

**INTERNET  
FOR ALL**

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# **State Digital Equity Capacity Grant Program: Native Entities Consolidated Budget Form and Budget Caps Training**

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*Funded by the Bipartisan Infrastructure Law (BIL)*

*Administered by the Department of Commerce's National Telecommunications and  
Information Administration (NTIA)*



# Disclaimer

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*This document is intended solely to assist applicants in better understanding the State Digital Equity Capacity Grant Program: Native Entities (2024) and the requirements set forth in the Notice of Funding Opportunity (NOFO) and follow-on policies and guidance for this program. To avoid confusion with the State Digital Equity Grant Program with the eligible applicants of States (including D.C. and Puerto Rico) & U.S. Territories, this document refers to the program as the Native Entity Digital Equity Capacity Grant Program (NE Capacity & Planning Grant Program)<sup>1</sup>. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, the terms and conditions of the award, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, the terms and conditions of the award, the requirements set forth in the NOFO, and follow-on policies and guidance, shall prevail over any inconsistencies contained in this document.*



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# Overview

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# Training Goals

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The NE Capacity & Planning Grant Program application requires applicants to submit a Consolidated Budget Form (CBF) to **provide clear, detailed, and consistent budget information** that aligns with the proposed project activities. By the end of this training, applicants will have a clear understanding of the form and budget caps.

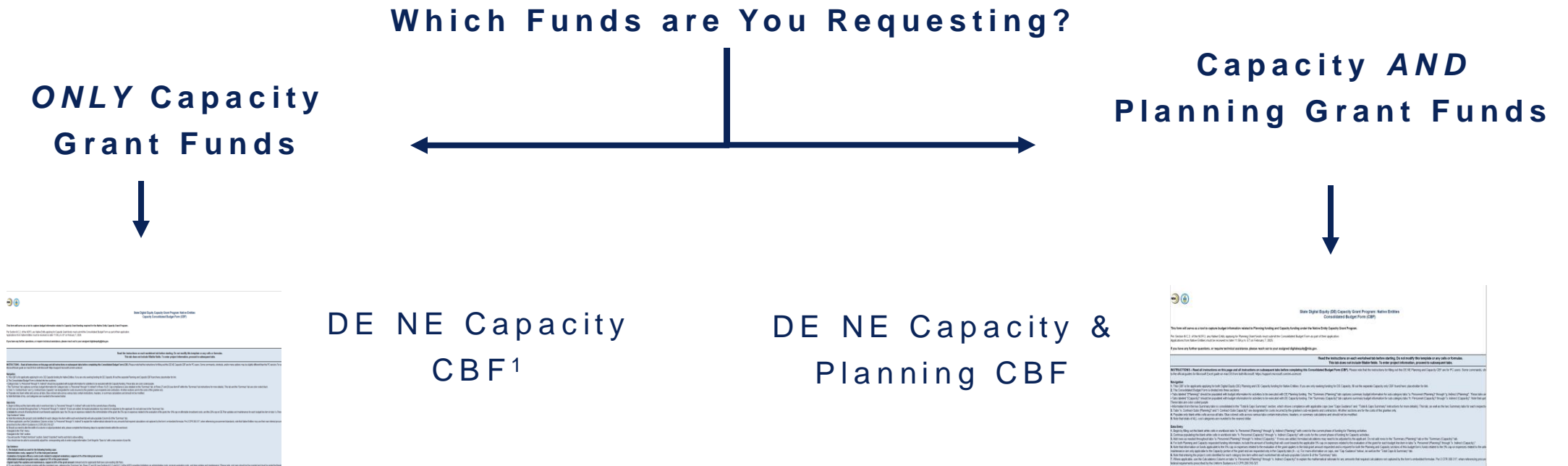
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## TRAINING GOALS

- 1 Understand which CBF to use, depending on funding request.
- 2 Understand budget caps and additional resources available to assist applicants (e.g., 7.25% primer).
- 3 Understand allowable costs for the program and each budget cap, in accordance with the funding restrictions listed in Section III.C.3. of the NOFO.
- 4 Understand each category tab included in the CBF.
- 5 Conduct a brief walkthrough showing how to find and use the CBF.

