

AC Food Security Pilot Grant Program

Budget Narrative/Justification Instructions and Examples

Applicant Organization	
Anticipated Project Start Date	
Anticipated Project End Date	
Requested Grant Amount	

The purpose of the Budget Narrative is to help NJEDA better understand the scope and nature of your proposed project. NJEDA reserves the right to request supporting documents for expenditure of awarded grant amount. All requested documents must be accurate, compliant, allowable, previously approved, and correctly accounted for.

Instructions:

1. All sections highlighted in blue and yellow are required to be completed.
2. The budget narrative consists of four functional categories: 1) Personnel, 2) Other Than Personnel Services (OTPS), 3) Construction Costs (if applicable), and 4) Administrative or Indirect Costs (not otherwise accounted for in project costs). The Budget Narrative should concisely explain how you arrive at the amounts in your Project Budget, including:
 - a. Under Personnel category – Provide the Name, Role, Salary, and Time commitment of staff who will be directly engaged in the project.
 - b. Under OTPS – for each line item, detail the calculation used to determine the amount requested in the budget and the reason for requesting the item.
 - c. Under Construction Costs – provide a detailed calculation for costs included in the budget and explain the reason for each item. If you are not requesting funding to support construction, please leave this section blank.
 - d. Under Administrative/Indirect Costs – NJEDA will allow for administrative/indirect costs not to exceed 10% of the Total Project Cost.

Please note: All costs allocated to the project budget must be supported by providing adequate, relevant, and timely documentation when requested by NJEDA. If costs are shared or paid for by other resources, a Cost Allocation Plan must be provided when requested.

3. Be sure to provide details for anything included in the line labeled “other” on the line-item budget. (Suggested length: Not more than 3 pages per section)

Section 1: Personnel Services

Explanation/Justification Example:

Personnel:

*Anita Adams, Case Manager, budgeted at 100% FTE annual salary of \$45,000 for 24 months. Total salary cost for Anita Adams: **\$90,000***

*Benita Brooks, Program Manager, budgeted at 30% FTE annual salary of \$85,000 for 18 months. Total salary cost for Benita Brooks: **\$38,250***

*To be hired (TBH), two (2) Outreach Specialists, budgeted at 100% FTE, at annual salary of \$25/hour, 35 hours/week for 12 months. Total salary cost for two TBH Outreach Specialists: **\$91,000***

Personnel Services Justification

(Must include methodology, names of employees (if known), FTE rate and other pertinent information, see examples above.)

Fringe Narrative

Fringe Benefits support the cost of providing benefits to employees. Provide information on the rate of fringe benefits used and the basis for their calculation. Please justify if any employees' fringe is not included due to temporarily employment. The fringe benefits breakdown and total should be presented as follows:

Example: FICA and FUTA – 7.65%

Health Insurance and other related medical benefits – 22.335%

Total = 30%

Personnel Total

Applicant Organization:

Section 2: Other than Personnel Services (OTPS)

Provide a budget narrative that explains in detail the costs as they relate to the proposed project. You may include costs directly related to the project such as but not limited to: Communications/Marketing materials, Travel Expenses, Meeting Expenses, Office Supplies, Rent, Equipment, and, Other project related expenses.

Local travel is calculated at 6 round trips from Capital City to Newtown to train outreach workers. Each trip is 120 miles round trip. (6x120=720 total miles) The mileage rate is \$.67. The total cost for local travel is 720x\$.485=\$349.20.

OTPS Example: Funds are requested to pay for 50% of the office rent, as there are 6 staff located in the office and three (3) of them are directly allocated to this project. Monthly rent = \$2,000. Requesting \$1,000/month from NJEDA for 24 months = \$24,000.

OTPS Example: Vehicle purchase and fit-out: We estimate it will cost \$155,000 to purchase a vehicle, \$25,000 to outfit it with freezers and refrigeration, \$10,000 to build out the interior structure, and \$2,000 for miscellaneous costs related to this item. Total cost for vehicle purchase and fit-out = \$192,000.

OTPS

OTPS Total

Construction Cost and Construction Related Cost

NJDOL Public Works Registered Contractor/Subcontractor

All contractors used for any construction costs more than \$1,999 must be registered as a New Jersey Department of Labor and Workforce Development (DOL) Public Works Contractor Registered Contractor and must abide by NJ prevailing wage and affirmative action requirements. **Any quotes submitted from contractors/subcontractors that are not NJDOL Public Works Registered Contractors at the time of application will not be eligible to be used in your proposed project.**

Professional Services

All professional services including, but not limited to, architectural, engineering, construction management services must provide verification proof of NJ Business Registration and a Verification of Professional Service form.

