



California Department of Food and Agriculture  
Office of Grants Administration

# 2016 Specialty Crop Block Grant Program Budget Narrative





# Budget Narrative

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- Download, complete, and attach the Microsoft Word (.doc) budget narrative template to your FAAST application.
- Grounds for disqualification:
  - Submitting an incorrect attachment
  - Submitting a blank attachment
  - Not attaching a budget narrative

*The Budget Narrative must be submitted as a Microsoft Word document. Do not submit a PDF file.*



# Budget Narrative

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- All costs must be:
  - Reasonable
  - Necessary to meet the objectives of the project
  - Allowable per the federal cost principles, USDA and CDFA requirements
  - Incurred in a manner consistent with the applicant organization's established practices
- Unallowable costs will be removed as a condition of receiving an award.
- Excessive unallowable costs may result in disqualification.
- Reference CDFA's Grant Proposal Instructions and Allowable and Unallowable Costs Table.



# Examples of Unallowable Costs

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- **Indirect Costs Charged Directly:** Indirect costs cannot be easily identified with a particular project, program, or organizational activity and should therefore not be charged directly.
  - Administrative and clerical services, rent, utilities, internet, telephone, general office supplies, insurance, etc.



# Examples of Unallowable Costs

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- **General Purpose Equipment:** Tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000 that is not used for research or scientific activities.
  - Office furnishings, information technology systems, printing equipment, motor vehicles, tractors, commercial refrigerators, etc.





# Examples of Unallowable Costs

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- **Capital Expenditures:** Costs to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.
  - Buildings, facilities, land, renovations, site grading and improvement, architecture fees, etc.



# Budget Narrative

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- Ten sections:

**Funds Requested**

- A. Salary and Wages
- B. Fringe Benefits
- C. Travel
- D. Scientific Research Equipment
- E. Supplies
- F. Contractual (a separate budget narrative must be attached for each contractor)
- G. Other
- H. Indirect Costs
- Program Income
- Fixed Amount Awards (only completed for projects submitted to a Fixed Amount Award funding category)

- **Do not include any references to cost sharing in the budget narrative.**

**2016 Specialty Crop Block Grant Program  
Budget Narrative**

|                        |  |
|------------------------|--|
| <b>PIN</b>             |  |
| <b>Organization</b>    |  |
| <b>Funds Requested</b> |  |

All expenses described in this budget narrative must be associated with expenses that will be covered by the SCBGP. Do not include any costs/activities that will be covered by cost sharing. Applicants should review the Grant Proposal Instructions and Allowable and Unallowable Costs and Activities table prior to developing their budget narrative.

For sections A through H, complete the tables provided below by filling in the requested information; applicants may add or remove rows as needed. In addition, provide a written justification of the costs listed for sections A, C, D, E, F, and G, ensuring justifications address all of the specified criteria.

**IMPORTANT: If contractual costs are requested, a separate budget narrative attachment must be completed detailing the costs for each individual contractor. Attach each budget as a separate Word document and name each file: Budget\_Contractor1, Budget\_Contractor2, Budget\_Contractor3, etc.**

**A. SALARY AND WAGES**

In the table below, list the employees whose time and effort can be specifically identified and easily and accurately traced to project activities that solely enhance the competitiveness of specialty crops. For each employee, provide:

- The individual's name, if known.
- Their title (e.g. graduate student researcher) and role in the project, if applicable (e.g. principal investigator, project manager, etc.).
- Their level of effort on the project. For hourly employees, provide the number of hours to be worked. For salaried employees, provide the percent full time equivalent (% FTE).
- The total amount of funds requested for the individual.

| #                                | Name/Title | Level of Effort<br>(# of hours or % FTE) | Funds Requested |
|----------------------------------|------------|--|-----------------|
| 1                                |            |  |                 |
| 2                                |            |  |                 |
| 3                                |            |  |                 |
| 4                                |            |  |                 |
| <b>Salary and Wages Subtotal</b> |            |  |                 |

**Salary and Wages Justification:** For each individual listed in the table above, provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.

