

NACCHO Budget Guidance for Contractors (last updated April 2023)

[Project Name]

Instructions to applicants: Please review the general guidance and specific feedback related to your budget provided in this document and ensure that all points have been addressed in your revised budget/narrative.

General Guidance

- ✓ **BUDGET:** Applicants should submit a detailed line-item budget of all costs using the NACCHO Excel budget template. [Please review all instructions on tab 1 \(Budget Guidelines\) before completing the detailed budget on tab 2.](#)
- ✓ **BUDGET NARRATIVE:** Applicants should submit a separate budget narrative that explains all costs included in the budget and how those costs were derived. You may use the Word template provided.
- ✓ **FRINGE AND INDIRECT COST DOCUMENTATION:** If your budget includes fringe benefits and/or indirect costs (in excess of the 10% de minimis rate), you must submit supporting documentation and proof of the fringe and/or indirect cost rates used. Please ensure these documents are signed by a senior-level executive of your organization (e.g., CEO, CFO, etc.).
- ✓ **MATH CHECK:** Please review all expense calculations, line-item subtotals, and your final budget total to ensure accuracy. Your total budget cannot exceed the cap provided, \$50,000. Any budgets that are more than this cap will be immediately returned to applicants.

Budget Line Guidance

DIRECT LABOR EXPENSES

Personnel included in NACCHO budgets are subject to federal caps on salary. In line with NACCHO's cooperative agreement with the CDC, no federal funds can be used to pay the salary of an individual at a rate in excess of the rates included in the Executive Level II payscale (see [here](#) for more information). The 2023 cap on Senior Executive salaries is \$212,100 annually (i.e., \$17,675 monthly, \$102 hourly). Note that the salary rate limitation does not restrict the salary that an entity may pay an individual working under a federal contract or order; it merely limits the portion of that salary that may be paid with federal funds.

Personnel

- Please make sure full information is provided on each staff member budgeted and that salaries fall within the federal cap on salaries (as explained above). Provide the following details for each staff member budgeted:
 - Staff member name, position, and brief description of duties
 - Annual salary (NACCHO follows the current salary cap, found [here](#))
 - Percentage of time spent on the project or full-time equivalent calculation (FTE)
 - Total number of months devoted to project

Fringe Benefits

- You must provide both a breakdown of individual fringe benefits allocated to each staff member in the budget as well as formal documentation/proof of your fringe rate or benefits.
 - Proof of fringe calculation or rate: Acceptable documentation of fringe benefits includes:
 - An approval letter issued by a relevant federal or state agency (e.g., HHS) authorizing your organization to calculate fringe benefits based on a certain percentage of direct salary and wages
 - An excerpt from a financial audit report that outlines the official fringe rate
 - A letter (on your organization letterhead) signed by a financial official that lists the approved fringe rate used by the organization
 - A copy of your accounting procedures or policy that outlines how you calculate fringe rate
 - Itemized list of benefits: In the budget narrative, please include an itemized list of fringe benefits for each category of employee or individual staff member in the budget. For example:

Program Coordinator, salary: \$50,000, 1 FTE

Fringe Benefit	% of Salary	Amount Requested
Retirement	5%	\$2,500
FICA	7.65%	\$3,825
Insurance	N/A	\$2,000
TOTAL		\$8,325

OTHER DIRECT EXPENSES

Contractual

- For any consultants or contractors in your budget, make sure to provide a detailed breakdown of their costs and justification for how their services relate to your program objectives. This should include:
 - Their rate (hourly, daily, monthly, fixed)
 - The quantity of service provided (hours, days, months, fixed)
 - Total budget

Supplies and Equipment

If your budget includes any equipment purchases, you will be required to identify the specific equipment (e.g., “Apple iPad” or “Microsoft Surface” instead of “tablet”) in your budget and budget narrative and certify in the Contract Cover Sheet that the planned purchases will be made from manufacturers and service providers that do not fall under the ban on Chinese service providers (per

section 899(b) of the National Defense Authorization Act). See additional information below regarding the ban and how to ensure compliance with this regulation.

- There is currently a [ban](#) on the use of federal funding—which is the source of NACCHO’s funding for this project—for the purchase of certain telecommunications and video surveillance services or equipment from Chinese companies. This includes equipment such as computers, laptops, tablets, cellphones (including cellphone plans), and other products but does not include hotspots or Zoom subscriptions.

To ensure your planned equipment purchases are allowable, you can (1) check the list of pre-approved manufacturers in the Annex of this document, or (2) follow the instructions below to certify that the manufacturer has an active registration with sam.gov.

