




UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Sea Grant College Program
1315 East-West Highway
Silver Spring, Maryland 20910

October 3, 2008

MEMORANDUM FOR: Sea Grant Directors

FROM: Leon M. Cammen 
Director

SUBJECT: FY 2009 Allocation Memo

The National Sea Grant College Program has yet to receive a final appropriation for Fiscal Year 2009. **This guidance was developed under the assumption that the FY 2009 core funding level will be the same as the FY 2008 level.** Please prepare your omnibus proposals using the following guidelines. If you have any questions, please call Jonathan Eigen at 301-734-1071.

DUE DATE: The due date for submission of new omnibus proposals is **November 3, 2008**. This is earlier than in previous years due to new NOAA grants planning guidance that requires all new and continuing awards to be at Grants Management Division (GMD) no later than 90 days prior to the award date. If you cannot meet this deadline, please let your Program Officer know as soon as possible.

This memorandum includes the following four sections:

- I. Prior to Omnibus Submissions—Letter of Intent and Progress Reporting
- II. Program Funding Level Information
- III. Omnibus Proposal Guidance
- IV. Appendices

Please note that since we are shifting to a four-year planning cycle, you are no longer required to submit an implementation plan with each omnibus proposal.

I. PRIOR TO OMNIBUS SUBMISSION


A. Letter of Intent

All programs conducting technical review panels in this cycle are required to submit a letter of intent to your Program Officer prior to the notification of investigators. Your Program Officer will review the letter within five working days and either approve it or discuss modifications. The letter of intent should indicate which projects you have selected for inclusion in the omnibus proposal and the rationale for inclusion if any included projects deviate from the technical review panel's recommendations. This letter must also be part of the omnibus proposal.



B. Performance Progress Reports

Performance Progress Reports (PPR) are due through the Grants Online system as per each Grant's special award conditions. Since Sea Grant programs submitted Annual Reports (due October 7, 2008) through Sea Grant's National Information Management System (NIMS), your 2007 project information should now be up to date in the system. Therefore, in order to generate your PPR for a specific Award, you may use the NIMS system. Instructions are in the system, and as follows:

- NIMS can now be accessed at any of the following urls:
 - <http://www.seagrants.nims.noaa.gov>
 - <http://www.Seagrants.nims.noaa.gov/login/login.aspx>
 - <http://140.90.71.30/NIMS/login/login.aspx>
- To generate a hard copy report (e.g. Performance Progress Report), go to "Generate Reports" in the left-hand navigation and select "Reports." If you are already in the system, you may also click on "Generate Reports" in the upper horizontal navigation ([Projects](#) | [Program Metrics](#) | [Program Impacts](#) | **[Generate Reports](#)**). This will take you to a page titled "NIMS Reports." Select "Progress Report" from the reports on the page and click on the "Next" button.
- This will take you to a page titled "Reports." The "Select the Report" category field will default to your report choice made on the previous screen. You will then choose your program name and other selection criteria relevant to the type of report you wish to generate.
- Click on the "Generate" button. The system will generate your report (you will see a new screen with a pencil and notebook icon). Then, you will see your report.
- **Before reading or editing the report, export into your chosen format.** Click on the "Select a Format" drop down menu (upper horizontal navigation) and choose either Acrobat PDF or Word document.
- Then, click on the icon to the right of this drop down menu called "Export."  This feature will export your report into an editable PDF or Word format.
- You may then upload this report into Grants Online as your PPR.

II. PROGRAM FUNDING LEVEL INFORMATION

A. General Guidance

In FY 2008, the appropriation for the National Sea Grant College Program was \$57.1M. The tentative Sea Grant FY 2009 marks vary between the House (\$60M) and Senate (\$57M). Currently, we are operating under a Continuing Resolution, which means level funding (\$57.1M) with FY 2008. For the purpose of preparing the omnibus awards, we will assume level funding for the core program. Final budget determinations will not be known until an FY 2009 appropriation is made by the Congress—most likely not until March 2009.

Please prepare your omnibus under the guidance given on the attached spreadsheet which is the same as FY 2008.

Beginning in FY 2010, most Sea Grant programs will be on the same annual cycle. Therefore, if submitting your omnibus proposal for FY 2009, please submit for only one year unless you have approval from your Program Officer to do otherwise.

B. Merit Pool and Bonus Funds

Merit fund allocations are considered augmentations to a program's core funding and are subject only to the normal terms and conditions that apply to all funds used in supporting a program's core activities.

Based on level funding of \$3,750,000 for the merit pool, programs rated in Category 1 will receive \$140,000 in FY 2009 merit funds, programs in Category 2 receive \$95,000 and programs in Category 3 receive \$50,000. In addition, the top-rated seven programs will receive \$20,000 in bonus funding and the next seven programs will receive \$10,000.

C. Other NOAA and Non-NOAA Funds

Some programs receive additional funds either through Sea Grant or other parts of NOAA. While these funds are not part of core funding, they are to be included in your Omnibus Proposal if they are listed in Appendix A.

