Sample Budget Narrative

Contact Information:
Grantee: nnn
Contact Information: nnn
Web: www.n.org
DUNS Number: nnn
PVO Registration No. nnn
E.I Number: nnn
Mailing Address: nnn
Telephone: nnn

The XYZ Program
USAID/OFDA
APS-OFDA-nnn

General

Allowability of costs incurred under the Grant will be determined in accordance with Office of Management and Budget Circular A-122, "Cost Principles for Nonprofit Organizations," including any revisions thereto that become effective during a Grant Period. A Grant Provision discusses allowability of the major budget categories that may be included in a Grant budget and provides references to the appropriate sections of OMB Circular A-122 (as revised May 10, 2004) where additional details can be found.

BUDGET SUPPORT

a. Salaries and Wages (Account 5501)

References: A-122: B-8 and B-47

Any salary and wage expenses paid from Grant funds will be based on documented payroll records approved by a responsible officer of the organization. Salary rates for employees will conform to written personnel policies and be reasonable for the services performed. Each employee will sign a written agreement outlining conditions of employment. Taxes withheld from the employee’s salary as required by law and remitted by the employer to the taxing authority are generally considered part of salary and are allowable with documentation supporting withholding and remittance.

Program Director (Chief of Party)
Base: $3,500/mo
Joe Schmoe (Key)
Level of Effort 50%

The Program Director will be responsible for project facilitation. He will work directly with the partners and will supervise the Country Facilitators. He will travel to each target country twice during the program to conduct site visits and meet personally with some of the SOCs workers and volunteers. His main tasks will be:
Will be primarily responsible and accountable for the project
• Monitoring the program and tracking its progress
• Help draft the SOPs
• Responsible for day-to-day operations and coordination
• Working with the partners and Country Facilitators to facilitate issues, and provide any input & support as needed
• Collection of data, analysis, recording, reporting on results
• Manage all logistical arrangements
• Provide monthly and quarterly reports
• Will act as the chief liaison to USAID for this project.

Mission Coordinator
Base: $2,700/mo
Level of Effort: 100%

Missions Coordinator has the contacts and communications network vital to providing the necessary links to make the project successful. His/her main tasks include:

• Day-to-day operations
• Daily communication & guidance of Country Facilitators and Partners
• Assists in the creation of the SOPs
• Direct program coordinator purchasing materials, monitoring expenses etc
• Collection of data, analysis, recording, reporting on results
• Assists in all logistical arrangements
• Assists in the completion and publishing of monthly and quarterly reports

Executive Director
Base: $7,000/mo
Level of Effort: 10%

Mr. N has over five years of experience managing USAID funded programs. He has more than ten years experience working with USAID, and The U.S. Department of State. Mr. N is fluent in Arabic. He graduated with a B.S. in Electrical Engineering and MBA from Blah Blah, and obtained a Doctorate Degree in Blah from Blah

• Will meet regularly with the Program team to track the program’s progress
• Will ensure the program is being administered properly and that the program goals are being met
• Will act as the senior contact with the partners and the political and policy makers associated with the program

Financial Coordinator
Base: $4,000/mo
Level of Effort: 10%

The Financial Coordinator will be responsible for internal income and expense grant oversight and management. The Financial Coordinator will be responsible for identifying and monitoring potential sources of fraud, waste, and abuse. The Financial Coordinator will assist prepare all financial reports. The duties include:
Managing the accounting, finance and administration components of the funded program.
Preparation expenditure analysis for the overall program.
Maintaining accurate and timely financial information and reporting.
Collecting, analyzing, recording, filing, and reporting on financial and cost matters.
Applying best practices for identifying and monitoring potential sources of fraud, waste, and abuse.

M&E and Compliance Specialist
Base: $2,500/mo
Level of Effort: 15%

The M&E and Compliance Specialist is responsible for guiding the overall M&E strategy and implementation of related activities within the project, plus providing timely and relevant information to the program team. Critical tasks for the M&E specialist are setting up the M&E system and ensuring it is implemented efficiently and effectively. The M&E system will be based on the program log frame and the project M&E plan and will build as much as possible upon existing M&E mechanisms.