**Employee 1:**

**Employee 2:**

**Employee 3:**

**Employee 4:**





# Project Information

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- Proposal Identification Number (PIN)
- Organization Name
- Funds Requested
  - Sum of sections A through H; must match FFAST
  - \$50,000 - \$450,000 (\$150,000 max for Fixed Amount Awards)

## 2016 Specialty Crop Block Grant Program Budget Narrative

|                        |              |
|------------------------|--------------|
| <b>PIN</b>             | 34567        |
| <b>Organization</b>    | University A |
| <b>Funds Requested</b> | \$131,010    |



# A. Salary and Wages

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- Salary and wages expense for employees of the applicant organization working on the project.
- For each employee, provide:
  - Name
  - Title and role in the project
  - Level of effort on the project (% FTE or hours)
  - Funds requested
  - Justification describing project activities/timeline

## **Formula for Salaried Employees:**

(Annual Salary) x (Grant Duration) = (Total) x (% FTE) = Funds Requested

*Example: \$50,000/year x 2.5 years = \$125,000 x 20% FTE = \$25,000*

## **Formula for Hourly Employees:**

(Hourly Wage) x (Total Number of Hours Worked) = Funds Requested

*Example: \$10/hour x 500 hours = \$5,000*

## A. SALARY AND WAGES

| #                                | Name/Title                           | Level of Effort<br>(# of hours or % FTE) | Funds Requested |
|----------------------------------|--------------------------------------|--|-----------------|
| 1                                | Jane Doe, Postdoc (Project Director) | 20%                                      | \$25,000        |
| 2                                | Graduate Student Researcher          | 500 hours                                | \$5,000         |
| <b>Salary and Wages Subtotal</b> |                                      |  | <b>\$30,000</b> |

### Salary and Wages Justification:

**Employee 1:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

**Employee 2:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)



## B. Fringe Benefits

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- Calculated as a percentage of salary or wages.
- Determined according to the organization's established fringe benefits policy.
- For each employee, provide:
  - Name
  - Title and role in the project
  - Fringe benefits rate
  - Funds requested

### **Formula for Fringe Benefits:**

(Salary/Wages Paid by SCBGP) x (Fringe Benefit Rate) = Funds Requested

*Example: \$25,000 x 40% fringe = \$10,000*

## B. FRINGE BENEFITS

| #                               | Name/Title                           | Fringe Benefit Rate<br>(% of salary or wages) | Funds Requested |
|---------------------------------|--------------------------------------|---|-----------------|
| 1                               | Jane Doe, Postdoc (Project Director) | 40%   | \$10,000        |
| 2                               | Graduate Student Researcher          | 20%   | \$1,000         |
| <b>Fringe Benefits Subtotal</b> |                                      |   | <b>\$11,000</b> |





## C. Travel

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- Travel in support of project activities that solely enhance the competitiveness of specialty crops.
- May not exceed GSA per diem rates by location (<http://www.gsa.gov>) and must use the lowest reasonable commercial airfares.
- For each trip, provide:
  - Destination
  - Purpose of the trip
  - Funds requested
  - Justification with a detailed breakdown of expenses
    - Date, airfare, vehicle rental or mileage, hotel, meals, number of travelers, explanation of how trip will achieve objectives.

## C. TRAVEL

| #                      | Destination | Purpose   | Funds Requested |
|------------------------|-------------|---|-----------------|
| 1                      | Fresno, CA  | 20 Trips for Sample Collection                        | \$4,334         |
| 2                      | Chicago, IL | Present results at Specialty Crop Research Conference | \$2,412         |
| <b>Travel Subtotal</b> |             |   | <b>\$6,746</b>  |

### Travel Justification:

**Trip 1:** 20 day trips to research trial location in Fresno, CA for sample collection. Dates: February, March, April, May, and June 2017 and 2018. Number of travelers: 2 (Postdoc and Graduate Student Researcher). Mileage: 342 miles round trip x \$0.54/mile = \$184.68/trip. Meals: \$16/person x 2 people = \$32/trip. Total: \$184.68 mileage + \$32 meals = \$216.68/trip x 20 trips = \$4,334. Purpose: (Provide a detailed explanation of how the trips will achieve the objectives and outcomes of the project. All trips must tie back to the activities outlined on the Project Objectives attachment.)

**Trip 2:** 1 overnight trip to Specialty Crop Research Conference in Chicago, IL to present results. Dates: February 1-3, 2019 (3 days, 2 nights). Number of travelers: 2 (Postdoc and Graduate Student Researcher). Airfare: \$702 round trip x 2 people = \$1,404. Hotel: \$141/night x 2 nights = \$282/person x 2 people = \$564. Meals: \$74/day x 3 days = \$222/person x 2 people = \$444. Total: \$1,404 airfare + \$564 hotel + \$444 meals = \$2,412. Purpose: (Provide a detailed explanation of how the trip will achieve the objectives and outcomes of the project. All trips must tie back to the activities outlined on the Project Objectives attachment.)



