

BUDGET NARRATIVE

After completing all eight Budget Narrative worksheets for each project, we strongly recommend that Palau review the totals from each worksheet to ensure that the amounts match what is listed in the Budget Summary direct costs columns. Where there are discrepancies, Palau must correct the errors prior to submitting the plan. **Please be sure to thoroughly review the Budget Narrative(s) for accuracy prior to submitting the plan. The total amount of funds outlined in all combined Project and Budget Narratives should not exceed \$1,000,000 for FY 2020. Do not include State and/or local funds in the worksheets.**

1. PROJECT TITLE:				
BUDGET SUMMARY PAGE				
BUDGET CATEGORIES	INDIRECT COSTS	FY 2019 CARRYOVER FUNDS SUBTOTALS	FY 2020 FUNDS SUBTOTALS	TOTALS
2. Personnel Salaries				
3. Fringe Benefits				
4. Travel				
5. Equipment				
6. Supplies				
7. Contractual (Purchased Services)				
8. Other				
Indirect Cost Rate	Subtotals			
<input style="width: 50px; height: 20px;" type="text"/>				Grand Total:

Prompt:

The “Budget Narrative” must include the following:

- The federally funded position(s) and title(s), and the percent of time dedicated to the specific project.
- For “Travel,” the number of individuals traveling, costs for airfare, hotel, per diem, car/taxi fare per round trip, the number of days, and any conference fees. “Travel” costs must be stated at this level.
- For “Equipment,” the quantity of items to be procured, the unit cost, clear descriptions of the equipment. “Equipment” costs must be stated at this level.
- For “Supplies,” the quantity of items to be procured, the unit cost, clear descriptions of the supplies. The purpose and intended use of each supply item must be stated at this level.

Note: All budget costs must be necessary and reasonable, allowable, allocable to the program, adequately documented (2 CFR 200.403), and clearly aligned with the “Project Narrative.”

2. PERSONNEL SALARIES & 3. FRINGE BENEFITS

Personnel		FY 2019 Carryover Funds			FY 2020 Funds			Total Funds for the Project		
Position Titles	% of Time	Salary	Fringe	FY 2019 Totals	Salary	Fringe	FY 2020 Totals	Salary	Fringe	Totals
Subtotals										

Prompts:

- List the title of each position to be compensated under this project.
- Enter the amounts of time, such as hours or percentage of time to be expended by each position under this project (e.g., 75%, or 30 hours per week).
- Enter the salary for each position under this project.
- Enter the fringe benefits amount for each position under this project.
- Total the salary and fringe columns and enter each subtotal.
- Add each position’s salary and fringe and enter the sum total in the FY 2020 Totals column.
- Add the subtotals and enter amount into the Personnel Total field.

When completing the worksheet, Palau is encouraged to combine similar positions and enter aggregated amounts into the relevant columns. For example, if a project required 4 Technology Specialists who were paid \$30,000 annually and who would work 100% of the time on the project, Palau could enter “Technology Specialists (4)” in the Position Titles column, 100% in the “% of Time” column, and \$120,000 in the FY 2020 funds salary column.

Only direct costs should be included.

Include fees and expenses for consultants under Contractual Services.

Note: Each personnel salary and fringe benefit should align with the Executive Summary, Project Narrative, and Goal(s).

4. TRAVEL			
Travel Activity	Itemized Budget – Airfare, Hotel, Per-Diem, Local Travel, Conference Fees, Etc.	FY 2019 Carryover Funds	FY 2020 Funds
Travel Subtotals			

Prompts:

- Indicate the travel activities and costs of employees and participants only.
- Include the travel expenses for consultants under Contractual Services.
- Include travel expenses for participant(s) to attend the Department’s Annual Technical Assistance Meeting in the Washington D.C. area. The Annual Technical Assistance Meeting provides an opportunity for the Insular Areas and Palau to learn about designing and implementing high-quality and well-aligned programs that support advancements in student achievement.
- List each travel activity and briefly explain the purpose of the travel.
- Provide an itemized budget breakdown of travel costs such as airfare, hotel, per diem, local travel, conference fees, number of travelers and the number of days for each traveler.
- Calculate and enter the total cost for each travel activity.