Specific Responsibilities of M&E Compliance Specialist:

- Monitor how well the operational procedures of all programs respond to USG regulations and if is in compliance with the terms of agreements.
- Oversee and execute M&E activities, with particular focus on results and impacts as well as in lesson learning.
- Oversee the implementation of our M&E work, train staff and maintain an understanding of current stage of development of M&E practice for the respective programs, as well as to identify where and how M&E practice requires improvement and investment.
- Provide technical assistance, training, and instructional materials throughout the Network to ensure M&E processes are implemented.
- Work closely with the program team

Program Assistant
Base: $2,000/mo
Level of Effort: 15%

The Program Assistant will be responsible to the entire program team and the Executive Director for all administrative paperwork necessary for initiative implementation, check requisition, invoicing, review and dissemination of monthly controller’s reports, communications and transmission of data. Housed at the applicant’s offices, s/he will act as the point person and maintain contact with all the initiative personnel. She will be in continuous contact with the administration, financial and others to assure compliance with the time-line developed to move the initiative forward. The Program Assistant will type, collate, copy, mail, and file grant related materials, letters, and documents, and perform reception duties as needed. As Program Assistant to the program team, S/he will participate in day-to-day management and coordination of the initiative.

Summary Salaries and Wages

<table>
<thead>
<tr>
<th>Function</th>
<th>Base</th>
<th>Level of Effort</th>
<th>Cost/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Director (Chief of Party)</td>
<td>$3,500</td>
<td>50%</td>
<td>$1,750</td>
</tr>
<tr>
<td>Mission Coordinator</td>
<td>$2,700</td>
<td>100%</td>
<td>$2,700</td>
</tr>
<tr>
<td>Position</td>
<td>Salary</td>
<td>Allocated</td>
<td>Allocated %</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------</td>
<td>-----------</td>
<td>-------------</td>
</tr>
<tr>
<td>Executive Director-support</td>
<td>$7,000</td>
<td>10%</td>
<td>$700</td>
</tr>
<tr>
<td>Financial Coordinator-support</td>
<td>$4,000</td>
<td>10%</td>
<td>$400</td>
</tr>
<tr>
<td>M&amp;E and Compliance Specialist-support</td>
<td>$2,500</td>
<td>15%</td>
<td>$375</td>
</tr>
<tr>
<td>Program Assistant-support</td>
<td>$2,000</td>
<td>15%</td>
<td>$300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,225</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Program Charge $ 

Cost Share $ 

**b. Benefits, Allowance and Taxes (Accounts 5502,03,04,05, & 06)**

References: A-122: B-8.f through B-8.l, B-13, B-19, B-20, B-22.a (2) (e), B-42, B-47, B-49, and B-51

Employee fringe benefits (such as vacation, sick leave, insurance, the employer’s share of “social security” taxes or other employment-related taxes required by law, etc.) are allowable provided the benefits are paid in accordance with law and/or XYZ’s established written policies. These costs should be documented by payroll records, insurance policies, and other supporting documentation. Personal use of an organization-furnished automobile, housing allowances and personal living expenses for employees are unallowable without prior USG Grantor approval. Severance payments to non-U.S. employees working for a U.S. organization outside the U.S. may not exceed the organization’s usual and customary severance payments for employees working in the U.S. without prior USG Grantor approval. Except for U.S. Federal income taxes on organizations, taxes unrelated to employment required by local law may be paid from Grant funds unless the organization is eligible for an exemption. The cost of such benefits or taxes should be allocated to all activities in proportion to the amount of time or effort actually devoted to each activity by the employee or organization.

**FRINGE RATE COMPUTATION: 45.2%**

Consists of:
Federal Withholding 6.5
Social Security 6.2%
Medicare 1.5%
Free days & vacation 1.0%
Healthcare 31.0%

Calculation Total: $6,225 salaries X 45.2% = $2,814
Program Cost $ 
Cost Share $ 

**c. Contracts and Consultants (Account 5560)**

References: A-122: B-37

Reasonable consultant fees and related expenses in connection with authorized activities under a Grant are allowable within guidelines stated in OMB Circular A-122 regarding compensation in relation to the qualifications of the individual and adequacy of the contractual agreement for the services; includes sub-awards.
Country Lead and Government Partnership

Will lead the effort of building relations with regional emergency entities, government entities, and other team members; must have extensive, relevant knowledge and experience, and has more working relationships with target partners; must speak fluent Arabic or Farsi (depending on target country). Specific Duties:

- Engage regional/local governmental actors in establishing formal collaboration and partnership.
  - Engage National Directorate Protection Civile NDPC (Syria) to participate in the initiative to help provide much needed support to developing capacity building strategies.
  - Engage The Executive Director of Civil Defense in Libya.
  - Direct partnerships between XYZ and partners/sister organizations, demonstrating knowledge of procurement and the nature of public/private partnerships

- Engage regional governmental bodies and humanitarian agencies in needs assessment of long-term development goals for in-country agencies with which they work.
  - Conduct meetings and training sessions with regional humanitarian governmental actors on strategic planning, gathering data and managing information.
  - Recommend training materials for workshops on long-term in-country warehousing needs as it refers to strategic commodities

- Handle project communications, government relations, and marketing initiatives.
- Serve as lead in corporate and project communications, stakeholder relations, developing and implementing plans for stakeholder relations.
- Successfully foster communication in a multi-faceted, multi-stakeholder environment.
- Develop and implement strategic communications plans in a project environment.
- Recommend and advice on media and community relations, including development of media plans.
- Show in-depth knowledge of government relations and public affairs.

