



# FMCSA

## FY 2017 High Priority Funding Conference

**Application Due Date**  
**January 13, 2017**  
**(11:59 P.M. Eastern Standard Time)**

*Presented by:*

*State Programs Division*

*Grants Management Office*

*December 2016*





# Topics

- **Important Changes and Reminders**
- **High Priority National Priorities**
- **Award Information**
- **Eligibility Information**
- **Developing Application Goals & Planned Outcomes**
- **Developing a Successful Application Budget Narrative**
- **Application Submission**
- **Title VI Program Requirements**
- **Review Information**
- **Attachment A - ITD/PRISM/SaDIP Narrative Samples**
- **Attachment B - Budget Narrative Sample and Tips / SF-424A Categories**





# Important Changes and Reminders for FY 2017

- The Fixing America's Surface Transportation (FAST) Act
- Title VI Assessments Section of NOFA – Approved Title VI Program Compliance Plan & Title VI Program Assurance





# FY 2017 HP National Priorities

**The High Priority (HP) Grant Program is a discretionary (i.e., competitive) program which provides financial assistance for:**

- HP Innovative Technology Deployment (HP-ITD)
- HP- Commercial Motor Vehicle (HP-CMV) Safety Activities and Projects

***Applicants must submit separate applications, one application for HP-ITD and one application for HP-CMV Safety activities/projects with associated program and budget narratives in Grants.gov.***





# FY 2017 HP National Priorities (cont.)

## HP-ITD applications will be prioritized as follows:

- Core compliance and/or Commercial Vehicle Information Exchange Window (CVIEW) implementation;
- Improve credentialing data quality;
- Innovative Technologies;
- Operations and Maintenance costs associated with maintaining ITD Core compliance; and
- Operations and Maintenance costs associated with Expanded ITD projects.





# FY 2017 HP National Priorities (cont.)

**HP-CMV Safety activities/projects will be prioritized as follows.....**

## **Performance and Registration Information Systems Management (PRISM) projects:**

- For Agencies that are not currently participating in the PRISM program (required by October 1, 2020);
- For Agencies that have not reached Step 6 or an equivalent (required by October 1, 2020); and
- For projects that exceed Step 6\* or full implementation (Step 8)

\*FMCSA considers Step 6 as meeting the minimum MCSAP requirements for PRISM as mandated under FAST Act Section 5101(c)(2)(Z)





# FY 2017 HP National Priorities (cont.)

## Safety Data Improvement projects:

- Innovative approaches to resolving Requests for Data Review (RDRs) entered through DataQs provides improved consistency, accountability and removes the review from the originating officer.
- Innovative data projects that improve the collection of CMV data during crash investigations and/or roadside inspections.





# FY 2017 HP National Priorities (cont.)

- Targeting unsafe driving of CMVs and non-CMV in areas identified as high-risk crash corridors;
- Improvements for the safe and secure movement of Hazardous Materials;
- New technologies to improve CMV safety;
- Improvements for the Safe Transportation of Goods and Persons in Foreign Commerce;
- Improve CMV safety and compliance with CMV safety regulations;
- Public Awareness and Education; and
- For Operations and Maintenance costs associated with PRISM and Safety Data Improvement projects **FOR AN AGENCY NOT RESPONSIBLE FOR** submitting a Commercial Vehicle Safety Plan (CVSP).



# Award Information

- Total amount available = \$41,567,000\*
- Anticipated number of grant awards/ cooperative agreements = 125

<https://www.fmcsa.dot.gov/mission/grants/cooperative-agreements>

- Period of Performance
  - HP-ITD program – Date of execution in the fiscal year of award plus 4 additional fiscal years.
  - HP-CMV Safety activities/projects – Date of execution in the fiscal year of award plus 2 additional fiscal years.

*\*Pending funding availability.*





# Award Information (cont.)

**The FMCSA may reimburse 100 percent of eligible costs with no matching requirements for the following:**

- HP-ITD CVIEW projects if needed for **(1)** Core ITD certification, **(2)** FMCSA has not previously reimbursed a State for a CVIEW project, or **(3)** FMCSA considers the project proposal an imperative in support of mission objectives.
- PRISM projects for States **(1)** that have not achieved Step 6 implementation or **(2)** have not previously received financial assistance from FMCSA to implement PRISM.