# Understanding Which Form to Use

Applicants must submit **one CBF**, depending on if they are requesting **only** Capacity Grant Funds or if they are requesting Capacity **and** Planning Grant Funds. Applicants **cannot** request Planning Grant Funds only.



**Note:** Both versions of the forms are available for download on the Digital Equity Program webpage on BroadbandUSA and found in the Native Entity Capacity & Planning Grant Program ZIP folders.

1. Titled, "SDECGP NE Capacity CBF" located in the SDECGP NE ZIP folders.
2. Titled "SDECGP NE CandP CBF" located in the SDECGP NE ZIP folders.

# Consolidated Budget Form Requirements

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Applicants must complete the CBF using the instructions and guidance provided within each CBF.

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## KEY REQUIREMENTS FOR APPLICANTS:

- ✓ The costs table is **complete**.
- ✓ The costs identified are **aligned to the activities identified in the Project Narrative**.
- ✓ The costs identified are **allowable and in accordance with the funding restrictions** listed in the NOFO and the cost principles identified in 2 C.F.R. Part 200.403.
- ✓ The **costs identified are allocable** (i.e., the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received) (see 2 C.F.R. 200.405) **and reasonable** (i.e., in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost) (see 2 C.F.R. 200.404).
- ✓ The costs identified are in the **correct cost categories** (e.g., Personnel, Travel, Equipment, etc.).
- ✓ The justification for each of the costs identified **clearly articulates** if costs are expected to be used for the administration of the grant and/or apply to any of the identified program caps.

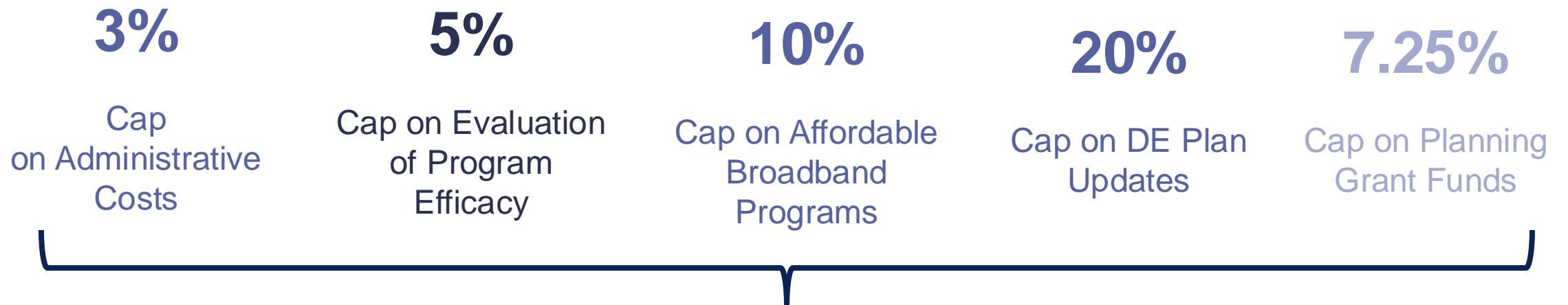
# Consolidated Budget Form: Understanding Budget Caps

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# Budget Caps | Overview

The NE Capacity & Planning Grant Program has **five (5) budget caps** that applicants must correctly identify and include, as applicable, in the CBF, based **on whether they are requesting Capacity Grant Funds or Capacity & Planning Grant Funds**.



Applicants **should review accuracy of these costs** in the 'Summary' tab(s) of their respective CBF.

**KEY:**

-  Caps applicable to BOTH Capacity Grant Funds and Planning Grant Funds
-  Caps applicable ONLY to Planning Grant Funds
-  Caps applicable ONLY to Capacity Grant Funds

# Budget Caps | NE Capacity Funds

**NE Capacity Grant Funds** must adhere to the following four (4) budget caps. Applicants must ensure costs listed in the CBF are **under the appropriate cap category** and that costs **do not exceed the caps**.