Total: $10,000 per country. There are three pilot countries in this proposal.

Facilitator & Trainer
Joe Schmoe

Mr. Schmoe is an accomplished United States Army Officer with over 20 years of diversified leadership, management and logistics experience in progressive positions to the senior executive levels. Formerly has been Interagency Strategist, Whole of Government Initiatives, Partnering Directorate, US SOUTHCOM Miami, Florida, and former Chief, Logistics Division, Standing Joint Force HQs, Miami, Florida. Experience: Executive Leadership and Personnel Management, Program Management and Life Cycle Logistics, Supply, Distribution and Inventory Management, Strategic, Operational and Logistics Planning, and Disaster Response Planning and Assessment.

Duties include: Will conduct all training, develop curriculum, conduct table exercises, and facilitate the writing of the emergency plans and SOPs. Create a synchronized and focused effort; provided planning expertise to the partners; responsible for SOP review and update, team training, plan development, oversight and sustainment.

Total: $10,000/SOP. There will be three SOPs.
Translation Services
Professional translation services will be necessary for the final standard operating guides and other documents to be translated into Arabic and Farsi.

$3,000/each for Arabic and Farsi

Total Contracts & Consultants (2 years)
$30,000 Country Lead & Governance
$30,000 Facilitator/Trainer
$6,000 Translations
Total $66,000

d. Travel and Per Diem
Reference: A-122: B-51
Reasonable travel costs (including transportation, lodging, subsistence, and related items) for travel specifically attributable to project objectives under the Grant are allowable provided the expenses are in accordance with governing cost principles.

Travel
A minimum of 2 trips by either the Program Director or then Executive Director to participate in meetings and follow-ups; a minimum of 2 trips by the Country Lead and Government Partnership consultant, and two trips by the Facilitator/Trainer; total 8 country trips during two years.

Airfare-(Miami, FL to Syria)
Air travel at $310
Total Travel: 310 X 6 times=$1,860

Airfare-(Miami, FL to Libya/PaP)
Air travel at $415
Total Travel: 415 X 6 times=$2,490

Airfare-(Miami, FL to IRan)
Air travel at $410
Total Travel: 410 X 6 times=$2,460

Per Diem
First of two trips total 6 days (5 day session workshop) for the draft of an emergency plan and SOPs.
Second meeting 3 days (two day session workshop) for table exercise and final SOPs. Total 9 days.

Libya
Per Diem of $261/day for 9 daysX3 persons=$7,047

Syria
Per Diem of $277/day for 9 daysX3 persons=$7,479

Iran
Per Diem of $250/day for 9 daysX3 persons=$6,750
Travel and Per Diem Summary

<table>
<thead>
<tr>
<th>Function</th>
<th>Frequency</th>
<th>Rate</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libya Per Diem</td>
<td>6 trips</td>
<td>$310/ea</td>
<td>$1,860</td>
</tr>
<tr>
<td>Libya Per Diem</td>
<td>27 days</td>
<td>$261/day</td>
<td>$7,047</td>
</tr>
<tr>
<td>Syria Air Travel</td>
<td>6 trips</td>
<td>$415/ea</td>
<td>$2,490</td>
</tr>
<tr>
<td>Syria Per Diem</td>
<td>27 days</td>
<td>$277/day</td>
<td>$7,479</td>
</tr>
<tr>
<td>Iran Air Travel</td>
<td>6 trips</td>
<td>$410/ea</td>
<td>$2,460</td>
</tr>
<tr>
<td>Iran Diem</td>
<td>27 days</td>
<td>$250/day</td>
<td>$6,750</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$28,086</strong></td>
</tr>
</tbody>
</table>

Program Charge $
Cost Share $

e. Business Development (Overseas) (Account 5590)
References: A-122, B-14, B-29, B-33, and B-49

Expenses for food in conjunction with a meeting or conference overseas should be documented with (1) receipts, (2) an explanation of the purpose and location of the function, and (3) a list of the names and affiliations of participating individuals.