# Award Information (cont.)

**The FMCSA may reimburse 85 percent of eligible costs with a 15 percent matching requirement for the following:**

- Other HP-ITD projects; and
- Other HP-CMV Safety activities/projects, including education and outreach.





# Award Information (cont.)

**If applying for both HP-ITD program and HP-CMV Safety activities/projects, the applicant must submit separate applications:**

- One application for HP-ITD; and
- One application for HP-CMV Safety activities/projects.

**Each with associated program and budget narratives.**





# Eligibility Information

- **HP-ITD grants** are eligible to States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the U.S. Virgin Islands to deploy, operate, and maintain elements of their ITD (formerly CVISN) programs. **The FMCSA may award HP-ITD funds to eligible applicants that have an approved program plan as outlined in the FAST Act.** Individuals and businesses are not eligible to apply for HP-ITD grants.
- **HP-CMV Safety activities/projects grants** are eligible to States agency, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the U.S. Virgin Islands, local government (including county, city, township, special district, and Federally-recognized Native American tribal governments), institutions of higher education (public, private, and State-controlled), non-profit organizations and other persons. **Please see the 2017 HP NOFA for details.**





# Developing Application Goals & Planned Outcomes

## Include in the application :

- Brief Introduction
- Problem Statement
- Performance Objective
- Program Activity Plan
- Performance Measurement Plan
- Monitoring and Oversight Plan
- Budget Narrative



# Developing a Successful Application Budget Narrative

## What is a Budget Narrative?

- A budget narrative explains the “who, what, when, where, how and why” of a line item cost to carry out grant project goals and objectives. (helps the reviewer understand the legitimacy of the cost proposed)
- The budget narrative:
  - Is clear, specific, detailed and mathematically correct
  - Shows how costs are allowable, allocable, reasonable and necessary
  - Is a description, by budget category (object class) that details the costs necessary to complete the proposed projects
  - Provides a sufficient level of detail to justify the funding requested.





# Eligible Expenses

Guidance available in:

- [Motor Carrier Safety Grant Comprehensive Policy \(MCP\)](#)
- [2 CFR part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)





# Application Submission

- **STEP #1:** To apply, the applicant must complete the Grants.gov registration process. **Note that the new registration process can take as long as four weeks.**
- **STEP #2:** Every applicant must be: 1) registered in the System for Award Management; 2) provide a valid Data Universal Numbering System (DUNS) number; and 3) continue to maintain an **active SAM registration with current information at all times** during which it has an active Federal award or an application under consideration by FMCSA. **Failure to maintain DUNS and registration could jeopardize the successful submission of your application.**
- **STEP #3:** Download the application package from Grants.gov, complete it, and submit the package with required attachments through Grants.gov on or before the **deadline of 11:59 P.M. (EST) on January 13, 2017.**



# Required Application Document Checklist

1. SF-424 Application for Federal Assistance
2. SF-424A Budget Information for Non-Construction Programs
3. SF-424B Assurances for Non-Construction Programs
4. Grants.Gov Lobbying Form
5. SF-LLL Disclosure of Lobbying Activities (if applicable)
6. Key Contacts Form
7. Project Narratives
8. Budget Narratives
9. Indirect Cost Rate Agreement (if applicable)
10. Approved Title VI Program Compliance Plan including the signed/dated FY 2017 Title VI Program Assurance



# Indirect Cost Guidance

- Before FMCSA will pay any reimbursements for indirect costs, a current and approved indirect cost rate agreement must be in force.
- If the budget includes indirect costs, attach a copy of the fully executed, negotiated agreement with your application in Grants.gov ([www.grants.gov](http://www.grants.gov))
- If the rate will not be approved by the application due date, attach the letter of renewal or letter of request that you sent to your cognizant agency to your application.



