Sample Budget Narrative for Prime Awardees, Sub-Awardees and Sub-Contractors

**Organization Name**

**Program Name**

**Country**

**Proposed Period of performance (mm/dd/yyyy - mm/dd/yyyy)**

**Award No. and Modification no. (only applicable to modifications)**

# Notes

* The budget narrative must provide a justification on the basis of each proposed cost in the budget and how it is calculated.
* The description of line items whenever applicable should contain the following details: Quantity\*Unit of Measure (days, months, trips etc.) \*Unit Amount/Rate=Total Amount
* Provide a breakdown of all proposed costs. If a budget line item is a lump sum, the budget narrative needs to breakdown the cost built into that lump sum.
* The basis of estimates can be based on the local market, quotations received from vendors, historical records, ongoing activities, NGO's (or sub-grantee) policies and procedures, etc. These must be explicitly stated in the budget narratives for a new application or if additional funds requested (via a cost extension/modification).
* All proposed costs must be allocated and budgeted as days/hours (for labor) and amounts (for other direct costs (ODC)).
* The sequence of information in the budget narrative should match the budget.

## Cost Share (if applicable)

Please insert an explanation of your organization’s cost share budget approach. Please provide a detailed explanation of its methodology and your organization’s policy and procedures regarding cost share. Please list the budget categories where cost share has been applied.

## Exchange rate

Please specify the exchange rate used in the budget.

## Inflation

Please specify the estimated increase in salaries and other cost your organization anticipates for a multi-year award and the basis of this estimate.

## Any other budget assumptions (if applicable)

Please list and explain any other budget assumption that applies to your budget.

# Salaries

Please provide an explanation for every staff listed in the budget. Please explain whether the rate proposed is in line with your organization’s personnel policies and the rate set for the position.

* 1. Expatriate Staff
  2. HQ Technical Staff
  3. National Staff

# Fringe Benefits

Please explain your organization’s policy on fringe benefits and how it has been applied to this award or modification.

Please explain the basis of the fringe benefits for international and national staff.

Please provide a breakdown of the components of the fringe benefits for both international and national staff. Such as:

**Benefits                                                                     Percent of Salary**

Benefit 1 X%

Benefit 2 X%

Benefit 3 X%

Benefit 4 X%

Benefit 5 X%

Benefit 6 X%

Benefit 7 X%

Benefit 8 X %

**Total Fringe Benefits X%**

# Non-Employee Labor

Please provide the following details for non-employee labor at the very minimum:

-rate of pay

-total months or days of employment

# Travel and Transport

This section can include airfare cost, per diem, transportation and other travel related cost.

Sample table for international and domestic travel

|  |  |  |  |
| --- | --- | --- | --- |
| **Purpose of Trip** | **Days/Trip** | **Number of Trips** | **Total** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

# Overseas Allowances

Please provide details on the proposed overseas allowances your organization plans to provide under this award.

# Supplies

Please provide supporting narrative for proposed activity supplies cost and breakdown where applicable. If a budget line item is a lump sum, the budget narrative needs to breakdown the cost built into that lump sum.

# Staff Training

Please provide details of all planned trainings.

Sample table for breakdown of training cost:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line item** | **Unit Cost** | **Number of participants** | **Number of days** | **Total** |
| Training materials |  |  |  |  |
| Venue |  |  |  |  |
|  |  |  |  |  |
| **Total** |  |  |  |  |

# Equipment

Please provide details of any equipment your organization plans to purchase. Please include the following details at the very minimum:

* Type of equipment
* Quantity
* Unit cost
* Total
* Use of proposed equipment

# USAID Branding and Marking

Please provide a breakdown of all proposed branding and marking cost.

# Sub-awards

Please provide a description of the proposed sub-grantee and the activities it will be implementing.

Please insert a summary table of each of the sub-grant’s budget.

Please note that every sub-grant requires a separate detailed budget and budget narrative that follows the format of the prime recipient.

# Sub-contracts

Please provide a description of the proposed sub-contract and the activities it will be implementing or services it will be providing.

Please insert a summary table of each of the sub-contract’s budget.

Please note that every sub-contract requires a separate detailed budget and budget narrative that follows the format of the prime recipient.

# Audits

Please include information on the proposed audit cost.

# Other Direct Costs

Any allowable cost per 2 CFR 200, Subpart E-Cost Principles (General Provisions for Selected Items of Cost) that does not fall under other cost categories of the budget can fall under ODC. However, please provide a valid explanation for their inclusion and all line items under ODC must be necessary for the implementation and operation of the program. Here are some examples:

* Depreciation
* Rental costs of real property and equipment (such as field offices)
* Recruiting costs
* Publication and printing costs
* Participant support cost
* Maintenance and repair costs
* Insurance and indemnification
* Office Supplies
* Communication cost (not covered under Branding and Marking but related to the award)
* Mobile devices
* Legal Fees
* Office Furniture
* Bank Charges

# Indirect Cost

# Please provide an explanation of the indirect cost calculation applied to the budget. Please include information on the modified total direct cost if applicable.