



Sample Budget Narrative Conservation Innovation Grants and On-Farm Trials

APPENDIX A

NOTE: This appendix includes guidance on developing a budget narrative, as well as a template budget table and budget narrative. To ensure consistency in proposals and proposal reviews, applicants are required to use this budget table and narrative format in their proposals. An Excel spreadsheet and editable document version of these files are located on the CIG On-Farm Trials website at

<https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/cig/?cid=nrcseprd1459039>.

Creating a Budget and Budget Narrative

1. A CIG budget narrative has two parts:

- A table totaling all major budget line items (the major line items on the SF 424A are: salary, fringe, travel, supplies, equipment, contractual, construction, other, and indirect costs) by year. The table includes subcategories listed below each line item, giving a clear breakdown of project costs. The table should contain both Federal and non-Federal portions of the project budget.
- A written narrative that aligns with the budget table. It should provide descriptive details on the items listed in the table for both the Federal and non-Federal portion of the table.

2. Level of Detail:

A budget narrative outlines project details sufficient to allow reviewers to evaluate the integrity of the proposed spending and clarifies project intent. The level of detail for each line item may vary, but applicants should consider the following:

- Personnel.—The description should include the general function or major tasks of each major team member and their time commitment to the project. There should be a total cost listed for each project team member by year. If a project contributor has not yet been hired, the position title can be provided in lieu of a name. If available, details on cost should be included such as percent of time, rate of pay, and estimated hours.
- Fringe Benefits.— This should appear separate from Personnel in the budget. The fringe benefit rate for each individual receiving benefits and how the rate was calculated should be provided alongside the total amount of funds provided per year to that individual.
- Travel – This should include the reason for the travel, the team members expected to travel, and the major costs (transportation, lodging, meals or per diem, etc.) associated with each type of travel should be outlined. Derivation of costs estimates should be provided (e.g., Federal General Services Administration per diem rates, university guidelines, etc.).

- Supplies.—The general supply categories that will be charged should be listed. For instance, if the team will be doing soil health monitoring, items such as soil sampling supplies, or instruments for measuring samples should be included. Smaller supplies (e.g., workshop printouts and markers) need not be broken down by individual units but larger supplies should be described with unit cost and intended use.
- Equipment.— This includes only tangible personal property over \$5,000 per unit with a lifetime over one year. Within this narrative, explain the reason for purchasing/renting any equipment. If equipment will be purchased, the type of equipment and supplier should be described, what it will be used for, who will be allowed to use it, why it is needed, and how long it will be used. The project should also identify what will be done with the equipment once the project is over. If rented, the rental cost must be justified. Specific 2 CFR 200 provisions apply to equipment that equals or exceeds \$5,000 in value.
- Contractual.— If contractors will be doing multiple tasks for the award, separate line items should be used. If a contractor will just be serving one project function, is not considered part of the project team, and will not require a subcontract, a simple description of the contracted work is enough. Be sure to identify the name of the contractor (if known), the method of procurement, and the scope of work for the services if not in the proposal narrative.
- Other.—This is a general line item that covers expenditures that do not fit in other categories. This is where sub-awards should be placed. This category often includes fees like laboratory analysis/rental costs. Be sure to identify what individual costs and provide sufficient description to justify the costs.
- Indirect.—Either a current NICRA or *de minimus* rate should be identified. Note that indirect costs are not permitted to be charged to the Federal portion of CIG On-Farm Trials budgets but unrecovered indirect costs may be counted as partner contribution.
- Program Income.—If the awardee plans to accrue income from grant-supported activities (e.g., workshop registration fees collected), this program income must be estimated. Other examples of program income include fees for services performed and the sale of commodities or items fabricated under an award.

3. Additional Guidance:

- Sub-budgets are not required for contractors or sub-awardees. Please give details on the contractor or sub-awardee costs in the “Contractor” section of the budget. Be sure to identify and include separate NICRA paperwork and percentages when a contractor’s rate differs from the awardee’s rate.
- Budget narratives should not include information included in other parts of the proposal.
- While drafting the budget, keep in mind that an agreement amendment is not required for post-agreement budget changes of 10 percent or less (of the total project budget, Federal and non-Federal portions). However, all budget changes do require notice to NRCS contacts and submittal of updated budget documents as necessary.
- All figures in the budget must be rounded to the nearest dollar.

Sample budget table—a downloadable Excel spreadsheet of this budget table is [available here](#).