Initial Workshop

There will be one workshop which brings all the partners together for 5 days to conduct the preliminary discussions on emergency response, and to list the specific or detailed actions, methods or skills used to accomplish the tasks or jobs (also known as SOGs, Standard Operating Guides). This workshop will provide training for the partners on how to prevent, mitigate, and prepare for the effects of recurrent natural disasters. It will provide assistance related to disaster preparedness, and to risk reduction activities, to lessen adverse impacts of, and to enhance the prediction of and contingency planning for natural disaster. It will also help build capacity for effective and timely response strategies, conduct advance planning for relief, rehabilitation, and reconstruction of the target airports and ports. The workshop will be used to provide technical assistance and other support to essential port personnel and other partners including disaster mitigation best practices. There will be a translator to help the expert facilitator lead the team of local partners. Local realities of the country, their infrastructure and limitations will be integrated into the draft SOPs. The cost of each workshop has been estimated as follows:

Facility rental includes snacks and coffee-$150/dayX5=$750

Writing and small training materials (notebook, pens etc) - $20/personX15=$300

Breakfast, lunch and dinner $75/personX15X5=$5,625

Snacks and any other accommodations- $150

Stipend local participants/reimbursement transportation $20/dayX13personsX5days=$1,300

Total per Initial Workshop $8,125

Total Initial Workshops $8,125X3=$24,375
Final Workshop

Approximately 3-5 months following the Initial Workshop, a two day Final Workshop will be necessary to conduct a table top exercise to test the initial findings and strategy, also to modify plans, procedures and policies based on realities, and then adopt the final SOPs. The cost of each workshop has been estimated as follows:

Facility rental includes snacks and coffee-$150/dayX2=$300

Writing and small training materials (notebook, pens etc) - $10/personX15=$150

Breakfast, lunch and dinner $75/personX15X2=$2,250

Snacks and any other accommodations- $75

Stipend local participants/reimbursement transportation $20/dayX13personsX2days=$520

Final formal Standard Operating Procedures (SOPs) $90X15 persons=$1,350

Total per Final Workshop $4,645

Total Final Workshops $4,645X2=$9,290

f. Conference & Training (USA) (Account 5600)

References: A-122: B-14, B-29, B-33, and B-49

Expenses for food in conjunction with a meeting or conference should be documented with (1) receipts, (2) an explanation of the purpose and location of the function, and (3) a list of the names and affiliations of participating individuals.

Program related conferences and meetings with partners and target partners in South Florida to develop workshop curriculum, meet on strategy, and securing assistance from the Consul General. The underlying purpose of the meetings is to receive feedback, knowledge, identify and solidify critical contacts, etc. We have estimated an average of $150/month for this purpose.

g. Other Direct Costs-Program (Account 5620)

<table>
<thead>
<tr>
<th>Cost Share Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ocean Freight (40-foot container/one each) @$5,000/each</td>
</tr>
<tr>
<td>Program Commodities and Supplies $10,000/SOC/$30,000 Miami</td>
</tr>
<tr>
<td>Container movement discharge-in country (3x$400/each)</td>
</tr>
<tr>
<td>Warehousing Expense-Florida Disaster Center Miami $400/mox24</td>
</tr>
<tr>
<td>Warehousing Expense-SOC $250/mo eachX24X3</td>
</tr>
<tr>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Additional logistics &amp; positioning expense est. at $2,000/center</td>
</tr>
<tr>
<td>Specialized Shelving for SOC $1,000/center and Miami</td>
</tr>
<tr>
<td>Specialized software and IT contacts with SOPs –Provided by General Dynamics</td>
</tr>
<tr>
<td>Laptop Computers (1) for each SOP</td>
</tr>
<tr>
<td>Cell Phones for assigned coordinators-no service $450/each</td>
</tr>
<tr>
<td>Projected cost for the distribution of kits to essential personnel. Based on 130/eachX$20X3</td>
</tr>
</tbody>
</table>

Subtotal General Program Cost-Share $133,450

**h. Occupancy/Rent (Account 5510)**

References: A-122: B-11, B-27, B-42, B-43, and B-46

Reasonable expenses for rent or lease of appropriate facilities for Grant-related activities are allowable, subject to the limitations described in OMB Circular A-122, B-43. Alternatively, compensation for the use of buildings, other capital improvements, and equipment on hand may be made through use or depreciation allowances as described in OMB Circular A-122, B-11.

