.**

Appendix II
Example Budget Narrative for Acme State Agency and the North American House Hippo

Total Project Cost Table

SOURCE	AMOUNT
Federal requested funding	\$335,456
Non-Federal cost share	\$135,887
Value of third-party contributions	\$11,991
TOTAL PROJECT COST	\$483,334

Category/ Budget Item	Cost Calculation		Quantity Type	Federal Funding	Non-Federal Cost Share	Total Cost
	\$/Unit	Quantity				
PERSONNEL COSTS						
Environmental Biologist II (Project Leader)	\$72.39	600	Hour	0	\$43,434	\$43,434
Preserver Conservation Education Supervisor	\$54.14	1560	Hour	\$42,229	\$42,229	\$84,458
Archaeologist	\$57.15	160	Hour	\$9,144	0	\$9,144
Preserve Restoration Ecologist	\$68.94	200	Hour	\$13,788	0	\$13,788
Fringe Benefits						
Environmental Biologist II (Project Leader)	58.63%	\$43,434	Percentage	0	\$25,465	\$25,465
Preserver Conservation Education Supervisor	58.63%	\$84,458	Percentage	\$24,759	\$24,759	\$49,518
Archaeologist	58.63%	\$9,144	Percentage	\$5,361	0	\$5,361
Preserve Restoration Ecologist	58.63%	\$13,788	Percentage	\$8,084	0	\$8,084
Travel						
n/a						
Equipment						
n/a						
Supplies & Materials						
Granite boulder, rocks, and soil	\$2000	1	Misc.	\$2,000	0	\$2,000
Native aquatic plants	\$3,000	1	Misc.	\$3,000	0	\$3,000
Contractual						
From contract table				\$200,000	0	\$200,000
Construction						
n/a						
Other						
Grant from House Hippo Conservancy					\$11,991	\$11,991
TOTAL DIRECT COSTS				\$308,365	\$147,878	\$456,243
Indirect Costs (not applied to funds passed through to contract) 25%						27,091
TOTAL ESTIMATED PROJECT COSTS						\$483,334

Contracts

Category/ Budget Item	Cost Calculation		Quantity Type	Federal Funding	Non-Federal Cost Share	Total Cost
	S/Unit	Quantity				
Contractor: Pond restoration	\$50,000	2	Pond	\$100,000	0	\$100,000
Contractor: Channel to connect ponds	\$100,000	1	Channel	\$100,000	0	\$100,000
				Total Contract Costs		\$200,000

Budget Narrative Description: All costs included in this proposal are directly related to the project and necessary for its implementation. The non-Federal cost share is 30%; the Federal request is 70%.

The non-Federal contribution includes personnel salaries and wages, as well as fringe benefits for some Acme State agency staff working on this project. Addition non-Federal cost share contribution comes from a grant from the House Hippo Conservancy.

Personnel (Salaries and Wages)(Federal and non-Federal contribution)

All salaries included in the proposed budget are for staff time spent directly implementing the proposed project.

Dr. Jane Doe, Environmental Biologist II at Acme State Agency, will serve as Project Leader. She will develop and implement the project plan and oversee contract development. She will also purchase landscaping materials, conduct site monitoring and oversight, and ensure necessary data and information is available for the timely submission of grant reporting. She will spend an estimated 600 hours on the project at a rate of \$72.39/hour.

John Doe, Preservation Conservation Education Supervisor, will be involved in planning and design, as well as daily contractor oversight. John will spend an estimated 1,560 hours on the project and her hourly rate is \$54.14/hour.

Archaeologist Janine Doe will conduct cultural survey work needed for the project, spending an estimated 160 hours on the project. Her hourly rate is \$57.15.

Jackson Doe, Preserve Restoration Ecologist will complete restoration design and acquire native plants and participate in restoration efforts. Jackson will spend an estimated 200 hours on the project and his hourly rate is \$68.94.

Fringe Benefits (Federal and non-Federal contribution)

All fringe benefits included in the proposed budget are for staff time spent directly implementing the proposed project. 58.63% is Acme State Agency's fringe rate. Because Acme State Agency's fringe benefits rate exceeds 35%, the following table provides a breakdown of costs:

Fringe Benefit Breakdown for Acme State Agency

Retirement Annuity Premium	34.87%
OPEB Expense	1.45%
FICA Employer	8.49%
Unemployment Premium	0.11%
Group Health Insurance Premium	13.71%
Total	58.63%

Supplies and Materials (Federal Contribution)

Staff will purchase \$2,000 in landscaping materials including granite boulders, rocks, and soil. Staff will purchase an estimated \$3,000 in native aquatic plants. Costs were estimated from previous vendor invoices.

Contractual (Federal Contribution)

Labor contract(s) to complete restoration of two House Hippo ponds and 100 yard channel to connect the ponds will be required for this project. Tasks to be completed by the labor contract include creating the 100-yard Shotcrete channel, modifying the ponds to accommodate the channel, and sealing the channel surfaces. These contracts, totaling \$2000,000 will be procured through a formal bidding process, therefore specific salaries and wages are not currently known.

Indirect Costs (Federal Contribution)

Acme State agency has a Federal Negotiated Indirect Cost Rate Agreement of 25% is applied to Federal requested funds, minus Federal funds passed through our agency to contractors. This resulted in indirect charges applied to \$108,365 of Federal requested funds.