FEDERAL BUDGET

	Year 1	Year 2	Year 3	Total	
Personnel	\$86,880	\$86,880	\$86,880	\$260,640	
Name of team member	\$45,000	\$45,000	\$45,000	\$135,000	
Name of team member	\$15,000	\$15,000	\$15,000	\$45,000	
Name of team member	\$26,880	\$26,880	\$26,880	\$80,640	
Fringe	\$22,882	\$22,882	\$22,882	\$68,645	
Faculty	\$21,000	\$21,000	\$21,000	\$63,000	
Students	\$1,882	\$1,882	\$1,882	\$5,645	
Travel	\$3,360	\$6,750	\$6,750	\$16,860	
Plot prep and data collection	\$3,000	\$3,000	\$3,000	\$9,000	
Demo plot overnight trips	\$360	\$360	\$360	\$1,080	
Conference trips	\$0	\$3,390	\$3,390	\$6,780	
Supplies	\$4,000	\$4,000	\$3,000	\$11,000	
Field Supplies	\$3,000	\$3,000	\$2,000	\$8,000	
Lab Supplies	\$1,000	\$1,000	\$1,000	\$3,000	
Contractual	\$83,000	\$85,500	\$85,500	\$254,000	
Contractor Name	\$73,000	\$73,000	\$73,000	\$219,000	
Contractor Name	\$0	\$2,500	\$2,500	\$5,000	
Contractor Name	\$10,000	\$10,000	\$10,000	\$30,000	
Other	\$55,000	\$105,000	\$55,000	\$215,000	
Testing and analysis	\$5,000	\$5,000	\$5,000	\$15,000	
Farmer Incentive Payment	\$50,000	\$100,000	\$50,000	\$200,000	
TOTAL	\$255,122	\$311,012	\$260,012	\$826,145	58%

NON-FEDERAL BUDGET

	Year 1	Year 2	Year 3	Total	
Personnel	\$60,000	\$60,000	\$60,000	\$180,000	
Name of team member	\$45,000	\$45,000	\$45,000	\$135,000	
Name of team member	\$15,000	\$15,000	\$15,000	\$45,000	
Fringe	\$21,000	\$21,000	\$21,000	\$63,000	
Faculty	\$21,000	\$21,000	\$21,000	\$63,000	
Equipment	\$500	\$500	\$500	\$1,500	
Equipment Rental	\$500	\$500	\$500	\$1,500	
Contractual	\$105,000	\$107,000	\$107,000	\$319,000	
Contractor Name	\$50,000	\$52,000	\$52,000	\$154,000	
Contractor Name	\$10,000	\$10,000	\$10,000	\$30,000	
Contractor Name	\$45,000	\$45,000	\$45,000	\$135,000	
Other	\$10,000	\$11,000	\$11,000	\$32,000	
General services	\$5,000	\$5,000	\$5,000	\$15,000	
Publication	\$1,000	\$2,000	\$2,000	\$5,000	
Legal Fees	\$4,000	\$4,000	\$4,000	\$12,000	
TOTAL	\$196,500	\$199,500	\$199,500	\$595,500	42%

SAMPLE BUDGET NARRATIVE

NAME OF AWARDEE

Project Title

PROJECT TOTAL: \$XXX

Federal Portion: \$XXX

Non-Federal Contribution: \$XXX

1. FEDERAL BUDGET:

a. Personnel

Tom Smith, Project Director, full time, 50% paid by Federal funds, will advise the project team, assist with demonstration plot establishment, data collection and analysis, and participate in project field days. Year 1: \$45,000; Year 2: \$45,000; Year 3: \$45,000

Mary Johnson, research technician, 50 % time (6 calendar months) for three years, 50% paid by Federal funds. Establish the field and demonstration plots, function as the project manager, coordinating sub-award work, drafting reports and publications, and participating in all project field days. Year 1: \$15,000; Year 2: \$15,000; Year 3: \$15,000.

Undergraduate students, paid hourly. Support is requested for three undergraduate students to assist with fieldwork (emergence counting, soil sample collection, planting, harvest, etc.) in each year of the project. These students will be employed approximately 4 months during the summer at \$14/hr and 30 hr/week. Year 1: \$26,880; Year 2: \$26,880; Year 3: \$26,880.

Total Personnel: Year 1: \$86,880; Year 2: \$86,880; Year 3: \$86,880

b. Fringe Benefits

Fringe benefits paid by Federal funds is 50%. Fringe benefits rates are as follows: 35% for faculty and permanent staff; 7 percent for student hourly employees.

c. Travel

Funds are requested to support travel for plot preparation and data collection trips, and travel to four field days within the States of New York and Pennsylvania. Estimated 5,000 mi/yr at a rate of \$0.60/mi. Year 1: \$3,000; Year 2: \$3,000; Year 3: \$3,000.

Funds are requested for overnight hotel stays at demonstration plot locations at the State hotel rate of \$90/night, 4 times per year (\$360/yr). Year 1: \$360; Year 2: \$360; Year 3: \$360.

Funds are requested in the second and third year for three individual trips each year to scientific conferences based on the following estimates: Lodging - 3 nights x \$150/night (\$450); Per diem \$50/day x 4 days (\$200); Transportation: Airline travel to conference location - \$400/flight + ground transportation - \$50 + parking at airport - \$30 (\$480). Year 2: \$3390; Year 3: \$3390.

Total Travel: Year 1: \$3,360, Year 2: \$6,750, Year 3: \$6,750.

d. Equipment - none

e. Supplies

Field and lab supplies: Funds are requested for the purchase of soil temperature and moisture probes and data logging systems (\$2,000). Funds are also requested to purchase weed suppression technologies, seeds, and irrigation supplies for field plots (\$6,000). Funds are also requested for various lab supplies and sampling equipment (\$3,000). Total Supplies: Year 1: \$4,000; Year 2: \$4,000; Year 3: \$3,000.

f. Contractual/Subaward

Three contractors:

Contract with Super Non-Profits (\$219,000).

