

**Program Year (PY) 2022 Information Technology (IT) Implementation and  
Support Funding for Senior Community Service Employment Program  
(SCSEP)**

**Budget Narrative Instructions**

Applicants must provide a detailed Budget Narrative that fully explains the costs identified on each line item of the SF-424A Budget Information Form. See the required information and related guidance below.

- a. Personnel:** List all staff positions working on the proposed grant project by title (both current and proposed), including the roles and responsibilities. For each position give the annual salary, the percentage of time devoted to the project, and the amount of each position's salary funded by the grant. This line item does include personnel hired by the sub-grantee to provide data entry, migration, and management of the case management tool.
- b. Fringe Benefits:** Provide a breakdown of the amounts and percentages that comprise fringe benefit costs such as health insurance, FICA, retirement, etc.
- c. Travel:** For grant staff only, specify the purpose, number of staff traveling, mileage, per diem, estimated number of in-state and out-of-state trips, and other costs for each type of travel.
- d. Equipment:** Identify each item of equipment you expect to purchase that has an estimated acquisition cost of \$5,000 or more per unit (or if your capitalization level is less than \$5,000, use your capitalization level) and a useful lifetime of more than one year (see 2 CFR 200.1 for the definition of Equipment). List the item, quantity, and the unit cost per item. Items with a unit cost of less than \$5,000 are supplies, not "equipment." Additionally, please note the following:
  - a. Information technology systems are defined as computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. [2 CFR 200.1]
  - b. Computing devices are defined as machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or 'peripherals') for printing, transmitting, and receiving, or storing electronic information. [2 CFR 200.1]
  - c. While the definition of information technology systems includes computing devices, such devices with a per-unit acquisition cost of less than the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000 are classified as supplies, not equipment.
  - d. Procurement requirements for grant recipients are contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal

Awards (Uniform Guidance) at 2 CFR 200.317 - .326. ETA does not approve or disapprove the procurement method used by the recipient, provided it is consistent with the requirements in the Uniform Guidance (2 CFR 200.317-.326). By their signature on the Grant Agreement, the recipient has accepted these conditions and assured their compliance with appropriate procurement requirements.

- e. All equipment purchases require prior approval by a Grant Officer. Applicants should provide accurate estimates for proposed equipment expenditures in the application for this grant; however, the initial award of the IT Implementation and Support Grants does not constitute prior approval of the identified equipment costs. Selected awardees for these grants must submit a subsequent modification seeking prior approval, which must include additional documentation for the Grant Officer to determine allowability of the proposed costs. 2 CFR 2900.16 requires this request to “be submitted not less than 30 days before the requested action is to occur.” Selected awardees must consult their Federal Project Officer regarding the information required for the equipment modification request.
- e. **Supplies:** Identify in the detailed budget the projected cost of supplies, per category (e.g., general office supplies, desks/chairs, laptops/printers, other specialty items). Except for general office supplies, list the item, quantity, and the unit cost per item. Supplies include all tangible personal property other than “equipment.” (See 2 CFR 200.1 for the definition of Supplies.)
- f. **Contractual:** Under the Contractual line item, delineate contracts and subawards separately. Contracts are defined according to 2 CFR 200.1 as a legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. A subaward, also defined under 2 CFR 200.1, means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. For each proposed contract and subaward, specify the purpose and activities to be provided, and the estimated cost.
- g. **Construction:** Construction costs are not allowed, and this line must be left as zero. Minor alterations to adjust an existing space for grant activities (such as altering a space to accommodate IT equipment) may be allowable. We do not consider this as construction, and you must show the costs on other appropriate lines such as Contractual.
- h. **Other:** Provide clear and specific detail, including costs, for each item so that the Grant Officer may determine whether the costs are necessary, reasonable, and allocable. List items, such as stipends or incentives, not covered elsewhere.
- i. **Indirect Costs:** If you include an amount for indirect costs (through a Negotiated Indirect Cost Rate Agreement or De Minimis) on the SF-424A budget form, then include one of the following:

- a. If you have a Negotiated Indirect Cost Rate Agreement (NICRA), provide an explanation of how the indirect costs are calculated. This explanation should include which portion of each line item, along with the associated costs, are included in your cost allocation base. Also, provide a current version of the NICRA.

or

- b. b) If you intend to claim indirect costs using the 10 percent de minimis rate, please confirm that your organization meets the requirements as described in 2 CFR 200.414(f). Clearly state that your organization does not have a current negotiated (including provisional) rate, and is not one described in 2 CFR 200, Appendix VII(D)(1)(b).

Applicants choosing to claim indirect costs using the de minimis rate must use Modified Total Direct Costs (see 2 CFR 200.1 below for definition) as their cost allocation base. Provide an explanation of which portion of each line item, along with the associated costs, are included in your cost allocation base. Note that there are various items not included in the calculation of Modified Total Direct Costs. See the definitions below to assist you in your calculation.

**Modified Total Direct Cost (MTDC) [2 CFR 200.1]** means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards and subcontracts up to the first \$25,000 of each subaward or subcontract (regardless of the period of performance of the subawards and subcontracts under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward and subcontract more than \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs. Participant support costs are defined below.

**Participant Support Costs [2CFR 200.1]** mean direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects.

The following link contains information regarding the negotiation of Indirect Cost Rates at DOL: [indirect cost rates](#).

Note that the SF-424, SF-424A, and Budget Narrative must include the entire federal grant amount requested. Do not show leveraged resources on the SF-424 and SF-424A. You should describe leveraged resources in the Budget Narrative. Applicants should list the same requested federal grant amount on the SF-424, SF-424A, and Budget Narrative. If minor inconsistencies are found between the budget amounts specified on the SF-424, SF-424A, and the Budget Narrative, DOL will consider the SF-424 the official funding amount requested.