

Appendix E: Budget Justification

General Instructions for the Completion of a Budget Justification

The budget justification must include the following information:

- Each line item on the Budget Form must be explained, and the cost provided for each. Each line item on the Budget Form pertains to projected costs.
 - The total for each line item on the Budget Justification must match the total for each line item on the Budget Form.
 - Administrative Costs cannot exceed 10 percent of the requested funding.
1. **Staff salaries** – List all staff positions by title. State the annual salary of each person, the percentage of each person’s time devoted to the project, the amount of each person’s salary funded by the grant, and the total personnel cost for the period of performance. Be sure to breakout administrative and program salaries.
 2. **Fringe benefits** – Provide the overall fringe benefit percentage which reflects the recipient’s organizational fringe, and list the components included, such as health insurance, FICA, retirement, etc. Provide the fringe benefit calculation for each staff position listed under the salary line item. Be sure to breakout administrative and program fringe.
 3. **Operational expenses** – List each item in sufficient detail for the grantor to determine whether the costs are reasonable or allowable (rent, utilities, printing, postage, supplies, staff travel, etc.).
 4. **Other program expenses**– List each item in sufficient detail for the grantor to determine whether the costs are reasonable or allowable. Costs included under *Other* should not fit into any other line item category.

Note: If including equipment, be sure to identify each item of equipment to be purchased which has an estimated acquisition cost of \$5,000 or more per unit and a useful lifetime of more than one year. List the quantity and unit cost per item. Items with a unit cost of less than \$5,000 are supplies.

5. **Supportive services** – List types of supportive services for participants (uniforms, transportation, tools, test fees, etc.)
6. **Training** – Breakout Training costs into the budget category. List each item in sufficient detail for the grantor to determine whether the costs are reasonable or allowable. Be sure to include number of participants for each line item.

For example, Classroom Training Expenditures – 15 people * \$150 Forklift Training= \$2,250.00