Personnel:

Elizabeth Smith will oversee the outreach to farmers. She will work 80% time all 3 years of the project, 75% covered with Federal funding. She will oversee all elements of this part of the project, including contacting and recruiting farmers, organizing outreach events such as field days and on farm assistance.

Tom Jones will spend 20% time providing technical assistance to community-based organizations that support producers. 50% will be covered with Federal funding.

Supplies:

Workshop supplies: this will include basic supplies such as poster-boards, tapes, etc. to support the workshop. Year One and include \$2,600 for educational materials / publications, printing and copying; and \$400 for meeting supplies (paper, pens, pencils, markers, flip charts, easels, etc.) annually.

Contract with Amazing Graphics and Marketing (\$5,000)

Marketing team will use innovative digital marketing tools to reach producers and help gain interest. Team will develop graphics and video production to support program recruitment and teaching tools.

Contract with Innovative Technology (\$30,000)

Contractor will help develop online tools to assist producers with conservation practices.

Total Contractual: Year 1: \$83,000; Year 2: \$85,500; Year 3: \$85,500

g. Construction - None requested

h. Other

Farmer Incentive Payments.—An incentive of \$100 an acre will be given to farmers to adopt the cover crop practices described in the project. This effectively pays rental cost. A few other costs, such as seed costs, will be given to farmers, but will not be part of the incentive payment. Estimated 20,000 acres will be enrolled in this project. Year 1: \$50,000; Year 2: \$100,000; Year 3: \$50,000.

Sample Testing & Analysis.—Basic nutrient testing and soil health testing will be done annually for all plots. Roughly 20 samples a year at \$250/sample (\$5,000/year).

Total Other Costs: Year 1: \$55,000 Year 2: \$105,000; Year 3: \$55,000.

2. NON-FEDERAL BUDGET:

a. Personnel

Tom Smith, Project Director, full time, 50% paid by non-Federal funds, will advise the project team, assist with demonstration plot establishment, data collection and analysis, and participate in project field days. Year 1: \$45,000; Year 2: \$45,000; Year 3: \$45,000.

Mary Johnson, research technician, 50% time (6 calendar months) for 3 years, 50% paid by non-Federal funds. Establish the field and demonstration plots, function as the project manager, coordinating sub-award work, drafting reports and publications, and participating in all project field days. Year 1: \$15,000; Year 2: \$15,000; Year 3: \$15,000.

Total Personnel: Year 1: \$60,000; Year 2: \$60,000; Year 3: \$60,000.

b. Fringe benefits

Fringe benefits paid by non-Federal funds, 50%. Fringe benefits rates are as follows: 35% for faculty and permanent staff.

c. Equipment

Field equipment rental. This is match donated by the partner community groups (see in-kind letter.) Will provide all farming equipment (tools, planters, harvesters) for on-farm demonstrations. Year 1: \$2,000; Year 2: \$500; Year 3: \$500.

d. Supplies - none

e. Contractual/Subaward

Contract with super nonprofits (\$91,000).

Personnel:

Elizabeth Smith will oversee the outreach to farmers. She will devote 80% of her time all 3 years of the project and 25% of her time will be non-Federal. She will oversee all elements of this part of the project, including contacting and recruiting farmers, organizing outreach events such as field days and on farm assistance.

Tom Jones will spend 20% time providing technical assistance to community-based organizations that support producers. This time covered by non-Federal funds is 50%.

Half time admin support to help support program facilitation.

Other:

Workshop rental space will be donated by contractor, with an estimated value of \$100 per day. Year 2: \$2000; Year 3: \$2000.

Soil Conservation District

The local soil and water conservation district will support the project by helping to build partner relationships with local producers. Year 1: \$10,000; Year 2: \$10,000; Year 3: \$10,000.

Subaward with Unknown University

Dr. Mark Gibbs will provide oversight for all the out-of-State work. He will dedicate 10% time commitment to the project. (Salary and Fringe \$15,000/year).

One post-doctoral candidate yet to be determined will give 50% time to the project and will develop all field and lab methodologies for the project. (Salary and Fringe 30,000/year).

Total Contractual: Year 1: \$105,000; Year 2: \$107,000; Year 3: \$107,000.

f. Construction - None requested

g. Other Costs:

General Services.—Web development, printing, accounting, administrative, and project management, \$15,000. Roughly \$5,000 will be spent each year.

Publication Costs.—Funds are requested for the development and publication of various materials including extension publications, costs associated with peer reviewed journals in addition to costs associated with copies of brochures made in house. Year 1: \$1,000; Year 2: \$2,000; Year 3: \$2,000.

Legal Fees.—Community support groups will pay all legal fees regarding the research of any legal implications on the project. \$4,000 annually.

Total Other: Year 1: \$10,000; Year 2: \$11,000; Year 3: \$11,000.