# Title VI Program Requirements

- Title VI Program Compliance Plan (Checklist)
- Title VI Program Assurance (USDOT Order 1050.2A)





# Title VI Program Compliance Plan (Checklist)

- The Checklist is a Word document and is the format for the Plan;
- The Applicant is required to submit an approved Plan along with the Grant Application;
- Please contact me as soon as possible to begin the coordination required to develop the Plan;
- Plan Elements (Checklist):
  - Policy Statement;
  - Signed/Dated FMCSA Title VI Program Assurance;
  - Description of Federal-Aid Programs;



# Title VI Program Compliance Plan (Checklist) (cont.)

- Notification to Beneficiaries/Participants (Notice to the Public template);
- Sub-Recipient Compliance Reports;
- Training (FMCSA Basic Title VI Program PowerPoint presentation);
- Access to Records – Simple statement to the effect that Applicant will make available Title VI Program-related documentation to FMCSA upon request during normal business hours;
- Complaint Disposition Process;
- Status of Corrective Actions Implemented by Applicant to Address Deficiencies Previously Identified During a Title VI Program Compliance Review – Has a Federal Agency conducted a Title VI Program compliance review of Applicant's Title VI Program within the last five years?



# Title VI Program Assurance

- Must be re-signed/re-dated and submitted each Fiscal Year;
- Fill in Applicant's organization name on Pages #1, 2, & 4 and have CEO sign/date the Assurance;
- Elements of Assurance –
  - Statutory/Regulatory Authorities – Prohibit discrimination on the basis of race, color, national origin, sex, age, disability, low-income, limited English proficiency (LEP);
  - General Assurances – Civil Rights Restoration Act of 1987;
  - Specific Assurances – Paragraph to be inserted into RFPs/Solicitations for Bids;
  - Appendix A – To be inserted into Contractor/Consultant Agreements;
  - Appendix E -- To be inserted into Contractor/Consultant Agreements.



# Plan & Assurance Requirements

**Note:** Both the Plan & Assurance must be submitted each Fiscal Year in which Applicant submits a Grant Application to FMCSA.

For more information and/or answers to questions, please contact:

Lester G. Finkle

FMCSA National Title VI Program Manager

[lester.finkle@dot.gov](mailto:lester.finkle@dot.gov)

202-366-4474





# How do I know that my application has been received by Grants.gov?

- Once Grants.gov has received your submission, they will send email messages to advise you of the progress of your application through the system.
- Over the next two business days, you should receive two emails:
  - 1) confirms application receipt by the Grants.gov system; and
  - 2) indicates that the application has either been successfully validated by Grants.gov prior to transmission to FMCSA or has been rejected due to errors.





# If you do not receive these emails contact Grants.Gov at:

• Phone:	1-800-518-4726 (toll-free) or 606-545-5035
• Business Hours:	24 hours a day, 7 days a week. Closed on Federal holidays
• Email:	<a href="mailto:support@grants.gov">support@grants.gov</a>





# How do I know that my application has been received by Grants.gov? (cont.)

- **IMPORTANT:** Attachment file names must be limited to the following characters:
  - A-Z, a-z, 0-9, underscore (\_), hyphen (-), space, and period.
  - Using any other characters will cause the application to be rejected by Grants.gov!
  - Please note that late application submissions will **not** be accepted.





# What to Expect After the Application is Submitted

**Applications undergo a series of reviews:**

- Intake Review
- Technical Merit Review
- Budget Review/Cost Analysis
- Federal Awarding Agency Review of Risk Posed by Applicants
- Applicant Past Performance w/ FMCSA
- Consideration of Program-Specific Aspects



# Technical Merit Review

**TRP reviewers evaluate applications to determine how:**

- Proposal describes an enforcement program that will meet the stated objectives of the notice of funding availability
- Proposed work is based on sound principles of CMV safety enforcement and will likely result in project success.
- Staffing resource allocation is sufficient to achieve the program objectives.