Office Rent & Utilities:

Allocation of office space based on program staff space and direct program usage:

Base: $6000 per month X 22.5% usage = $1,350

**i. Office Expense (Account 5520)**

References: A-122: B-11, B-15, and B-28

References: A-122: B-1, B-29, B-38, B-41, B-45, and B-49

Reference: A-122: B-30

Reference materials allowable when required for Grant-related activities; expenses in this category include office expenses that are indirectly charged based on the actual of the costs expenses or directly to the benefiting program or activity. Calculation is based on estimated direct usage for program expense:

Office Supplies & Courier/Postage

All consumable supplies necessary for grant related activities, including paper, pens, printer and fax cartridges, folders, clips, photocopying, etc. Organization’s expenses in these categories are as follows:

Base: $317/mo.

Office Equipment Maintenance and Computers/screens/printer’s maintenance

Maintenance of office equipment includes IT support for computers, printers, and other electronic and electromechanical equipment; based on history.

Base: $650/mo.

Shipping/Postage/Couriers

The general office postage and courier expenses normal to the anticipated program are as follows:

Base: $320/mo.
Office Alarm Service $100/mo.

Office Cleaning Service $120/mo.

Copying and Printing avg. $300/mo.

Summary of office expenses calculation:

<table>
<thead>
<tr>
<th>Cost Component</th>
<th>Base</th>
<th>Space Projected Direct Usage</th>
<th>Cost/Unit USAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Supplies &amp; Courier/Postage</td>
<td>317</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Equipment Maintenance</td>
<td>650</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shipping/Postage/Couriers</td>
<td>320</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Alarm Service</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Cleaning Service</td>
<td>120</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copying and Printing</td>
<td>300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,007</td>
<td>22.5%</td>
<td>$452</td>
</tr>
</tbody>
</table>

**f. Marketing & Communications (Account 5530)**

**References: A-122: B-7**

Costs incurred for telephone services, local and long distance calls and facsimile charges, e-mail, telex, telegrams, postage, graphic design, and similar costs related to implementation of the project objectives are allowable.

Communications:

The program coordinator will make periodic calls throughout each month of the project to ensure that the Operations Coordinator and each location are on track and the program is running efficiently. These calls will be made at random at the discretion of the Program Coordinator.

Base: $380 per month

Internet Access Cost $350/mo.

Software Licensing Rights $200/mo.

Office telephone equipment $430/mo.

IT Security & storage $210/mo
### Cost Component

<table>
<thead>
<tr>
<th>Cost Component</th>
<th>Base</th>
<th>Space Projected Direct Usage</th>
<th>Cost/Unit USAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet Access</td>
<td>350</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Software Licensing and Usage</td>
<td>200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone Equipment</td>
<td>430</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT Security &amp; Storage</td>
<td>210</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>1,190</td>
<td>22.5%</td>
<td>$268</td>
</tr>
<tr>
<td>Direct long distance phone charges</td>
<td></td>
<td></td>
<td>$150</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>$418</td>
</tr>
</tbody>
</table>

### Professional Services-5570

**XYZ** incurs outside services costs for its annual audit. The program has been charged for half of the annual A-133 audit cost for each of the two year program.

**Program Audit**

This cost item applies to an audit at the conclusion of the program. The audit will meet the following requirements:

1. Complies with the requirements of OMB Circular No. A-133, "Audits for Institutions of Higher Education and Other Nonprofit Institutions";

2. Complies with the requirements of American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) No. 92-9, "Audits of Not-for-Profit Organizations Receiving Federal Awards";

3. Complies with AICPA Codification of Statements on Auditing Standards AU Section 551, "Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents," where applicable. When U.S. Department of State is the largest direct source of Federal financial assistance (i.e., the cognizant Federal Agency) and indirect costs are charged to Federal grants, a supplemental schedule of indirect cost computation is required.

The quote is for an audit in accordance with Generally Accepted Auditing Standards (GAAS) and Generally Accepted Government Auditing Standards (GAGAS or the Yellow Book). The most common Yellow Book audit is a Single Audit performed under the Single Audit Act and the Office of Management and Budget (OMB) Circular A-133. A single audit is required if the organization spends more than $500,000 of federal awards.

**Cost of supplemental reports and schedules required by A-133 has been quoted by Appelrouth, Farah & Co. (our auditors) at $15,000 per audit. ABC has done many Yellow Book audits and their staff meets the Continuing Professional Education (CPE) requirements for government audits. Their firm is part of the American Institute of Certified Public Accountants (AICPA) Peer Review Program. From inception (1986) to the present time we have been recognized for having a system of quality control for our accounting and audit practice.**
XYZ does not have a negotiated indirect cost rate agreement with USAID or with any other branch of the federal government. We look forward to negotiating an acceptable rate. In the mean time, XYZ does not charge any indirect costs—all costs are direct. No indirect charge is levied against commodities or services purchased.