# D. Scientific Research Equipment

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- Must be:
  - Tangible, nonexpendable, personal property.
  - Useful life of more than one year.
  - Acquisition cost that equals or exceeds \$5,000.
  - Used only for research or scientific activities.
- For each unit of scientific research equipment, provide:
  - Name of the item and manufacturer
  - When it will be purchased (grant year)
  - Funds requested (must exceed \$5,000 per item)
  - Justification describing how it achieves project objectives

## D. SCIENTIFIC RESEARCH EQUIPMENT

| #   | Item Description  | Acquire When? | Funds Requested |
|---|---|---------------|-----------------|
| 1   | Thermo Scientific Multiskan GO Microplate Spectrophotometer | 2016          | \$15,000        |
| 2   | Thermo Scientific Multidrop Combi                           | 2016          | \$19,000        |
| <b>Scientific Research Equipment Subtotal</b> |   |               | <b>\$34,000</b> |

### Scientific Research Equipment Justification:

**Item 1:** Thermo Scientific Multiskan GO Microplate Spectrophotometer: The purpose of this equipment is to measure the quantity and quality of isolated nucleic acids (DNA and RNA). This is one of the quality control steps to ensure the quality and quantity of nucleic acids before they are used in PCR. This expense will be used to support project objective (x).

**Item 2:** Thermo Scientific Multidrop Combi: The purpose of this instrument is for fast dispensing of reagents and high-throughput operation. It provides uniform precise dispensing of different reagents to set up the nucleic acids extraction and PCR reactions. It ensures sterile conditions and avoids cross contamination, thus eliminating the possibility of well-to-well and plate-to-plate manual dispensing errors. This expense will be used to support project objective (x).



## E. Supplies

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- Materials, supplies, and fabricated parts costing less than \$5,000 per unit.
- All supplies must be tied to specific project activities; do not include indirect costs (e.g. office supplies).
- For each supply, provide:
  - Type of supply
  - Cost per unit (must be less than \$5,000)
  - Number of units
  - When it will be purchased (grant year)
  - Funds requested
  - Justification describing how it achieves project objectives



## E. SUPPLIES

| #                        | Item Description            | Cost per Unit | Number of Units | Acquire When? | Funds Requested |
|--------------------------|-----------------------------|---------------|-----------------|---------------|-----------------|
| 1                        | Buckets, 5 gallon           | \$10          | 14              | 2016          | \$140           |
| 2                        | Gloves, 100/pack            | \$15/pack     | 4 packs         | 2016          | \$60            |
| 3                        | Soil augers                 | \$500         | 2               | 2016          | \$1,000         |
| 4                        | 4 inch schedule 40 PVC pipe | \$2/foot      | 4,000 feet      | 2017          | \$8,000         |
| <b>Supplies Subtotal</b> |                             |               |                 |               | <b>\$9,200</b>  |

### Supplies Justification:

**Supply 1:** Buckets for flume ends, composite soil, and to carry supplies. This will support project objective (x).

**Supply 2:** Gloves for sampling. This will support project objective (x).

**Supply 3:** Augers for soil sampling. This will support project objective (x).

**Supply 4:** PVC for mainstem pipes, feeders, connectors, joints, etc. This will support project objective (x).



## F. Contractual

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- Expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship.
- Projects with contractors must provide:
  - A summary of all contractual costs in the applicant organization’s budget narrative.
  - A separate budget narrative attachment detailing the costs for each contractor.



# F. Contractual

## *Applicant Organization Budget Narrative Summary*

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- In section F of the **applicant organization's** budget narrative, provide the following:
  - Name/organization
  - Funds requested
  - Justification describing activities that will accomplish project objectives, including timelines for each activity.

## F. CONTRACTUAL

| #                           | Contractor Name/Organization               | Funds Requested |
|-----------------------------|--|-----------------|
| 1                           | University B                               | \$33,600        |
| 2                           | John Smith Specialty Crop Consulting, Inc. | \$2,254         |
| <b>Contractual Subtotal</b> |  | <b>\$35,854</b> |

### Contractual Justification:

**Contractor 1:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

**Contractor 2:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.) John Smith's wage (\$100/hour) exceeds the GS-15 step 10 rate of \$63.94/hour. This expense is justified because (explanation).