III. OMNIBUS PROPOSAL GUIDANCE

For more guidance regarding structure and format, please view "Omnibus Submission Information" (Appendix C or <http://www.seagrant.noaa.gov/other/admininfo.html>)

A. SUBMISSION DEADLINES

For programs with a second year release of funds, no submissions are necessary at this time.

The due date for submission of omnibus proposals is **November 3, 2008**. This date is earlier than in previous years due to new NOAA grants planning guidance which requires all new and continuing awards to be at GMD no later than 90 days prior to the award date. If you cannot make this deadline, please let your program officer know as soon as possible.

The grants.gov portal for the Sea Grant Omnibus program is:

OAR-SG-2009-2001602.

B. Electronic Submissions of Grants

All programs are required to submit omnibus proposals in FY 2008 through the grants.gov website.

C. Multi-Year Omnibus Awards (Point of Emphasis).

Programs awarded a multi-year proposal in FY 2008 do not have to resubmit a new proposal this year.

As a result of the NSGO's decision to place all Sea Grant programs on the same cycle beginning in 2010, programs should submit a one-year proposal for this year (FY 2009) unless you have

approval from your Program Officer to do otherwise. We will resume multi-year processing in FY 2010.

If you have any questions about multi-year funding, please call Jonathan Eigen at 301-734-1071.

1. Start and End Dates

The time duration of the omnibus proposal shown on the SF-424 should be for the number of months from February 1, 2009 to the latest date of any project for which you are providing federal funds in this grant action.

2. Project Narrative

The text of the proposal, the 90-2 (Sea Grant Project Summary Form) and the budget narrative and budget justification should be submitted under the project narrative.

3. Budget Narrative

Please include the 90-4 (Sea Grant Budget Form) and Budget Justifications for individual projects in the Budget Narrative section. GMD has requested that the information be placed here rather than submitted as part of the project narrative. The budget justifications for Supplies, Travel, Equipment, etc. are subject to more intense scrutiny, so please provide more information rather than less. We received many questions from GMD about the reasonableness and necessity of certain costs last year. For example, if you propose to purchase computer equipment, simply allocating \$2,000 for a laptop is not sufficient. You need to provide more specific details, such as the type of processor, the amount of memory required, etc.—all of which impact the cost. GMD cannot determine whether the costs are reasonable without knowing exactly what will be purchased. (An example of a strong budget justification that meets GMD's specifications can be found in Appendix D.)

4. Videos Produced by Sea Grant Programs

If you plan to produce a video as part of your omnibus, please include a one-page work plan for the video. The work plan should address each of the following questions: Why are you producing the video? Who is the audience? What is the video communicating? What is the work schedule? How will it be distributed? If available, please include a draft script. After review of the work plan, NOAA Public Affairs will clear the video. If you have any questions about what is required for video clearance, please contact Amy Painter at 301-734-1076 or via email at amy.painter@noaa.gov.

Attachments:

Appendix A: Sea Grant Budget Matrix

Appendix B: Omnibus Submission Guidance

Appendix C: Instructions for Completing Budget (90-4) and Budget Justification Sample Budget Justifications

cc: Sea Grant Technical Staff

IV. APPENDICES

Appendix A: Sea Grant Budget Matrix

(This section will be emailed to you separately.)

Appendix B: Omnibus Submission Information

(This section can also be found on the NSGO website at <http://www.seagrant.noaa.gov/other/admininfo.html>).

The Sea Grant omnibus proposal will continue to form the legal basis for the award of federal grant funds to the Sea Grant programs. The intent of the NSGO is to only request material required to process an award or to fulfill grant oversight responsibilities. Basic guidelines for omnibus proposals are:

(1) New Research or Education Projects –

A project summary, full project write-up including work plan, and multi-year budgets will be required for all research and education proposals the first year of funding.

Required forms:

- (1) Sea Grant Project Summary Form (90-2)
- (2) Sea Grant Budget form 90-4 (for each year and for the 24 month period).
NOTE: Not all programs have submitted man-months (Full Time Employees = 12 man months) on the 90-4s; please make sure this section is filled out for each year.

Please review the “Program Core Funding: Procedures for the solicitation, review and approval of proposals” for more information:

http://www.seagrant.noaa.gov/other/Password_files/programcorefunding_proposalreview.pdf

(2) Continuing Research or Education Projects –

No research or education project should run more than four years without submitting the proposal for peer review. Most research projects will be required to resubmit at shorter intervals (2-3 years). Projects approved initially for four years require close oversight of the Sea Grant institution to ensure that they warrant continuation in the out-years. For continuing projects, only project summaries, budgets, and progress reports need be submitted in that year’s omnibus proposal.

Required forms:

- (1) Sea Grant Project Summary Form (90-2)
- (2) Sea Grant Budget form 90-4 (for each year and for the 24 month period).
NOTE: Not all programs have submitted man-months (Full Time Employees = 12 man months) on the 90-4s; please make sure this section is filled out for each year.

(3) Extension and Communication Projects –

Each omnibus proposal includes an outreach component. Outreach includes Sea Grant extension, communications, and when it is part of extension, education. The outreach proposals should reflect a four-year cycle of funding and should be submitted with the omnibus proposal. The outreach proposal should reflect the goals of NOAA’s Strategic Plan, Sea Grant’s Network Plan, and individual program plans. Outreach proposals should undergo a review process designed and carried out by the state or local Sea Grant program. The proposals should be reviewed by peer

professionals in extension, communications and education, and by representatives of the user communities.

