

U. S. Department of Labor  
Employment and Training Administration  
National Farmworker Jobs Program  
**Applicable Funding Restrictions and Budget Narrative Instructions**

**Funding Restrictions.**

*Administrative Cost Limitation for NFJP Career Services and Training Grants, Housing Services Grants, and Youth Services Grants:*

- **Administrative Cost Limitation:** The administrative costs under this award are not to exceed 15 percent of the amount of the grant award. Such costs include both personnel and non-personnel costs and both direct and indirect costs. Administrative costs as defined in 20 CFR Part 683.215 are for the performance of administrative functions in carrying out activities under Title I of WIOA that are not related to the direct provision of workforce investment services (including services to participants and employers). Administrative costs do not need to be identified separately from program costs on the SF-424A Budget Information Form and Budget Narrative. However, they must be tracked through the recipient's accounting system.

*For NFJP Career Services and Training Grant Recipients **only** (not Youth Services Grants or Housing Services Grants):*

- **Minimum 70 Percent Spending Requirement on Employment and Training Services:** Recipients must spend not less than 70 percent of their awarded funds on "employment and training services," as defined below. Accordingly, recipients may spend up to 30 percent of their awarded funds on a combination of administrative costs and other program costs, further subject to the administrative cost limitation of 15 percent specified at 20 CFR Part 683.215. The term "employment and training services" means all allowable career services, training services, housing services, and youth services as explained, respectively, in 20 CFR 685.340, 350, 360, and 370, including supportive services and related assistance services (as defined in 20 CFR 685.110 and further explained in 20 CFR 685.380). Employment and training services does not include administrative costs (as defined in 20 CFR 683.215). Employment and Training Services costs do not need to be identified separately on the SF-424A Budget Information Form and Budget Narrative. However, they must be tracked through the recipient's accounting system.

**Budget Narrative Instructions.**

*Overarching Requirements:*

- Each application package submitted by NFJP recipients must include a Budget Narrative that further explains and supports the projected costs reflected in each line item of the SF-424A Budget Information Form.
- The Budget Narrative should also include a section describing any leveraged resources provided (as applicable) to support grant activities. Leveraged resources are all

resources, both cash and in-kind, in excess of this award. Valuation of leveraged resources follows the same requirements as match. Applicants are encouraged to leverage resources to increase stakeholder investment in the project and broaden the impact of the project itself.

- The Budget Narrative must also explain the estimated cost-per-participant range based on the minimum number of enrolled participants, the type of services included in the project, costs for specific training, and the type of supportive services that participants need to successfully engage in the program and realize their career goals.
- For Career Services and Training Grant Recipients Requesting Program Year 2025 Allotments - The submitted Budget Narrative must adhere to the amount of money allocated for each state service area detailed in Attachment III.
- For Housing Services Recipients Requesting PY 2025 Allotments - The submitted Budget Narrative must adhere to the amount of permanent and temporary expenditures detailed in Attachment IV. Individual grants are awarded for Housing resultant of the grants competition and are further allocated according to language in the appropriations law requiring that of the total amount available, not less than 70 percent shall be allocated to permanent housing activities, leaving not more than 30 percent to temporary housing activities. In the budget narrative, housing grantees must clearly differentiate between the permanent and temporary housing expenditures, as applicable.
- For Youth Services Grant Applicants - The submitted Budget Narrative must reflect the Supplemental Funding amount requested.

*Requirements for Explaining the SF-424A Line-Item Categories in the Budget Narrative (reflective of Uniform Guidance revisions effective October 1, 2024):*

- **Personnel:** List of all staff positions by title (including individuals hired by an employment contract) 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.
- **Fringe Benefits:** Provide a breakdown of the amounts and percentages that comprise fringe benefit costs such as health insurance, FICA, retirement, etc.
- **Travel:** For grantee staff only, specify the purpose, number of staff traveling, mileage, per diem, estimated number of in-state and out-of-state trips, and other estimated costs for each type of travel.
- **Equipment:** Identify each item of equipment you expect to purchase that has an estimated acquisition cost of \$10,000 or more per unit (or if your capitalization level is less than \$10,000, 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 \$10,000 are supplies, not “equipment.” In general, we do not permit the purchase of equipment during the last funded year of the grant.

- **Supplies:** Identify the cost of supplies (e.g., general office supplies, desk/chairs, laptops/printers, other specialty items) in the detailed budget per category. 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).
- **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, defined by 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. This should include payments to a contractor for third-party evaluations that are not already accounted for elsewhere, if applicable. 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.
- **Construction (for Career Services and Training Grants and Youth Services Grants):** 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 a classroom alteration) may be allowable. We do not consider this as construction, and you must show the costs on other appropriate lines such as Contractual.
- **Construction (for Housing Services Grants):** Using grant funds for new construction is discouraged. For permanent housing services, renovations or rehabilitations of existing structures for grant activities may be allowable. We do not consider renovations or rehabilitations of existing structures as construction, and you must show the costs on other appropriate lines such as Contractual. Construction costs noted in the budget require a subsequent amendment seeking prior approval of the Grant Officer.
- **Other:** Provide clear and specific details, including costs, for each item so that we can determine whether the costs are necessary, reasonable, and allocable. List items, such as stipends or incentives, not covered elsewhere.
- **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. If you intend to claim indirect costs using the 15 percent de minimis rate of modified total direct costs (MTDC), 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 Part 200, Appendix VII(D)(1)(b).

Applicants choosing to claim indirect costs using the de-minimis rate must use MTDC 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 MTDC. See the definition below to assist you in your calculation.

- **Modified Total Direct Cost (MTDC) Definition:** To avoid a serious inequity in the distribution of indirect costs, DOL defines MTDC as all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 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 or subcontract in excess of \$50,000.

Please note participant support costs are not included in modified total direct costs. As defined under 2 CFR 200.1, Participant Support Cost means direct costs that support participants and their involvement in a Federal award, such as stipends, subsistence allowances, travel allowances, registration fees, temporary dependent care, and per diem paid directly to or on behalf of participants.

Additionally, the following link contains information regarding the negotiation of Indirect Cost Rates at DOL: <https://www.dol.gov/agencies/oasam/centers-offices/office-of-the-senior-procurement-executive/cost-price-determination-division>.

Indirect-type costs (such as top management salaries, financial oversight, human resources, payroll, personnel, auditing costs, accounting and legal, etc. used for the general oversight and administration of the organization) must not be classified as direct costs; these types of costs are recovered as part of charging the de minimis or NICRA rate. Do not show leveraged resources on the SF-424 and SF-424A. You should describe leveraged resources in the Budget Narrative.

Applicants must list the same requested federal grant amount on the SF-424, SF-424A, and Budget Narrative.