**BUDGET EXPLANATION FOR SBIR/STTR APPLICATIONS**

**GRANTEE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**GRANT APPLICATION NO.:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Please provide detailed information to support each element of the proposed budget. If an element is not applicable, please indicate. **Please ensure that the figures provided in this explanation are consistent with those reflected on your proposed budget pages.**

**A/B. Senior/Key Person & Other Personnel $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. Identify each position (“Role in Project”) to be supported under the proposed award, including the name of the Principal Investigator and other Key Personnel. Other personnel shall be identified by name to the extent possible.

2. Briefly justify the need for each individual proposed. **(Note**: **If your budget includes any proposed labor that is primarily administrative or managerial in nature, particular effort should be made to support such labor, as these positions are not customarily proposed or recorded as direct labor charges to a specific award.)**

3. State the number of hours to be expended, and the hourly labor rate, for each position proposed.

4. Identify the basis for the labor rate(s) proposed and explain why it is reasonable for the market (e.g., education, skills, experience, salary survey, etc.). **Please note it is not sufficient to state only that the proposed compensation is an individual’s actual salary; however, that should be addressed.**

5. FRINGE BENEFITS - If separately proposed, indicate the basis for the rate used or the computation applied, including the types of benefits to be provided. If the rate or computation protocol used has been approved by a Federal agency, provide a copy of the agreement.

**C. EQUIPMENT $**\_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. Briefly itemize and justify the need for each item of equipment to be purchased. (*Note: Equipment is defined as any standalone item that does not require integration to work and has a per unit cost of $5000 or more. Items that do not meet this criteria should be included in section F.1 Materials and Supplies).*

2. Indicate the estimated unit cost for each item to be purchased.

3. Provide the basis for the cost estimates (e.g., vendor quotes, catalog prices, invoices, past experience purchasing similar or like items, etc.). ***In addition to the basis for cost estimates*, *please provide documentation to support the cost for any equipment with a purchase price of $20,000 or more per unit*).**

**D. TRAVEL $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. Briefly justify the need for all proposed travel.

2. Indicate the estimated number of travelers, number of trips, dates, points of origin and destination.

3. For each trip, itemize the transportation and/or subsistence costs for each individual traveling.

4. Specify the basis for computation of each type of travel expense (e.g., current airline ticket quotes, past trips of a similar nature, federal government or organizational travel policy, etc.).

**F. OTHER DIRECT COSTS**

1. Materials and Supplies **$\_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Itemize materials and supplies estimates by type/nature of expense. *(Note: Materials and supplies should not include machining and fabrication costs. Those costs should be included in section F.7 Alterations and renovations e.g. machining and fabrication)*.

b. Provide the basis for cost estimates or computations (e.g., vendor quotes, prior purchase of similar or like items, etc.).

2. Publication Costs **$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. Itemize publication cost estimates by type/nature of expense.

b. Provide the basis for cost estimates or computations (e.g., vendor quotes, prior purchase of

similar or like items, etc.).

3. Consultant Services **$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. Identify the individual/firm proposed and the professional services to be provided.

b. Provide a brief justification for the use of the party selected.

c. State the number of hours to be devoted to the project, and the hourly rate to be charged

to this award. **(Note: Consultant documentation should include a signed letter from the consultant confirming his/her agreement to perform the labor hours proposed, at the payment rate listed, and should provide verification or a statement that this rate is consistent with, or more favorable than, recent billings for similar work, e.g., copies of paid invoices.)**

4. ADP/Computer Services **$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. Briefly itemize and justify the need for funds to support computer services.

b. Provide the basis for cost estimates or computations (e.g., vendor quotes, prior purchase of

similar or like services, etc.).

5. Subawards/Consortium/Contractual Costs (Including Research Institutions and any Other

Subcontractors)

**$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. Describe the support and/or the services to be acquired.

b. Provide a brief justification for the use of the research institution or other subcontractor

selected.

c. State the amounts of time to be devoted to the project, and the costs that will be charged

to this award.

d. For professional services contracts, state the number of hours to be devoted to the project,

and the costs that will be charged to this award.

e. A budget and budget support documentation, formatted in the same or similar manner

as your own, must be obtained from the research institution or other subcontractors**. Submit the research institution or other subcontractor documentation together with your written review comments confirming your determination of the reasonableness and acceptability of each element of the proposed budget**.

**Also, if the research institution is a DOE National Laboratory, DOE Order O 481.1C “WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK)” Section 4.c. requires that a determination be made by and certified in writing by the laboratory’s cognizant DOE Contracting Officer indicating that the laboratory is in compliance with the cited order. Generally the DOE Contracting Officer will issue a letter containing their determination. This process can take several weeks. It is suggested that you contact the laboratory and begin the approval process as soon as possible.**

6. Equipment or Facility Rental/User Fees **$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

a. Briefly itemize and justify the need for each item of equipment or facility to be rented or otherwise utilized.

b. Indicate the estimated unit cost (rent or user fee) for each item of equipment or facility.

c. Provide the basis for the cost estimates (e.g., vendor quotes, catalog prices, invoices, past experience with similar or like items or facilities, etc.).

7. Alterations and renovations (e.g. machining and fabrication) **$**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

List items by major type and provide justification for the proposed cost (e.g., vendor quotes, prior purchase of similar or like items, etc.).

8. Other/Miscellaneous

List any other proposed costs that were not captured above.

**H. INDIRECT COSTS $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. State the rate(s) and base(s) proposed in your budget. The base should be described (for example, “Total Direct Costs”) and listed as a dollar amount.

2. a. Are the rate(s) and base(s) provided above approved by a Federal agency for the period of

performance proposed for this award?

b. If yes, identify the source of approval and provide a copy of the agreement.

c. If no, state whether the amount requested is based on a rate(s) and base(s) which have

been accepted for estimating purposes by DOE or another Federal agency for the period of performance for this award. If so, identify the agency, and office, and provide any correspondence indicating acceptance and/or contact information for the agency. (Note: DOE will have to determine whether this is a sufficient basis for accepting your proposed rate(s) and base(s). More information may be required, possibly including the information requested under 3. below.)

3. If the rate(s) and base(s) proposed in your budget are not approved by a Federal Agency or accepted by a Federal Agency for estimating purposes, state the basis for the amount requested. Provide documentation supporting the computation of the rate(s) proposed. **(Please see the “Guidance for Indirect Rate Submission” (Guidance Ind. Rate.doc) and model indirect rate proposal (Ind. Rate Model.xls) provided to you for guidance.)**