Note: The purpose of each travel activity(ies) should align with the Executive Summary, Project Narrative, and Goal(s).

5. EQUIPMENT			
Equipment Type	Itemized Budget – Machinery/Equipment, Information Technology Equipment, Computer Hardware, Computer	FY 2019 Carryover Funds	FY 2020 Funds
	Equipment Subtotals		

Prompts:

- Indicate the cost of tangible, non-expendable personal property that has usefulness greater than one year and acquisition costs that are the lesser of the capitalization level established by Palau for financial statement purposes or \$5,000 per article. Lower limits may be established to maintain consistency with Palau’s policy.
- List the type of equipment and briefly explain the purpose for each one.
- Provide the estimated unit cost for each item to be purchased.
- Calculate and enter the total cost for each equipment purchase.

Note: The purpose for each equipment should align with the Executive Summary, Project Narrative, and Goal(s).

6. SUPPLIES			
Supply Type	Itemized Budget – <i>Office Supplies, Repair and Maintenance Supplies, Small Tools and Equipment (Computers, Cameras, etc.), Data Processing Software, Books, Periodicals, Etc.</i>	FY 2019 Carryover Funds	FY 2020 Funds
Supply Subtotals			

Direct supplies and materials differ from equipment in that they are consumable, expendable and of a relatively low unit cost. Supplies purchased with grant funds should directly benefit the grant project and be necessary for achieving the goals of the project.

Prompts:

- List materials and supplies by nature of expense or general category (e.g., instructional materials, office supplies, etc.) with a brief summary of the purpose.
- Provide an itemized budget breakdown of costs for materials and supply items.
- Briefly explain the purpose of each purchase.
- Calculate and enter the total cost for each supply purchase.

Note: The purpose of each supply should align with the Executive Summary, Project Narrative, and Goal(s).

7. CONTRACTUAL – (PURCHASED SERVICES)			
Contractual Product or Service	Itemized Budget – Contractual/Professional Services; Communication Services; Advertising and Promotion; Printing and Binding; Training/Professional Development, Etc.	FY 2019 Carryover Funds	FY 2020 Funds
Contractual Subtotals			

The contractual category should include all costs specifically incurred with actions that Palau takes in conjunction with an established internal procurement system.

Prompts:

- Include consultant fees, expenses, and travel costs in this category if the consultant’s services are obtained through a written binding agreement or contract.
- ~~Be~~ clear about the services to be delivered.
- Identify the products to be acquired, and/or the professional services to be provided.
- Include a brief summary of the purpose for each contract.
- Provide an itemized budget breakdown of costs for the deliverables under each contract.
- Calculate and enter the total cost for each contract.

Note: The purpose of each contractual product or service should align with the Executive Summary, Project Narrative, and Goal(s).

8. OTHER DIRECT COSTS			
Other Direct Cost Items	Itemized Budget – <i>Space Rental, Required Fee, Honoraria and Travel (where a contract is not in place for services), Training, and Communication and Printing Costs, Etc.</i>	FY 2019 Carryover Funds	FY 2020 Funds
Other Subtotals			

Prompts:

- Identify all direct costs not previously covered in the other budget categories. For example, include costs such as space rental, required fee, honoraria and travel (where a contract is not in place for services), training, and communication and printing costs.
- Do not include costs that are included in the indirect cost rate.
- List and identify items by major type or category (e.g., communications, printing, postage, equipment rental, etc.).
- Include a brief summary of the purpose for each item.
- Provide an itemized budget breakdown of costs per item (e.g., printing = \$500, postage = \$750).
- Calculate and enter the total cost for each other direct cost purchase.

Note: The purpose of each direct cost should align with the Executive Summary, Project Narrative, and Goal(s).