To check if a manufacturer has an active registration with sam.gov:

- Visit sam.gov and login (or create a free account)
- Click on “Search” in the main menu
- Click "Select Domains/All Domains" then "Entity Information" from the menu that appears then "Entity Registrations" from the menu that appears
- Search for the company by name:
 - Check the company’s website to confirm their Entity name (example, Dell Technologies vs. Dell).
 - If it has an active registration with sam.gov, you can purchase equipment from this company under this grant—assuming sufficient justification is included in your budget narrative regarding why the purchase is necessary for your completion of the project.
 - If you are having trouble finding the company, it may be helpful to search for it via Google or Wikipedia and confirm the company’s official name. For example, Google is listed as “Google, LLC” and Apple is listed as “Apple Inc.”

For reference, a list of entities and companies that are not subject to this ban (i.e., common US-based telecoms companies) is included as an annex to this guidance document (see page 5).

- The following costs are allowable under certain circumstances but do require prior approval by NACCHO to ensure compliance with federal funding requirements. NACCHO will request additional information during the budget review process before these expenses are approved.
 - **Gift cards/incentives:** Visa gift cards, at modest amounts, used as incentives for participation in various program activities are allowable under certain circumstances. Other types of gift cards (e.g., Amazon, grocery store, gas cards) are not allowable.
 - **Meals expenses (food, snacks, drinks):** Food expenses for participants to attend project-related meetings may be allowable under certain circumstances, including for meals provided during working meetings and where a substantial portion of participants are traveling from more than 50 miles away from the meeting site.

- **Equipment:** While equipment purchases are not explicitly excluded from our funding agreement with CDC, NACCHO must seek prior approval from CDC for equipment costs included in contractor budgets. NACCHO can only consider, and reserves the right to approve or disapprove, funding equipment purchases that are up to \$5,000. Any equipment purchases over this amount will be unallowable.
 - While this funding restriction does not apply to equipment that is being leased or rented—rather than purchased—during the project implementation period, you must still ensure compliance with section 899(b) of the National Defense Authorization Act.
- Apart from telecom equipment, please provide a detailed breakdown of each supply item budgeted and justify how you derived the costs for each item. Your justification should also include how each item relates to your program objectives. For example:

Supply Item	Description & Purpose	Unit Cost	# Needed	Amount Requested
Printing	Print data collection forms, training materials, reports, and project documents	\$0.10/page	1,000 pages	\$100
Office supplies	Pens, notebooks, paper	\$20/month per staff	3 project staff X 12 months	\$720
Software	Microsoft Office and Adobe Acrobat Pro packages to support program activities, data collection, and communications	Microsoft - \$39 Adobe - \$55	1 package X 3 project staff	\$117 \$165
TOTAL				\$1,102

Travel

- You should provide a breakdown of specific costs associated with trips budgeted and how you derived those costs. Be sure to include:
 - Mileage: Cost per mile (i.e., \$0.655/mile is the approved 2023 federal mileage reimbursement rate) + total number of miles for each trip. Please note that vehicle fuel and insurance should not be budgeted separately, as these are covered under the federal mileage reimbursement rates for transportation costs.
 - Lodging and meals for travelers, based on location(s) of travel (you may use but should need exceed federal per diem rates)
 - Number of travelers or trips planned
 - Purpose of all planned travel as it relates to the project

Other Expenses

- Please provide a breakdown of specific direct costs budgeted and how each relates to program objectives. You must also specify the percentage of costs attributed to this project.
- Items such as rent, utilities, telecoms, etc. are typically covered under your organization's indirect costs and should therefore not be budgeted under "Other Expenses" if you are also budgeting for indirect costs.

Indirect Costs

- If you have budgeted for indirect costs using a rate that is higher than 10%, you must provide documentation/proof of your organization's approved indirect cost rate or calculation.

Acceptable documentation includes:

- An approval letter issued by a relevant federal or state agency (e.g., HHS) and signed by the agency and your organization that authorizes your organization's indirect cost rate
 - An excerpt from a financial audit report that outlines your organization's indirect cost rate calculation
 - A letter (on your organization's letterhead) signed by a financial official that lists the indirect cost rate used by the organization
 - A copy of your accounting procedures or policy that outlines how you calculate your indirect costs
 - A cost allocation plan, signed by a financial official, that shows a breakdown of indirect costs and their allocation to the project
- If the indirect rate is 10% (i.e., the de minimis rate) or lower: No proof is needed.

Annex. List of Pre-Approved Telecommunications Companies and Entities

Computers, smart phones, tablets

- Apple
- Dell
- Google
- hP
- Lenovo
- Microsoft
- Motorola Mobility / Motorola Solutions
- Samsung
- Toshiba

Internet and cell phone providers

- AT&T
- Comcast
- T-Mobile/Sprint
- Verizon

Software

- Adobe
- Apricot360
- Canva
- McAfee
- Microsoft
- Quickbooks
- Tableau
- Windows
- Zoom