Applicants **should separate these costs** in the ‘Summary’ tab of the NE Capacity CBF.<sup>1</sup>

**KEY:**

Caps applicable to BOTH Capacity Grant Funds and Planning Grant Funds

Caps applicable ONLY to Capacity Grant Funds

<sup>1</sup>Applicants requesting Capacity Grant Funds only, should complete the SDECGP NE Capacity CBF located in the SDECGP NE ZIP folders on BroadbandUSA.



# Budget Caps | NE Planning Funds

Applicants requesting **NE Capacity & Planning Grant Funds** must adhere to the following two (2) budget caps. Applicants must ensure costs listed in the CBF are **under the appropriate cap category** and that costs **do not exceed the caps**.



Applicants **should review accuracy of these costs** in the 'Summary' tab(s) of their respective CBF.

**KEY:**

|   |   |   |  |
|---|---|---|--|
| ■ | Caps applicable to BOTH Capacity Grant Funds and Planning Grant Funds | ■ | Caps applicable ONLY to Planning Grant Funds |
|---|---|---|--|

**Note:** Applicants should still track administrative costs related to Planning Grant Funds within the CBF, although they are not subject to the 3% cap.

# Budget Caps | Administrative Costs

NE Capacity & Planning Grant Program funding can be used for **both administrative and programmatic activities**. Direct and indirect administrative costs related to **DE Capacity Grant Funds** are **subject to the 3% cap on administrative costs**. Administrative costs related to **DE Planning Grant Funds**, both indirect and direct, **are not** subject to the 3% cap.

## Example Allowable Administrative Costs

| Financial  | Operations/Occupancy Costs  | General   |
|--|---|---|
| <ul style="list-style-type: none"><li>• Accounting</li><li>• Auditing and audit preparations</li><li>• Contracting</li><li>• Budgeting and budget preparation</li><li>• General legal services</li><li>• Drawing down funds from NTIA</li><li>• Unfunded grant actions</li></ul> | <ul style="list-style-type: none"><li>• Direct costs</li><li>• Indirect costs</li><li>• Insurance</li><li>• Maintenance</li><li>• Depreciation on buildings</li><li>• General Liability Insurance</li><li>• General office supplies</li><li>• Travel costs for grants admin</li></ul> | <ul style="list-style-type: none"><li>• Salaries, wages and fringe benefits</li><li>• Grants monitoring/reporting as required by NTIA</li><li>• Grants-related policy and procedure development</li></ul> |

It is the **responsibility of the applicant** to determine whether a cost is an expense “relating (directly or indirectly) to administration of the grant” and thus subject to the statutory **3% administrative cap on Capacity Grant Funds** on those costs. **The applicant must account** for these costs appropriately, document them sufficiently, and make such documentation available to NTIA and the National Institute for Standards and Technology (NIST) if requested.



# Budget Caps | Evaluation

No more than **five (5) percent of the Capacity & Planning Grant Funds** may be used to evaluate the efficacy of the efforts funded by grants made to subgrantees to: (a) assist in the implementation; (b) pursue digital inclusion activities; and (c) report to the Native Entity regarding the digital inclusion activities of the entity.<sup>1</sup>

## Reminders



Activities conducted by the Administering Entity (AE)/Capacity Grant recipient to evaluate the efficacy of the efforts of a subgrantee and/or a subgrantee's projects under a subaward and activities conducted by the AE/Capacity Grant recipient to analyze data collected from the subgrantee **apply to the evaluation cap**.



Activities where the AE/Capacity Grant recipient is evaluating the efficacy of projects implemented or conducted by the AE/Capacity Grant Recipient **do not apply to the evaluation cap**



Activities where a subgrantee conducts data collection or other evaluation of its own projects to provide information necessary for the AE/Capacity Grant Recipient to evaluate the efficacy of the efforts of a subgrantee and/or a subgrantee's projects **do not apply to the evaluation cap**



After ensuring that evaluation activities in the Consolidated Budget Form apply to the cap, applicants should **validate** that the total percentage of these activities is **5% or below**.