Appendix III
Example Budget Narrative for Acme State Agency's Peaches of Immortality Grant

Total Project Cost Table

SOURCE	AMOUNT
Federal requested funding	\$81,741
Non-Federal cost share (third party contribution)	\$27,773
TOTAL PROJECT COST	\$109,514

Category/ Budget Item	Cost Calculation		Quantity Type	Federal Funding	Non-Federal Cost Share	Total Cost
	\$/Unit	Quantity				
PERSONNEL COSTS						
n/a						
Fringe Benefits						
n/a						
Travel						
n/a						
Equipment						
n/a						
Supplies & Materials						
n/a						
Contractual						
Contracts (from Contract Budget Table)				\$75,491	\$27,773	\$103,264
Construction						
n/a						
Other						
TOTAL DIRECT COSTS						
Indirect Costs (applied to funds passed through to first \$25,000 pass through) 25%				\$6,250		\$6,250
Subtotals				\$81,741	\$27,773	
TOTAL ESTIMATED PROJECT COSTS						\$109,514

Contract Subaward to Peaches International

Category/ Budget Item	Cost Calculation		Quantity Type	Federal Funding	Non-Federal Cost Share	Total Cost
	\$/Unit	Quantity				
PERSONNEL COSTS						
Senior Botanist III (Project Leader): Jamaica Doe	\$52.00	221	Hour	\$8,658	\$2,886	\$11,544
Research Associate; Jamison Doe	\$28.00	1560	Hour	\$32,760	\$10,920	\$43,680
Fringe Benefits						
Senior Botanist III (Project Leader): Jamaica Doe	30%	\$11,544	Percentage	\$2,597	866	\$3,463
Research Associate; Jamison Doe	30%	\$43,680	Percentage	\$9,828	\$3,276	\$13,104

Travel						
Motor Pool	\$35	60	day	0	\$2,100	\$2,100
Mileage	\$0.30	5,000	mile	0	\$1,500	\$1,500
Lodging/ Camping	\$14	75	night	0	\$1,050	\$1,050
Meals Per Diem – Paradise County	\$69	75	Day	0	\$5,175	\$5,175
Equipment						
n/a						
Supplies & Materials						
Leaf tissue collection supplies				\$210		\$210
Archival paper and glue				\$183		\$183
Seed storage supplies				\$23		\$23
DNA extraction supplies	\$3	384	sample	\$1,075		\$1,075
PCR amplification	\$4	384	sample	\$1,536		\$1,536
Contractual						
n/a						
Construction						
n/a						
Other						
Laboratory Analysis				\$1,200	0	\$1,200
TOTAL DIRECT COSTS				\$58,070	\$27,773	\$85,843
Indirect Costs Peaches International 30%				\$17,421		\$17,421
TOTAL ESTIMATED PROJECT COSTS						\$103,264

Budget Narrative Description: All costs included in this proposal are directly related to the project and necessary for its implementation. The non-Federal cost share is 25.4%; the Federal request is 74.6%.

The non-Federal contribution includes personnel salaries and wages, as well as fringe benefits for some Peaches International staff working on this project.

Federal funds associated with this grant will be passed through Acme State Agency to Peaches International.

Indirect Rate charges.

Acme State Agency has an approved NICRA of 25%. While this grant is predominately passed through to Peaches International Acme State Agency's NICRA allows for them to apply their indirect cost rate to the first \$25,000 of Federal funds passed through to subrecipients.

Subgrant to Peaches International

Personnel (Salaries and Wages) (Federal and non-Federal contribution)

All salaries included in the proposed budget are for staff time spent directly implementing the proposed project. Hourly rates and totals can be found in the Budget Table.

Dr. Jamaica Doe, Senior Botanist III at Peaches International will serve as Project Leader. She will oversee execution of all grant objectives.

Jamison Doe, research associate at Peaches International will assist in executing all grant objectives.

Fringe Benefits (Federal and non-Federal contribution)

All fringe benefits included in the proposed budget are for staff time spent directly implementing the proposed project. Peaches International's fringe rate is 30%.

Travel (Domestic Only) (non-Federal contribution)

Travel funds are requested for the field work component of the project. The breakdown anticipates a total 25 days in the field with a camping component, allowing leeway for length in the campaign duration (2-3 days at a time), for the most remote study areas. Mileage for vehicle usage was estimated based on the furthest known site of Peaches of Immortality occurrence from the Peaches International offices in Paradise City.

Supplies and Materials (Federal Contribution)

Basic supplies needed to complete grant objectives include clipboards, pencils, paper, cameras, etc. Specialized supplies for pollinator observations and insect sample collections include binoculars, vials, alcohol, etc.

Supplies for DNA extraction include silica beads for grinding tissue, buggers, plastics, and gloves (\$1,076 for 384 samples. DNA quantitation kits on a qubit are \$768 for 384 samples ddRAD libraries require digestion enzymes, T4 ligase, adaptation primers, and Phusion for PCR amplification (\$1,403 for 384 samples).

Other (Federal Contribution)

Peaches International will send collected insect samples to the Utah Plant Pest Diagnostic Lab for analysis. No more than 20 samples per season, for a total of 60 samples. The cost is based on their website charges and specifications.

Indirect Costs (Federal Contribution)

Peaches International has a NICRA of 30% which is applied to the Federal funds.