



## NONPOINT SOURCE (NPS) PROGRAM FISCAL YEAR 2021 BUDGET FORM INSTRUCTIONS

Changes in federal requirements have impacted the treatment of indirect costs and these changes apply to all new NPS pass through grants. If your organization has a current federal “Negotiated Indirect Cost Rate Agreement” (NICRA) you must use this rate to determine indirect cost. If your organization does not have a NICRA you must use the *de minimis* rate of 10 percent of the modified direct costs. The Department of Environment, Great Lakes, and Energy (EGLE) has developed Budget forms for each case. The only difference in these forms is the calculation of indirect costs.

The NPS Program requires all applications to include cost information on a Grant Application Budget form. Forms that calculate indirect costs at the 10% *de minimis* rate are available electronically on our web site. Forms that calculate indirect costs based on a NICRA must be individually adjusted and are available from [NPS staff](#). Use of the electronic form will ensure correct calculations and that match and indirect amounts are appropriate. Yellow shaded areas of the budget sheet are cells that are available for data entry, all other cells are locked.

- Totals and subtotals on the form will round to the nearest dollar.
- The Project Total from the budget page must be the same as the Project Total on the cover sheet of your application.
- Under each Budget Category (column 1), enter the activities or entities that will be charging against the grant or counted as local match (see Local Match, below). Include enough detail that we can tell who or what is being paid for. For example, under Staffing Cost, each proposed employee of the applicant charging time to the grant or counting time as match should be listed by name and title, followed by the projected number of hours they will be working on the project and an hourly rate. The hourly rate should account for scheduled raises which should be averaged over the proposed project period.
- The form will calculate the total and attribute all the funds to the match column. Enter the amount you propose to be grant funded in column D. The form automatically adjusts the match amount.
- Provide the same level of detail for all other budget categories, whether it is to be charged against the grant or counted as match. Each line requires a description, a quantity, and a rate or unit cost.

### Before you work on your budget:

- NPS Program funding cannot be used to purchase vehicles; nor can they count as match.
- Digital cameras and Global Positioning System (GPS) units may be purchased or used as match under the following conditions:
  - The project includes several sites or otherwise requires extended use of the equipment.
  - EGLE will suggest specific brands and models.
  - The equipment can be purchased only after written approval by the EGLE Project Administrator.
  - Ownership of this equipment may revert to EGLE at the end of the grant.

- NPS Program funds cannot be used for audits, unless the grantee must undergo a federal single audit, in which case EGLE will allow a prorated portion of that audit as grant or match charges. Single audits are only required if the grantee receives \$750,000 or more in federal funds in any year.
- Grant funds can be used for conferences, workshops, and other types of training including related food and lodging costs if justified by the applicant and **approved by EGLE prior to attendance**. Such costs will be evaluated on a case-by-case basis.
- Only actual costs can be claimed as match or for grant funding. Cost allocation is not allowed.
- The NPS program can only reimburse contractors up to the U. S. Environmental Protection Agency’s (USEPA) federal [consultant cap rate](#). This applies to both grant and matching funds.

**Use the appropriate Budget Form**

If your organization has a federally approved NICRA, you must submit a copy of your NICRA with your Notice of Intent form as described in the [Instructions](#). EGLE will provide an adjusted budget form that is consistent with your federally approved NICRA.

If your organization does not have a federally negotiated indirect cost rate, download and use the [“FY21 De Minimis Budget Form”](#) file.

**Local Match Amount**

Local match is a financial commitment made by the grant recipient and project partners to implement the project. Local match is required on all applications. Labor, in-kind services, cash, and materials can count as match. Match rates for contractors must conform with [the USEPAs Consultation Cap](#). Applicants should confirm all hourly partner match rates or use [EGLE’s volunteer rates](#). Partner match should also be confirmed with a letter of support.

- No federal funds can be used to match grants offered under this Request for Proposal.
- For a description of eligible match activities, contact [NPS staff](#).
- The rate of match included in your application will become part of your contractual obligation if your project is selected for full funding. Be sure your match commitment is realistic.
- Match activities will be held to the same standards as grant-funded activities.
- Match cannot be earned until the starting date in a contract is signed by both parties.
- Local match beyond the minimum required in the Grant Description is encouraged. Note that auditing requirements require grantees to document match earned by providing letters from matching agencies, verifying the work completed, and the value of that work. Again, make sure your match commitment is realistic.

**Note:** The minimum required local match is 25 percent. Minimum match required is estimated by multiplying the grant request by 0.333

Grant Request X 0.333 ≈ Local Match Amount

For example, if you are requesting \$75,000 in grant funds. The minimum local match is estimated by multiplying the grant request by 0.333.