# F. Contractual

## *Individual Contractor Budget Narratives*

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- In addition to the summary in the applicant organization's budget narrative, submit a separate budget narrative attachment for each individual contractor.
- Use the budget narrative template and provide a breakdown for sections A through H, as applicable.
  - If the salary and wages in section A exceed GS-15 step 10, provide a justification (<http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2016/general-schedule/>).
- Attach each contractor budget narrative as a separate Word document in FAAST.



# FILENAME: Budget\_Applicant.doc

## 2016 Specialty Crop Block Grant Program Budget Narrative



|                        |              |
|------------------------|--------------|
| <b>PIN</b>             | 34567        |
| <b>Organization</b>    | University A |
| <b>Funds Requested</b> | \$131,010    |

### A. SALARY AND WAGES

| #                                | Name/Title                           | Level of Effort<br>(# of hours or % FTE) | Funds<br>Requested |
|----------------------------------|--------------------------------------|--|--------------------|
| 1                                | Jane Doe, Postdoc (Project Director) | 20%                                      | \$25,000           |
| 2                                | Graduate Student Researcher          | 500 hours                                | \$5,000            |
| <b>Salary and Wages Subtotal</b> |                                      |  | <b>\$30,000</b>    |

#### Salary and Wages Justification:

**Employee 1:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

**Employee 2:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

### B. FRINGE BENEFITS

| #                               | Name/Title                           | Fringe Benefit Rate<br>(% of salary or wages) | Funds<br>Requested |
|---------------------------------|--------------------------------------|---|--------------------|
| 1                               | Jane Doe, Postdoc (Project Director) | 40%   | \$10,000           |
| 2                               | Graduate Student Researcher          | 20%   | \$1,000            |
| <b>Fringe Benefits Subtotal</b> |                                      |   | <b>\$11,000</b>    |

*FRINGE BENEFITS POLICY: The applicant confirms that the organization's established fringe benefits policy was used in determining the fringe benefits costs listed above.*

# FILENAME: Budget\_Contractor1.doc

## 2016 Specialty Crop Block Grant Program Budget Narrative

|                        |                            |
|------------------------|----------------------------|
| <b>PIN</b>             | 34567                      |
| <b>Organization</b>    | Contractor 1: University B |
| <b>Funds Requested</b> | \$33,600                   |

### A. SALARY AND WAGES

| #                                | Name/Title                      | Level of Effort<br>(# of hours or % FTE) | Funds Requested |
|----------------------------------|---------------------------------|--|-----------------|
| 1                                | Dan Jones, Extension Specialist | 25%                                      | \$15,000        |
| 2                                | Amy Stone, Extension Specialist | 15%                                      | \$9,000         |
| <b>Salary and Wages Subtotal</b> |                                 |  | <b>\$24,000</b> |

#### Salary and Wages Justification:

**Employee 1:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

**Employee 2:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.)

### B. FRINGE BENEFITS

| #                               | Name/Title                      | Fringe Benefit Rate<br>(% of salary or wages) | Funds Requested |
|---------------------------------|---------------------------------|---|-----------------|
| 1                               | Dan Jones, Extension Specialist | 40%   | \$6,000         |
| 2                               | Amy Stone, Extension Specialist | 40%   | \$3,600         |
| <b>Fringe Benefits Subtotal</b> |                                 |   | <b>\$9,600</b>  |

**FRINGE BENEFITS POLICY:** The applicant confirms that the organization's established fringe benefits policy was used in determining the fringe benefits costs listed above.

# FILENAME: Budget\_Contractor2.doc

## 2016 Specialty Crop Block Grant Program Budget Narrative

|                        |  |
|------------------------|--|
| <b>PIN</b>             | 34567  |
| <b>Organization</b>    | Contractor 2: John Smith Specialty Crop Consulting, Inc. |
| <b>Funds Requested</b> | \$2,254  |

### A. SALARY AND WAGES

| #                                | Name/Title        | Level of Effort<br>(# of hours or % FTE) | Funds Requested |
|----------------------------------|-------------------|--|-----------------|
| 1                                | John Smith, Owner | 20 hours                                 | \$2,000         |
| <b>Salary and Wages Subtotal</b> |                   |  | <b>\$2,000</b>  |

#### Salary and Wages Justification:

**Employee 1:** (Provide a detailed description of the activities to be completed and approximately when each activity will occur. These activities must tie back to the activities outlined on the Project Objectives attachment.) John Smith's wage (\$100/hour) exceeds the GS-15 step 10 rate of \$63.94/hour. This expense is justified because (explanation).