1. State Digital Equity Capacity Grant Program NOFO Section III.C.3.b

# Budget Caps | Affordable Broadband

No more than **ten (10) percent of the Capacity Grant Funds** may be used to fund subsidies for the provision of broadband services through affordable broadband programs. <sup>1</sup>

## Reminders



Applicants must **conduct a thorough assessment and inventory** of existing subsidy programs, grants, or other available resources **before establishing a new affordable access program.**



Applicants should keep in mind that **promotion of programs that provide low-cost services** administered by the Federal Communication Commission, or other relevant local, State or Federal programs are subject to the cap and **should take precedence over establishing a new program.**



Applicants that propose any **new** affordable access programs funded must provide digital literacy and skills training.



Applicants must separate out costs related to **affordability** in the 'Summary' tab of the Consolidated Budget Form and ensure this amount is **below 10%**

1. State Digital Equity Capacity Grant Program NOFO Section III.C.3.b

# Budget Caps | Digital Equity Plan Updates

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No more than **twenty (20) percent of the Capacity Grant Funds** may be used to update or maintain the Digital Equity Plan. <sup>1</sup>

## Reminders

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Applicants are subject to the 20% cap if the **proposed activities** for Capacity Grant Funds **include updating and maintaining** a Digital Equity Plan that was (1) **previously created** without NTIA funds, or (2) a Digital Equity Plan created **using Planning Grant Funds**.



**Each applicant must confirm** in its Capacity application that it **will not use more than 20% of the award amount to update its Digital Equity Plan**.



Applicants must separate out costs related to **DE Plan Updates** in the 'Summary' tab of the Consolidated Budget Form and ensure this amount is **below 20%**.

1. State Digital Equity Capacity Grant Program NOFO Section III.C.3.b

# Budget Caps | 7.25 % Cap on Planning Grant Funds

Applicants are not required to seek Planning Grant Funds, but to the extent that **Planning Grant Funds** are requested, they must be capped at 7.25% of the **Total Requested Grant Amount**. Applicants must ensure this amount is **below 7.25% of the Total Requested Grant Amount** in the ‘Summary’ tabs.

## Reminders:

- ✓ Applicants can use Planning Grant Funds for outreach and engagement with the Covered Populations for the purpose of identifying barriers to digital equity and conducting a needs assessment.
- ✓ Applicants can use Planning Grant Funds to create measurable objectives that address the barriers to digital equity.
- ✓ Applicants can use Planning Grant Funds to identify the barriers to digital equity faced by members of the Covered Populations.
- ✓ Applicants can use Planning Grant Funds to implement strategies to achieve the identified measurable objectives.
- ✓ Applicants can use Planning Grant Funds to write a vision statement.

The screenshot shows a document titled "7.25 % Cap on Planning Grant Funds for the NE Capacity & Planning Grant Program" with an "INTERNET FOR ALL" logo. The text explains that the National Telecommunications and Information Administration (NTIA) offers this resource to help State Digital Equity Capacity and Planning Grant Program: Native Entities (referred to as NE Capacity & Planning Grant Program) applicants adhere to the 7.25% cap on Planning Grant Funds.<sup>1</sup> This primer explains the limitation and offers best practices on tracking and calculating costs.

**WHAT IS THE 7.25% LIMITATION?**

47 U.S.C. §1723(i)(2) requires NTIA to set aside no less than five percent of the total funds made available under 47 U.S.C. 1723 for Indian Tribes, Alaska Native Entities, and Native Hawaiian organizations (collectively, Native Entities). This includes funding under both the State Digital Equity Capacity Grant Program and the State Digital Equity Planning Grant Program. For planning, \$3,300,000 will be made available to Native Entities.

Per State Digital Equity Capacity Grant Program NOFO Section III.A.4., Planning Grant Funds for Native Entities will not be made available on a standalone basis.<sup>2</sup> Instead, Planning Grant Funds will only be awarded in conjunction with a Capacity Grant Fund application.<sup>3</sup> If applicants want to apply for Planning Grant Funds, they will do so in the same application they request Capacity Grant Funds. Applicants seeking Planning Grant Funding will need to complete additional application questions specific for planning and will need to complete the DE NE Capacity and Planning Consolidated Budget Form (CBF), which reiterates the 7.25% cap. Per the State Digital Equity Capacity Grant Program NOFO Section III.A.4., Native Entities are not required to seek Planning Grant funding, but to the extent Planning Grant funding is requested, it will be capped at 7.25% of the total funds requested.