# Technical Merit Review (cont.)

- All equipment, training, and travel components are clearly linked to the project goal and are necessary to adequately equip, train, and enable personnel;
- Proposed expenditures are reasonable in amount and clearly necessary to conduct the activities; these expenditures do not include unallowable expenses; proposed expenditures are eligible per the MCSAP Comprehensive Policy.
- Includes clearly-identified performance goals and measurements; and
- Includes a self-monitoring and evaluation component that indicates how the recipient will ensure project success





# Budget Review/Cost Analysis

**Reviewers will evaluate applications to determine how:**

- Budget costs are legitimate (allowable, allocable, necessary and reasonable) per Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ([2 CFR part 200](#)); and [Motor Carrier Safety Grant Comprehensive Policy \(MCP\)](#)
- Costs identified in a particular cost category are properly identified as allowable, with the necessary detail for its use, and not duplicative to the other budget line items.





# Federal Awarding Agency Review of Applicant Risk

## Includes:

- A debarment and suspension review, and a review of the applicant's administrative capability and SAM records;
- A review of the applicant's history with other Federal agencies including Single Audit Clearinghouse Database; and
- An evaluation of the applicant's Single Audit in accordance with the Single Audit Act.





# Legitimacy of Costs Requirements

For any costs to be charged directly to a federal award the expense must be legitimate:

- Allowable (includes provisions for eligibility)
- Allocable
- Reasonable
- Charged consistently

The recipient/grantee entity is responsible for ensuring that costs charged to grants and cooperative agreements are allowable, reasonable, necessary and consistently applied . . .

. . . .Each financial transaction charged against a Federal award is evaluated against these concepts.





# Applicant Performance

## Reviewers evaluate applications to determine that:

- the application is reasonable in scope, adequate to address existing and emerging commercial vehicle safety issues, and likely to succeed;
- the proposed expenditures are reasonable based on personnel and budgetary practices; and
- the applicant successfully performs/manages current or past projects.
- the proposed application includes a plan, milestones, measurable outcomes.





# Consideration of Program-Specific Aspects

- A project or group of projects which represents a diversity of technical approaches or methods;
- Efforts that are complementary and/or duplicative, which, when taken together, will best achieve the goals and objectives;
- Different kinds and sizes of organizations in order to provide a balanced programmatic effort and a variety of different technical perspectives; and
- Projects with a broad or specific geographic distribution.





# Additional Considerations

- FMCSA may conduct inquiries to obtain clarification (if necessary).
- The FMCSA will consider the results of the reviews, applicant responses (if applicable) and recommend that the application:
  - be approved for award from currently available funds (in its entirety or in part), or
  - be declined due to limited funds or unfavorable review.





# Award Administration Information

- Once the FMCSA Administrator approves the recommendations, they may be presented to the United States Secretary of Transportation for final approval.
- The FMCSA may not award grants or release information concerning application recommendations until Secretarial approval is obtained.
- FMCSA may not award grants until the enactment of authorizing legislation, an appropriations act, budget authority, and apportionment from the Office of Management and Budget.



# After approval, what are the expectations?

- After approval, the GMO issues the Notice of Grant Award (NGA) to the recommended applicant via GrantSolutions, the FMCSA grant management system.
- Attached to the NGA is the FMCSA Financial Assistance Agreement General Provisions, Terms and Conditions of Award and Assurances.
- Applicants must agree fully to the terms and conditions, by accepting the award, before grant funds are made available.





# Thank You for Attending!

Agency Contact: FMCSA Grants Management Office (GMO):

- **By E-mail:** [FMCSA\\_GrantMgmtHelpdesk@dot.gov](mailto:FMCSA_GrantMgmtHelpdesk@dot.gov), or
- **By Telephone:** (202) 366-0621
- Office hours are from 9 a.m. to 5 p.m., Eastern Standard Time, Monday through Friday, except Federal holidays.







# Attachment A

**ITD/PRISM/SaDIP samples of the sections below:**

- Problem Statement
- Performance Objective
- Program Activity Plan
- Performance Measurement Plan
- Monitoring and Oversight Plan





# ITD Problem Statement Example

The State has a major highway artery with an existing roadside inspection facility that screens CMV's manually for inspection. This manual process limits the State's ability to target High Risk carriers with limited resources. Implementing E-Screening at this facility will enhance the State's efforts in reducing CMV crashes, injuries and fatalities.