### B. FRINGE BENEFITS

| #                               | Name/Title        | Fringe Benefit Rate<br>(% of salary or wages) | Funds Requested |
|---------------------------------|-------------------|---|-----------------|
| 1                               | John Smith, Owner | 10%   | \$200           |
| <b>Fringe Benefits Subtotal</b> |                   |   | <b>\$200</b>    |

*FRINGE BENEFITS POLICY: The applicant confirms that the organization's established fringe benefits policy was used in determining the fringe benefits costs listed above.*

### C. TRAVEL

| # | Destination | Purpose | Funds Requested |
|---|-------------|---------|-----------------|
|---|-------------|---------|-----------------|



# G. Other

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- Expenses not covered in the previous budget categories, such as:
  - Hosting meetings, conference registration fees, rental expenses, advertisements, publication costs, data collection, etc.
- For each expense, provide:
  - Description of the type of expense
  - Cost per unit
  - Number of units
  - When the expense will be incurred
  - Funds requested
  - Justification describing how it achieves project objectives.
    - Meal costs for hosted meetings must justify that the expenses are not entertainment costs.

## G. OTHER

| #                     | Item Description              | Cost per Unit | Number of Units | Acquire When? | Funds Requested |
|-----------------------|-------------------------------|---------------|-----------------|---------------|-----------------|
| 1                     | Lunch for field day attendees | \$15/person   | 50 people       | 2019          | \$750           |
| 2                     | Conference registration fees  | \$500/person  | 2 people        | 2019          | \$1,000         |
| <b>Other Subtotal</b> |                               |               |                 |               | <b>\$1,750</b>  |

### Other Justification:

**Expense 1:** Lunch for field day attendees. The field day will be held in January 2019 from 10 am – 2 pm in Tulare, CA. Cost is \$15/person x 50 attendees = \$750. Lunch for attendees is justified because (explanation). This expense will be used to support project objective (x).

**Expense 2:** Registration fees to attend the Specialty Crop Research Conference in Chicago, IL (February 1-3, 2019) to present research results. \$500/person x 2 people (Postdoc and Graduate Student Researcher) = \$1,000. This expense will be used to support project objective (x).



# H. Indirect Costs

- Incurred for common objectives and cannot be readily identified with an individual project, program, or organizational activity (e.g. facilities operation and maintenance costs, depreciation, administrative expenses, etc.).
- Provide:
  - Total personnel costs (A. Salary and Wages + B. Fringe Benefits)
  - Indirect cost rate (6% maximum)
  - Funds requested

## H. INDIRECT COSTS

| <b>Total Personnel Costs</b><br>(A. Salary and Wages + B. Fringe Benefits) | <b>Indirect Cost Rate</b><br>(6% maximum) | <b>Funds Requested</b> |
|--|---|------------------------|
| \$41,000   | 6%  | \$2,460                |





# Program Income

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- Gross income generated by grant-supported activities during the grant period of performance.
- Cannot be used as profit and must be reinvested back into the project to solely enhance specialty crops.
- Cannot be used to cover unallowable costs.
- Provide:
  - A description of the source/nature of program income.
  - An explanation of how program income will be reinvested into the project and will be used to solely enhance specialty crops.
  - The total amount of estimated program income.

## PROGRAM INCOME

| <b>Source/Nature of Program Income</b> | <b>How will Program Income be Reinvested into the Project to Solely Enhance Specialty Crops?</b>   | <b>Estimated Program Income</b> |
|--|--|---------------------------------|
| Workshop registration fees             | University A will charge \$50/person to attend the project workshops and it is estimated that 300 individuals will attend. Income generated from the registration fee will be reinvested into the project and will be used to solely enhance specialty crops by (explanation). | \$15,000                        |



# Fixed Amount Awards

- Only projects submitted to a Fixed Amount Award funding category should complete the objective schedule in the budget narrative.

## FIXED AMOUNT AWARDS

| #              | Objective | Deliverable | Completion Date | Funds Requested |
|----------------|-----------|-------------|-----------------|-----------------|
| 1              |           |             |                 |                 |
| 2              |           |             |                 |                 |
| Other Subtotal |           |             |                 |                 |



California Department of Food and Agriculture  
Office of Grants Administration

Thank you for watching.  
Please email your questions to:  
[grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov)