**How to Calculate the 7.25% Limitation**

As seen in Figure 1, at application, the 7.25% limitation should be calculated based on the total requested grant amount. To calculate this number, applicants should take their total requested grant amount and multiply it by 0.0725.

**Figure 1: 7.25% Limit Calculation**

TOTAL REQUESTED GRANT AMOUNT x 0.0725 = PLANNING FUND CAP

<sup>1</sup> This document is intended solely to assist applicants in better understanding the State Digital Equity Capacity Grant Program: Native Entities program and the requirements set forth in the Notice of Funding Opportunity (NOFO) and follow-on policies and guidance for this program. This document does not and is not intended to supersede, modify, or otherwise alter applicable statutory or regulatory requirements, the terms and conditions of the award, or the specific application requirements set forth in the NOFO. In all cases, statutory and regulatory mandates, the terms and conditions of the award, the requirements set forth in the NOFO, and follow-on policies and guidance, shall prevail over any inconsistencies contained in this document.

<sup>2</sup> To avoid confusion with the State Digital Equity Capacity Grant Program with the eligible applicants of States (including D.C. and Puerto Rico) & U.S. Territories, this document refers to the program as the State Digital Equity Capacity Grant Program: Native Entities (2024) ("NE Capacity & Planning Grant Program"). Per the NOFO, Native Entities are Indian Tribes, Alaska Native entities, and Native Hawaiian organizations.

<sup>3</sup> While Planning Grant Funds must be requested in conjunction with Capacity Grant Funds, applicants can choose to apply solely for Capacity Grant Funding.



# Budget Caps | Intake Structure

When completing the CBF, applicants will fill out line items in each Cost Category/Budget Detail tab for each proposed grant-funded activity or service and identify if any funding will contribute to a cap. These line items will then automatically total in the appropriate Summary tabs.

## For each Cost Category tab, applicants must ensure:

- 1 The activity is allowable under the grant program.
- 2 The activity is appropriately justified, in line with the form instructions, in each "Additional Information" section, as needed.
- 3 The value of the cap is appropriately identified and does not exceed the total cost of the line item.

## For each applicable Summary tab, applicants must ensure:

- 1 The automatically calculated cap total is accurate.
- 2 The cap total does not exceed the limit (note: if exceeded, cell text will turn red).

| SUMMARY OF NE CAPACITY & PLANNING CAPS<br><small>are from entries made in supporting tabs; only blank white cells require data entry.</small> |  |                                     |
|---|--|-------------------------------------|
| Cap Total Based on Grant Amount Requested   | Total of Expenses Requested<br>Applicable to Cap | Percent of Expenses Relating to Cap |
| \$43,734.09   | \$27,406.31                                      | 2.75%                               |
| \$72,201.43   | \$162,060.78                                     | 16.27%                              |
| \$83,382.11   | \$51,000.00                                      | 6.12%                               |
| \$25,014.63   | \$5,663.90                                       | 0.68%                               |
| \$166,764.21  | \$12,774.54                                      | 1.53%                               |

# Consolidated Budget Form: Basis for Estimating Costs

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# What Is the Basis for Estimating Costs?

Multiple Cost Category tabs in the CBF will ask for a ‘basis for estimating costs.’ This term refers to the methodology and information used by applicants to create their expected funding approximations for each line item listed in their application.

**When providing information on an estimated costs basis, consider the following tips:**



If estimating the cost of services, **describe the services** (e.g., position titles, scope of work) and **provide an hourly rate** (established or estimated) for the services and the number of hours this rate will be applied over the course of the project.



If you obtained a quote, **explain the quote and any information provided in the quote**. It is not necessary to provide the actual quote if the summary is adequate.



If the estimate is based on prior projects or experience, **provide comprehensive information on the prior work** and how this budget estimate compares.

**Note:** In line with application instructions, applicants should elaborate on their basis for estimating costs within the “**Additional Explanation**” section(s), as needed, and include any equations used to calculate costs.