# ITD Performance Objective Example

The State will procure, install and test an electronic screening system for use at the Interstate Port-of-Entry on I-42 westbound.





# ITD Program Activity Plan Example

- Develop a Request for Proposal (RFP) which outlines the State's needs at the Port of Entry.
- Evaluate proposals and make an award.
- Schedule installation.
- Conduct acceptance testing.
- Train personnel on the use of new system.





# ITD Performance Measurement Plan

## Example

- Project will commence on October 1, 2017 with ITD stakeholders meeting to develop requirements and statement of work to be performed.
- RFP will be published December 1, 2017.
- Vendor conference conducted January 15, 2018.
- Vendor selected March 1, 2018.
- Vendor coordinates installation with State Project Manager May 1, 2018.
- Installation completed August 30, 2018.
- Acceptance testing completed October 1, 2018
- Training completed November 1, 2018.



# ITD Monitoring and Oversight Plan Example

- Project progress will be reported quarterly to FMCSA and monitored utilizing the Performance Plan and Milestones outlined in the overall project plan.
- Inspection out-of-service and violation rates will be analyzed quarterly after full implementation to determine effectiveness of e-screening system.
- Crashes, injuries and fatalities will be analyzed annually to determine reduction progress.





# PRISM Problem Statement Example

The State's PRISM implementation must be increased to Step 6 (or equivalent) as required. This level of implementation requires the State's commercial motor vehicle registration office to deny and suspend a motor carriers registration for all FMCSA Federal out-of-service orders. Making an enhancement to the State's registration system will allow for the registration office to perform these activities in order to reach this level of implementation and keep out-of-service carriers from continuing to operate on our roadways.





# PRISM Performance Objective Example

The State will ensure that the program is in compliance with the PRISM registration requirements and performing the registration activities associated with Step 6 (or equivalent), which is to deny and suspend for all Federal out-of-service orders.





# PRISM Program Activity Plan Example

- Develop a Request for Proposal (RFP) which outlines the State's needs to enhance their registration system in order to perform the registration activities to achieve Step 6 and be in compliance with PRISM requirements.
- Evaluate proposals and make an award.
- Develop capabilities.
- Conduct testing.
- Train personnel on the use of new/altered system.



# PRISM Performance Measurement Plan Example

- Project begins Oct '17
- (30% complete) PRISM analysis and requirements identification Oct '17 – Jan '18
- (30% complete) Project Planning & PRISM design Feb – May '18
- (30% complete) PRISM Development and testing June – Aug '18
- (10% complete) PRISM Implementation and training Sept '18



# PRISM Monitoring and Oversight Plan Example

- Project progress will be reported quarterly to FMCSA and monitored utilizing the Performance Plan and Milestones outlined in the overall project plan.
- Program performance metrics will be reported quarterly to the Program Office to monitor the implementation and effectiveness of the overall program.





# SaDIP Problem Statement Example

The State is unable to evaluate safety risks of commercial motor vehicles (CMV) based on outdated information collection techniques. This affects the State's ability to recognize high crash corridors involving CMVs, being able to properly link crash data with other State systems (driver licensing, vehicle registrations, citations, etc.), and impacts the completeness, timeliness and accuracy of crash records sent to FMCSA.





# SaDIP Performance Objective Example

The State will update the eCrash systems that capture and store crash data to include all CMV-related elements from the Model Minimum Uniform Crash Criteria, creating additional data quality checks, and will create additional analytical capabilities in order to implement roadway data and targeted enforcement strike operations.





# SaDIP Program Activity Plan Example

- Develop a Statement of Work (SOW) which outlines the State's needs to needs to improve CMV-related crash data.
- Evaluate proposals and make an award.
- Schedule installation.
- Conduct testing.
- Train personnel on the use of new/updated system.