Instructions Include expenses associated with construction project and categorize the expenses into two buckets:

1. Soft cost, such as (permits fees, freight and shipping, and professional services (ex. architectural, engineering, construction management services) and,
2. Hard cost (labor and materials).

To substantively evaluate the merit of your project, please include an explanation of why the construction is needed.

Examples: We propose to expand our current refrigerator unit. We anticipate that this will allow us to store more produce and result in our ability to deliver 200 additional meals per month. The construction project will total \$5,500, with \$4,000 going towards hard cost (Labor: Sealing and Insulation to ensure the temperature remains constant. Refrigeration installation and connection to the electrical supply and proper calibration and testing ensure that the system operates) and \$1,500 going to soft cost (Atlantic City permit cost (\$500) and architectural rendering \$1,000).

If you do not have any construction costs, leave this section blank.

Construction Costs:

Administrative/Indirect Costs

You can allocate a certain percentage of expenses associated with but not limited to: monthly utilities, salaries of centralized employees not directly related to the project, insurance, legal fees etc.

To claim indirect costs, if your organization has a federally recognized Negotiated Indirect Cost Rate Agreement (NICRA), that can be used to serve as documentation for an indirect rate of up to 10%.

If you do not have a NICRA, if you are awarded funding, NJEDA will require documentation to substantiate the expenses contained within the indirect costs included in your budget not to exceed 10% of your total approved grant award.

Administrative/Indirect Costs (No greater than 10%)

Section 3: Grand Total \$ _____

Justification: *Indicate your agency's total award amount, which should be a sum of your Personnel, OTPS, Construction and Administrative Costs.*

Prepared by:

Name and Title:

Signature:

Date:

Applicant Organization:

Examples of Supporting Documentation Guidelines

NJEDA reserves the right to request supporting documents for expenditure of awarded grant amount. All requested documents must be accurate, compliant, allowable, previously approved, and correctly accounted for. Listed below are some examples (but not limited to) different project costs and supporting documents that grantees must provide EDA when requested.

Types of Costs	Supporting Materials for documentation
Personnel Services	<ol style="list-style-type: none"> 1) Payroll reports 2) W2 3) Timesheets
Fringe	<ol style="list-style-type: none"> 1) Employer’s share or employer’s contribution for additional fringes such as but not limited to - FICA, FUTA, Health insurance or other medical benefits, paid that are not included in employee’s gross wages.
OTPS	<p>Itemized receipts for any purchases related to the grant program and approved by the Authority. Invoices and proof of payment. If a portion of the expense is allocated to the grant, cost allocation methodology must be provided</p> <ol style="list-style-type: none"> 1) For travel, please include the purpose of travel, the travel date, distance (a navigation app can provide a summary of point-to-point mileage) and reimbursement rate 2) For Equipment Purchase, please provide vendor invoices or receipts, photographs of items exceeding {insert \$\$\$ amount}, inventory record (make/model, serial #, purchase date/location), Insurance policy (if applicable) 3) Meeting expenses/event, please provide proof of event, agenda, marketing materials, cost associated with any food and beverages provided (if applicable), vendor receipts, invoices 4) Office supplies, please provide vendor invoices or receipts along with proof of payment 5) Utilities, please provide monthly invoices/statements, proof of payment (canceled check, electronic reference etc.)

Applicant Organization:

Construction Cost and Construction Related Cost	<p>Itemized receipts for all construction and construction related costs approved by the Authority must be provided upon request. Grantee must provide detailed explanation of each line item budgeted for.</p> <ol style="list-style-type: none"> 1) Construction Contract Agreement 2) Professional Fees and Services 3) Material 4) Labor 5) Insurance 6) Bill of Quantities 7) Permit Fees 8) Utilities 9) Taxes
Indirect/Administrative Cost	<p>Please note that indirect/administrative costs cannot exceed over 10% of the total project budget. Grantees will be required to document and justify all expenses listed under indirect/administrative cost</p> <ol style="list-style-type: none"> 1) Personnel expenses related to staff not directly supporting the project 2) Fringe 3) Insurance 4) Supplies