# Consolidated Budget Form Structure

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# DE NE Capacity CBF Structure

The DE NE Capacity Consolidated Budget Form is comprised of ten (10) tabs, which applicants applying for Capacity funds **only** must complete before submitting their form to NTIA. These include the following:

## **Instructions**

- Provides important definitions and instructions for applicant reference while completing the form

## **Summary**

- Consolidates budget information from the following tabs to display the total budget for the entire period of performance

## **a. Personnel**

- Requests information on personnel-related expenses for the entire period of performance

## **b. Travel**

- Requests information on travel-related expenses for the entire period of performance

## **c. Equipment**

- Requests information on equipment-related expenses for the entire period of performance

## **d. Supplies**

- Requests information on supply-related expenses for the entire period of performance

## **e. Contract-Subs**

- Requests information on contract and subaward information for the entire period of performance

## **f. Construction**

- Requests information on construction-related expenses for the entire period of performance

## **g. Other**

- Requests information on other direct costs incurred throughout the period of performance

## **h. Indirect**

- Requests information on indirect costs incurred throughout the period of performance



# DE NE Planning and Capacity CBF Structure

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The DE NE Planning and Capacity CBF is comprised of nineteen (19) tabs, which applicants applying **for both Planning and Capacity** funds must complete before submitting their form to NTIA. These include the following:

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## Instructions

- Provides important definitions and instructions for applicant reference while completing the form

## Summary (Planning)

- Consolidates budget information from the following Planning Grant Fund cost category tabs to display the total Planning budget for the entire period of performance

## Summary (Capacity)

- Consolidates budget information from the following Capacity Grant Fund cost category tabs to display the total Capacity budget for the entire period of performance

## Total & Caps Summary

- Consolidates the budget totals from the following Capacity Grant Fund and Planning Grant Fund cost category tabs and calculates costs against each fund's applicable caps

## Planning Cost Category Tabs (7)

- Requests information on seven cost categories across the entire Planning period of performance. These include all the cost categories included in the Capacity Consolidated Budget Form **except for Construction**

## Capacity Cost Category Tabs (8)

- Requests information on eight cost categories across the entire Capacity period of performance. These include all the cost categories included in the Capacity Consolidated Budget Form

# Consolidated Budget Form: Summary Tabs

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# Summary Tabs

Each CBF has a Summary tab, with the DE NE Capacity & Planning CBF **containing two (2) Summary tabs**, one for Planning Grant Funds and one for Capacity Grant Funds, and the DE NE Capacity CBF containing **one (1) Summary tab** for Capacity Grant Funds.

## SUMMARY



## KEY CONSIDERATIONS

- The shaded cells in the 'Summary' tabs will be **locked and automatically populated** based on information in other tabs. Any errors will need to be corrected in the tab of origin.
- For each cost category line, **indicate using the 'Yes' or 'No' dropdown if there will be costs towards any of the applicable caps**. Note, any amounts subject to any caps entered into cost category tabs will automatically populate in the summary. You are only responsible for manually indicating 'Yes' or 'No.'
- While the Summary Tabs will show costs towards certain caps, applicants requesting **both** Planning & Capacity Grant Funding should view the total costs towards each cap in the Total Cap & Summary Tab.

**Note:** While the 'Summary' tab(s) are first in the CBF, NTIA **recommends completing it last**, as the information is cumulative of the entire form.





# Total & Caps Summary Tab

**Only** the DE NE Capacity & Planning CBF contains a Total & Caps Summary tab that auto-populates overall costs against caps for the Planning Grant Funds and Capacity Grant Funds. This tab is cumulative of the entire form. The DE NE Capacity CBF **does not contain this tab**.