# SaDIP Performance Measurement Plan Example

- Project begins October 2017 with eCrash stakeholders meeting to develop requirements and statement of work to be performed.
- Modifications to SOW agreed by all parties December 2017
- Vendor development Phase 1 completed August 2017
- Phase 1 testing completed October 2017
- Vendor development Phase 2 completed April 2018
- Phase 2 testing completed June 2018
- Training completed September 2018



# SaDIP Monitoring and Oversight Plan Example

- Project progress will be reported quarterly to FMCSA and monitored utilizing the Performance Plan and Milestones outlined in the overall project plan.
- State Safety Data Quality measures will be analyzed monthly and annually to determine effectiveness in overall program progress and specific grant impact.





# Attachment B

## Budget Narrative Sample and Tips / SF-424A Categories:

- Personnel
- Fringe
- Travel
- Equipment
- Supplies
- Contractual
- Other





# Sample Personnel Budget Narrative

Personnel Budget Narrative (SF-424A, Line 6a)					
Position(s)	# of Staff	% of Time	Work Year Hours	Hourly Salary/Wage	Total Cost
Supervisor	1	100	2,080	\$21.63	\$45,000
Trooper	1	100	2,080	\$19.00	\$39,520
Trooper	10	50	2,080	\$19.00	\$197,600
<b>Total Cost for Personnel:</b>					<b>\$282,120</b>

The Supervisor supervises activities of the project. She/he spends 100% time implementing the project, supervising staff, and conducting activities to meet the objectives. Activities include: supervising daily operation of projects and staff, providing staff training/technical assistance, coordinating staff work schedule/assignments, ensuring data entry, tracking and following-up on procedures to meet quality assurance, and tracking policy to ensure compliance. There are 11 Troopers (1 FT, 10 PT). Officers conduct roadside inspections to fulfill reporting requirements. Each officer is paid an hourly wage of \$19 and the part-time officers average 50% on activities. The FT Trooper wages equate to \$39,520 annually, with the PT (10) Troopers averaging 1,040 hours or 50% on activities @ \$19,760 per year.





# Personnel Budget Tips

- FMCSA evaluates personnel costs to determine that:
  - Proposed number of personnel is appropriate and that there is sufficient staffing
  - Salary ranges are reasonable
- The labor mix should be consistent with the caliber of effort (professional, nonprofessional and clerical) required by the grant





# Sample Fringe Budget Narrative

Fringe Benefits Budget Narrative (SF-424A, Line 6b)				
Position	Benefits	Rate	Base Amount	Total Cost
1 Trooper	Fringe	16.72	100	\$6,608
10 Troopers (Part-Time)	Fringe	16.72	50	\$33,040
<b>Total Cost for Fringe:</b>				<b>\$39,648</b>

Fringe benefits include cost of health insurance, retirement, workers' compensation and unemployment benefit plans. It is calculated at the average fringe rate of 16.72 as recognized by the cognizant agency. This fringe rate is applied to the average hourly rate of \$19 per trooper, with a projected annual hours worked at 2,080 hours. The full-time trooper would have an annual wages of \$39,520 x 16.72% or \$6,608 total fringe cost for the one full-time trooper. The 10 part-time troopers average 1,040 hours or \$19,760 per year, and an average (per part-time Trooper) fringe cost of \$3,304 (Totaling \$33,040 fringe costs for the 10 part-time Troopers).





# Fringe Budget Tips

- Include how you calculated the benefit amount
  - E.g., actual fringe benefits, rate approved by the Health and Human Services State Wide Cost Allocation Plan or cognizant agency
- Explain what is included in the benefit package
- Fringe percentages are averages—the SF-270 will provide specific fringe costs of employees when you seek reimbursement





# Fringe Budget Tips, cont.

- Do not combine the fringe benefit costs with direct salaries and wages in the personnel category.
- An agency who is on a cash basis shall not accrue leave expenses per 2 CFR 200.431(b)(3)(i-ii).