Example: \$75,000 X .333 ≈ \$25,000 Local Match Amount

\*\*The budget form will calculate and display the actual match percentage\*\*

**Completing the budget sheet.**

1. Staffing Costs. These costs may be grant funds or local match.
  - In the first column, list each staff person by name and title (project manager, senior analyst, clerical, etc.), the estimated number of hours each person will work on the project and their average hourly rate (accounting for scheduled raises). The total and match amounts are calculated automatically and cannot be changed directly. Adjust the total by changing the hours or rate, adjust the match amount by changing the grant amount.
  - Each staff person listed under staffing cost should also be included in the work plan.
  - Staffing costs for volunteers, unpaid Board members, and staff in agencies other than the grant applicant should be budgeted under Contractual Services.
  
2. Fringe Benefits. This can include insurance, Federal Insurance Contributions Act (FICA), federal, state and local taxes, and workers compensation. If time off (vacation, holidays, sick leave, and similar) is included in the fringe benefit rate only actual time worked can be charged to the grant or used as match.
  - The form automatically enters the staff information from the previous section.
  - Most agencies have set fringe benefit rates. Use your agency’s fringe benefit rate, up to 40 percent maximum. Enter the rate for each person in the third column of this section. The excess of rates above 40 percent cannot be used as match.
  - The form will automatically apportion fringe benefits in the same grant/match ratio used for staffing costs.
  - The NPS Program reserves the right to require applicants to supply information indicating how their fringe benefits were calculated.
  
3. Contractual Services. Contractual services are services provided by staff or agencies other than the grant recipient. Any services not provided by the grant recipient should be listed here, including engineering, training, and printing services. Your work plan must include a description of all work to be subcontracted. The state reserves the right to approve all subcontractors for funded projects and reserves the right to require the Grant recipient to replace subcontractors found to be unacceptable.
  - In the first column, list all contractual services. Include a quantity (this can be by hours or contract unit) and rate for each. The total and match amounts are calculated automatically and cannot be changed directly. Adjust the total by changing the hours/units or rate, adjust the match amount by changing the grant amount.
  - All contractual services included here must also be included in the work plan.
  - Conferences and other training related travel costs may be funded with federal funds on a case by case basis, for situations where the grantee’s attendance or participation will directly benefit the project or the NPS Program. **Approval must be in writing and prior to incurring costs.** Registration or tuition costs should be listed here.
  
4. Project Supplies, Materials, and Equipment
  - 4a. Supplies and Materials.
    - Supplies and materials are generally consumable products that will be used for the project. This might include sampling bottles, reagents, food costs for training events or small lab or

field equipment (less than \$1,000 per unit). General office supplies are typically included in the indirect unless a direct project need is shown (e.g. paper and envelopes for a social survey).

- For supplies and materials, specify the type of supplies and materials. Explain any cost that may appear out of the ordinary.
- The total and match amounts are calculated automatically and cannot be changed directly. Adjust the total by changing the quantity or rate; adjust the match amount by changing the grant amount.

4b. Equipment. NPS Program funding cannot be used to purchase computers or vehicles; nor can these items count as match.

- Equipment is defined as an article of non-expendable, tangible personal property having a useful life of more than one year and a unit cost greater than \$1,000. Equipment with a unit cost of less than \$1,000 should be listed under supplies and materials.
- Equipment cannot be purchased using grant funds but can be purchased using match funds.
- Itemize equipment on the budget form and explain any cost that may appear out of the ordinary.

5. Travel Costs. This category applies only to organization staff – **not** contractors.

- Enter the number of miles and the grant and match amounts, the row will automatically total. The NPS program uses the current Internal Revenue Service’s (IRS) mileage rate as the maximum rate allowable for reimbursement or as match. The rate is currently 57.5 cents per mile. Your proposal budget can include anticipated changes to the IRS rate.
- Meals and lodging in this section are for organization staff attending approved training only.
- “Other” is for other travel costs such as: parking, tolls, fares, or vehicle rental.
- Except for “Mileage”, the total and match amounts are calculated automatically and cannot be changed directly. Adjust the total by changing the units or rate; adjust the match amount by changing the grant amount.

6. Indirect Costs

Electronic budget forms will calculate and automatically split the indirect costs in proportion to the applicable grant and match charges. New federal guidance allows you to voluntarily increase your local match by attributing some of your indirect cost from grant to match. To do this, simply decrease the amount in the “Grant Indirect Cost” cell, the match amount will be automatically adjusted.

7. Total Grant and Match Budget. *Note that the Totals at the bottom of the budget sheet should be the same as those on Page 1 of your proposal.*

**Sources of Match and Dollar Value Committed**

At the bottom of the second page of the budget sheet, indicate the source(s) of local match and the corresponding dollar value, provided by the applicant or other local sources. For a description of eligible match items, contact [NPS staff](#).

**Sources of Operation and Maintenance (O&M)**

For grants installing best management practices (BMP): At the bottom of the second page of the budget sheet, indicate the method for insuring operation and maintenance of the BMPs.

For information or assistance on this publication, please contact the Nonpoint Source Grants Program through EGLE Environmental Assistance Center at 800-662-9278. This publication is available in alternative formats upon request.

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This form and its contents are subject to the Freedom of Information Act and may be released to the public.