## SUMMARY



### KEY CONSIDERATIONS

- Except for the "Additional Explanation" section at the bottom of the Total & Summary Tab, **this page is completely automated**. All quantitative information is taken from the subsequent category tabs and cannot be edited here.
- If any sums exceed the allowable cap, the percentage in "Percent of expenses relating to cap" (Column E) will turn red. **These percentages must comply with the program caps before submission.**
- Figures on the Total & Caps Summary Tab can only be adjusted in the cost-category tabs (a.- g. for Planning, h.- o. for Capacity). **To resolve any conflicts, first determine which cost-categories contribute** to funds subject to the cap in question by **referencing the summary tables** in the "Summary (Planning)" and "Summary (Capacity)" tabs. Then, adjust the sums in the appropriate cost-category tabs.

# Consolidated Budget Form: Cost Category Tabs

# Personnel

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## PERSONNEL



### KEY CONSIDERATIONS

- Only your **personnel costs for employees (not contractors or subgrantees)** should be included in the Personnel Tab.
- All personnel should be identified by **position title and not employee name**.
- Personnel **cannot exceed 100%** of their time on all active projects.
- If loaded labor rates are utilized, **a description of the costs the loaded rate is comprised of must be included in the Additional Explanation section.**
- Personnel time charged to the award **must** be for the NE Capacity & Planning Grant Program only.
- Fringe benefits are allowances and services provided to employees as compensation in addition to regular salaries and wages. **The rates and how they are applied should not be averaged to get one fringe cost percentage.**

# Travel

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## TRAVEL



### KEY CONSIDERATIONS

- Only travel costs **for your employees** should be included in the Travel Tab.
- Travel costs must be **directly associated** with this award and must be necessary for performance of the project.
- Travel costs should **remain consistent** with travel costs incurred by an organization during normal business operations and be aligned to the organization's written travel policy.
- Columns B-J are **per trip**.
- The number of days **is inclusive** of day of departure and day of return.
- Funds requested in the travel category should only **be for project staff**. Travel for consultants/contractors should be shown in the **"Contract/Subaward"** cost category along with consultant/contractor fees. Because these costs are associated with contract-related work, they must be under the "Contract" cost category.

# Equipment

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## EQUIPMENT



### KEY CONSIDERATIONS

- Equipment means a **single item of tangible, personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the recipient for financial statement purposes, or \$10,000.** Please refer to the applicable Federal regulations in 2 CFR 200.1 and 2 CFR 200.313 for specific equipment definitions and treatment.
- Do **not include supply items** under equipment. Please refer to 2 CFR 200.1 and 2 CFR 200.314 for specifics on what constitutes a supply item.
- List **all equipment, providing a basis of cost** (e.g., contractor quotes, catalog prices, prior invoices). **Briefly** justify items as they apply to the project.
- Any equipment that is leased must be **listed under tab** 'Other' and not under 'Equipment'.

# Supplies

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## SUPPLIES



### KEY CONSIDERATIONS

- Supplies are generally defined as an **item with an acquisition cost of \$10,000 or less and a useful life expectancy of less than one year.**
  - Supplies are **generally consumed during the project performance.** Please refer to the applicable Federal regulations in 2 CFR 200.1 and 2 CFR 200.314 for specific supplies definitions and treatment.
  - A computing device is a supply if the **acquisition cost is less than the lesser of the capitalization level** established by the non-Federal entity for financial statement purposes or \$10,000, regardless of the length of its useful life.
- Supplies **must be listed** and **provided a basis of costs** (e.g., contractor quotes, catalog prices, prior invoices).
- Applicants should **briefly justify** the need for the supplies as they directly apply to the project. Note that supply items **must be direct costs to the project** at this budget category, and **not duplicative of supply costs included in the indirect pool that is the basis of the indirect rate** applied for this project. Supply costs must be allocable specifically to the project.

# Contract- Subs

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## CONTRACTUAL/SUBAWARDS



### KEY CONSIDERATIONS

- All anticipated costs for **subrecipients and contractors** should be included in the Contractual/Subawards tab.
- **Applicants** are responsible for **making case-by-case determinations** whether agreements it enters for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. Please refer to the applicable Federal regulations in 2 CFR 200.331 for the distinction between a subrecipient and a contractor.
  - **A subrecipient (i.e., subgrantee) is a legal entity to which a subaward is made, whose performance is measured against whether the objectives of the Federal program are met**, is responsible for programmatic decision making, must adhere to applicable federal program compliance requirements, and uses the federal funds to carry out a program
  - **A contractor is a legal entity contracted to provide goods and services within normal business operations**, provides similar goods or services to many different purchasers, operates in a competitive environment, provides goods or services that are ancillary to the operation of the federal program, and is not subject to compliance requirements of the federal program.
- You should **use the space provided to provide the basis of cost** (e.g., planning study estimates, etc.) and a breakdown of those costs, if available.