# Sample Travel Budget Narrative

Travel Cost Budget Narrative (SF-424A, Line 6c)				
Purpose	# of Staff	Method of Travel	# of Days	Total Cost
Routine Travel	10	Car	10	\$4,600
San Diego Conference	15	Air	5	\$28,410
<b>Total Cost for Travel:</b>				<b>\$33,010</b>

Costs represent necessary travel funds for law enforcement officers to provide adequate coverage within the state. Travel is necessary to perform compliance reviews, patrols, and team operations in high crash corridors within the State. Reimbursement is based upon the current state per diem rates and rules. The per diem rate for each day is \$46.00.

Certification Training in San Diego for 15 officers with an average cost (per officer) of \$600 – Airfare or \$9,000; \$204 Per State Approved Diem or \$3,060; \$290 – Hotel Accommodations or \$4,350; and \$800 – Registration Fees or \$12,000 for a total of \$28,410.





# Travel Budget Tips

- Travel costs include field work activities or professional meetings
- FMCSA evaluates:
  - Out-of-state to ensure the trips planned are necessary to complete the scope of work
  - The number of travelers is consistent with the trip purpose





# Travel Budget Tips, cont.

## Some more helpful tips

- Place unexpected conferences/trips into the budget – no need to breakout daily cost
- Include estimates for unforeseen travel with and estimated costs
- Explain the reason for travel expenses for project personnel





# Sample Equipment Budget Narrative

Equipment Cost Budget Narrative (SF-424A, Line 6d)			
Item Name	# of Items	Cost per Item	Total Cost
Vehicles	12	\$36,000	\$432,000
<b>Total Cost for Equipment:</b>			<b>\$432,000</b>
<p>The state requests 12 new vehicles to complete motor carrier safety inspections that will replace vehicles that have reached their useful life by the state’s vehicle replacement policy. These vehicles will only be used for grant eligible purposes and are needed to fulfill activities proposed in the application. The cost for the vehicles is approximately \$36,000 each based on the state’s procurement contract.</p>			





# Equipment Budget Tips

- Tangible, nonexpendable, personal property items that have a useful life of more than one year and an acquisition cost of \$5,000 or more per unit
- FMCSA evaluates the need for the equipment (e.g., ratio of employees to equipment) in the budget narrative and how it supports project activities





# Equipment Budget Tips, cont.

## Some more helpful tips

- Indicate if your equipment threshold is below \$5,000
- Explain the purpose and use of each item of equipment
  - Prorate, if applicable
- Common purchases like a computer system are considered equipment if the total cost exceeds the threshold





# Sample Supplies Budget Narrative

Supplies Cost Budget Narrative (SF-424A, Line 6e)			
Item Name	# of Units	Cost per Unit	Total Cost
General Office Supplies	12	\$39	\$4,680
Mobile Printers	7	\$250	\$1,750
Laptop Computers	12	\$2,000	\$24,000
<b>Total Cost for Supplies:</b>			<b>\$30,430</b>
<p>General office supplies include paper, printer ink, etc. for 26 officers in the program. These 26 officers require supplies that are estimated at \$39 for 12 months. Ten part-time troopers require laptops and shall be utilized only to fulfill planned activities. Mobile printers are also needed for 5 new full-time officers. The total number of officers is 26, including the 5 new officers and 10 part-time troopers. The extra printers and laptops are requested for replacement purposes. These officers conduct roadside inspections to fulfill reporting requirements.</p>			





# Supplies Budget Tips

- Supplies are tangible personal property other than equipment
- FMCSA evaluates supplies costs to ensure a sufficient level of detail that would allow an informed reader to understand that the standard office supplies are reasonable





# Supplies Budget Tips

## Some more helpful tips

- Document supplies by indicating the approximate expenditure of the unit as a whole
- Remember to include a quantity and unit cost for larger cost supply items such as computers and printers