# Construction

The DE NE Capacity CBF and Capacity section of the DE NE Capacity & Planning CBF asks for information on Construction-related costs.

## CONSTRUCTION



### KEY CONSIDERATIONS

- Only applicants that have construction, **if applicable**, should fill this tab out.
- Any construction must follow NEPA requirements.
- Only construction costs completed by the applicant should be included in the 'Construction' tab.
- Construction costs must be directly associated with this award and must be **necessary for performance of the project**.
- Please note that the **applicants must provide a justification for construction activities**.

**Note:** Construction is **NOT** an allowable cost for Planning Grant Funding and as such, this tab is **NOT** included in the Planning section of the NE Capacity & Planning Consolidated Budget Form.



# Other

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## OTHER



### KEY CONSIDERATIONS

- "Other direct costs" are direct cost items **required for the project which do not fit clearly into other categories**. These direct costs **must not be included in the indirect costs** (for which the indirect rate is being applied for this project).
- Basis of cost are items such as contractor quotes, prior purchases of similar or like items, published price list, and other sources of information used to estimate costs.
- Contingency is that part of a budget estimate **which is associated with possible events or conditions arising from causes the precise outcome of which is indeterminable** at the time of estimate, and that experience shows will likely result, in aggregate, in additional costs for the approved activity or project.
- **Amounts for major project scope changes, unforeseen risks, or extraordinary events may not be included.** Amounts must be estimated using broadly-accepted cost estimating methodologies and accepted by the federal awarding agency. Contingency costs are reserved until a demonstrated need is approved by the Grants Officer. Please refer to 2 CFR 200.433 for more information.



# Indirect

Both CBFs ask for information on cost categories separated into distinct tabs that the applicant is responsible for filling out.

## INDIRECT



### KEY CONSIDERATIONS

- **Indirect (facilities & administrative [F&A]) costs are those costs incurred for a common or joint purpose benefitting more than one cost objective and** are not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.
- Indirect costs may be charged to the award if:
  - **You have a federally approved indirect cost rate** from a cognizant agency; or
  - **You never received a negotiated indirect cost rate agreement (NICRA) and elect to charge a de minimis rate of up to 15 percent of modified total direct costs (MTDC) which can be used indefinitely.** MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award).
  - Please note that **contracts can be included (not excluded) as part of the MTDC calculation and they are not subject to the limit of the first \$50,000 that subawards are.**
- Indirect costs that are related to the recipient's administration of Capacity Grant Funds **count toward the statutory three percent cap.** It is **your responsibility as the applicant** to determine whether your indirect costs include such expenses subject to the cap.
- Please note that your actual ability to charge indirect costs may be **much lower** than what your NICRA would allow, since both direct and indirect administrative costs will count against the 3% statutory cap.

# Offline Consolidated Budget Form Guidance

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# Submitting an Offline Version of the CBF

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The NE Capacity & Planning Grant Program application can be submitted either **electronically online, via email**, or by **mail or courier** no later than the submission deadline.

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## REMINDERS

- 1 Those applying through NGP or by email must do so no later than **11:59 p.m. Eastern Time (ET) on February 7, 2025.**
- 2 If applying by mail or courier, applications must be **postmarked** (for postal mail) or show **clear evidence of mailing** (for courier submissions) no later than on **February 7, 2025.**
- 3 If applying by mail or courier, the CBF must be completed **on Microsoft Excel and *then* printed** to include in your mail application package. Instructions on how to properly print excel sheets can be found in the **DE NE Capacity and Planning Offline Application Guidance.** Applicants also have the option of saving the CBF in a .xlsx and **uploading the completed form onto a jump drive** and mailing in the jump drive with their completed application.



# THANK YOU

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