# Sample Contractual Budget Narrative

Contractual Cost Budget Narrative (SF-424A, Line 6f)	
Description of Services	Total Cost
Local Police Department - Subgrantee	\$8,000
Contract services for crash timeliness	\$200,000
<b>Total Cost for Contractual:</b>	<b>\$208,000</b>
<p>Subgrant costs include \$8,000 in travel for 12 officers to conduct grant activities. Costs represent necessary funds for officers to provide adequate coverage within the state. Travel is necessary to perform inspections, patrols, and team operations in high crash corridors within the State. Reimbursement is based upon the current state per diem rates and rules. The per diem rate for each day is \$46.00.</p> <p>Contract services include an assessment of the timeliness and quality of our data systems. The contractor will oversee development plans to implement system improvements to support the state’s highway safety programs. The contractor will conduct analyses of crash, ticket, and inspection data used in the planning and development of the CVSP, evaluating program and legislative initiatives, and monitoring the performance of the program.</p>	





# Contractual Budget Tips

**FMCSA reviews the contractual narrative to ensure it contains:**

- Descriptive information about what specific costs (products and/or services) would be charged to the grant
- A rationale for how those costs were derived, and the applicability and necessity of each to the grant





# Contractual Budget Tips, cont.

## A contractor:

- Provides goods and services within normal business operations
- Provides similar goods or services to different purchasers
- Operates in a competitive environment
- Provides goods or services that are ancillary to the operation of the Federal program





# Contractual Budget Tips, cont.

## A subgrantee:

- Has performance measured in relation to whether objectives of a Federal program were met;
- Has a programmatic decision-making role;
- Is responsible for adhering to applicable Federal program requirements
- Uses Federal funds to carry out a program for a public purpose





# Contractual Budget Tips, cont.

## Some more helpful tips

- Include the name of the vendor/subgrantee, if known
  - If not, indicate that the selection is pending and an estimated timeframe when the vendor/subgrantee will be selected
- Explain the purpose of the contract/subgrant and how the cost was estimated





# Sample Other Budget Narrative

<b>Other Cost Budget Narrative (SF-424A, Line 6h)</b>			
<b>Item Name</b>	<b># of Units</b>	<b>Cost per Unit</b>	<b>Total Cost</b>
Copy machine rental	12	\$50	\$600
<b>Total Cost for Other:</b>			<b>\$600</b>

The rental of the copy machine is shared with the administration. The machine is used on a daily basis to print inspection reports. A code is punched in whenever it is used for grant purposes. Based on the average usage of the machine for grant activities: \$50.00 per month times 12 months.





# Other Budget Tips

- Other costs are costs that do not fit within any of the other object class categories
- Typical costs in this category include printing and advertising costs





# Other Budget Tips, cont.

## **FMCSA reviews other costs to determine costs are:**

- Consistent with the proposed work plan
- Necessary to complete the approved work plan
- Allowable
- Reasonable





# Other Budget Tips, cont.

## If planning to lease:

- A lease is considered “other” when you are not the prime on the agreement—i.e., you are partnering with or using a shared utility, facility or other service
- A lease is considered a contractual cost when you directly engage, and form a contract with, a vendor





# Other Budget Tips, cont.

- Ensure other costs such as professional services, audit, postage, printing, facilities expenses are not already in your indirect cost rate agreement/cost allocation plan





# Sample Indirect Cost Budget Narrative

## Indirect Cost Budget Narrative (SF-424A, Line 6j)

Indirect Cost Rate	Rate Period	Rate Period End	Cost Base	Indirect Cost Expense
35%	7/1/2016	6/30/2017	108,750.00	38,062.50

In this example, there is a current approved indirect rate of 35% which applies to salaries/wages and fringe benefits. The total salary amount included in the budget is \$70,200, and the associated fringe costs are \$38,550. The total eligible indirect expense is \$108,750 to which the rate of 35% may be applied. The resulting indirect expense is \$38,062.50.





# Indirect Cost Tips, cont.

- Remember to include your indirect cost rate agreement with your application in Grants.gov ([www.grants.gov](http://www.grants.gov))
  - If your rate will not be approved by the due date, attach the letter of renewal or letter of request you sent to your cognizant agency
  - This will be a placeholder until the rate is approved
- Grantees may not receive reimbursement for indirect costs until the rate is approved