The four-year proposal is the document of record to the outside world with regard to each program's outreach efforts in marine resources use, development and conservation; goals and plans for the next four years; and, the manner of carrying out the objectives. The proposals should be able to stand on their own if an outside person were to ask what Sea Grant outreach efforts do and hope to accomplish, and how they are managed and staffed. Year 2, 3, and 4 proposals, on the other hand, are much-attenuated summary progress reports of the prior year's activities.

The four-year proposals are primarily forward-looking documents and should concentrate on program plans and outcomes for the next four years. The proposal guidelines below build substantially on the work done by the Sea Grant network and the NSGO under the Joint Committee on Modified Procedures and its two subcommittees, including one for Extension and the other for Communications. The proposal guidelines below differ primarily with respect to reporting accomplishments as part of the proposal. Accomplishments will be a major focus for the evaluation process which will include self-evaluations and program reviews, and will need to be documented and described as part of those processes.

Required forms:

- (1) Sea Grant Project Summary Form (90-2)
- (2) Sea Grant Budget form 90-4 (for each year and for the 24 month period).

NOTE: Not all programs have submitted man-months (Full Time Employees = 12 man months) on the 90-4s; please make sure this section is filled out for each year.

Extension Proposal Guidelines:

The extension proposal should include the following:

A. Situation statement: This background statement documents the significance of the program areas and provides a rationale for the sub-programs you have chosen. Data on the size of the audience, the economic value of the topical area, promising research developments, and the significance of the area to users can suggest the importance of the program area.

B. Program goals, objectives and plans: This section documents the overall goals you plan to achieve in the four-year period, lays out the specific objectives that will help you meet those goals, and describes the plans or methodology that will be used to meet the objectives. Each extension proposal provides general information about the program, the logic for being organized into sub-programs, and then outlines the sub-program in detail. Please identify any regional and/or multi-program activities.

1. In identifying goals, this section should describe the broad impact you hope to have through the Sea Grant extension program. This is a statement about where you see the program going and the effects it will have in the long run. In discussing goals, you may want to identify the impact you hope to have in a number of different areas: establishing or enabling organizations or businesses, affecting the health of a

resource, catalyzing activity on a regional level, improving public health and safety, or affecting standards or policy.

2. Sub-Program objectives: For each sub-program area, describe the specific objectives and plans to reach the overall goals. What are the specific outreach methods you plan to use to reach the objectives, such as workshops, industrial collegial, conferences, etc. and how do you plan to reach the objectives? Who will be responsible for attaining them? What change in the situation do you foresee? Given the situation, what can the Sea Grant program do to help resolve the situation? The objectives should be stated clearly with measurable terms appropriate for eventual evaluation and review.

C. Anticipated outcomes: Identify how things will be different in three years because of Advisory efforts. Identify the most significant anticipated outcomes in the proposal. These could include: Evidence that people are behaving or thinking differently; evidence the groups, institutions or people have used the information you have provided; impacts on policy, law or institutional development; evidence that Advisory activities have contributed to health of a resource, or the viability of an industry; economic and social impacts.

D. Organization, staffing and management: Describe staff and level of effort (time commitment), area of expertise, and source(s) of salary support. Identify staff vacancies and/or what new staff positions are needed. Describe how the outreach effort is managed and reviewed. Explain the planning and evaluation processes used, and identify how the needs of users are incorporated into program management. This section should identify how Sea Grant extension works with other components of the Sea Grant program and with related extension efforts within the university. Provide an organizational chart showing relationship within the university and with the Sea Grant program. If outside funding sources will be used to augment program activity, please identify the sources and activities.

Communication Proposal Guidelines:

The communication proposal should include the following:

A. Situation statement: Write the proposal as though it were being reviewed by someone not acquainted with Sea Grant. Set the stage by describing the communications project within the context of your individual Sea Grant program, the region, and the national network. Where does communications fit into the overall program structure? What are the local, statewide, regional and national issues that mold communication efforts?

B. Program Goals, Objectives, and Plans: This section documents the overall goals you plan to achieve in the four year period, lays out the specific objectives that will help you meet those goals, and describes the plans or methodology the tools, tactics, and talent that will be used to meet the objectives.

1. Goals--What are your long-term communications goals? Identify the broad impact you hope to have through your communications project. Is it greater coverage of Sea Grant in the mass media, more visibility for the program via the electronic superhighway, wider

use of Sea Grant information by targeted audiences, greater scientific literacy among citizens, etc?

2. Objectives--Your objectives should be stated succinctly in well-defined and measurable terms.
 - What are your specific objectives for the next three years?
 - How are these objectives related to the goals of your program?
 - What priority areas are to be addressed? What are the key information gaps and how do you plan to cover them?
 - What are your primary audiences and what is the main message you hope to convey to each audience?
 - What kind(s) of information and/or marketing research will you use to focus your efforts?

3. Plans and Methods--In this section, describe the “tools, tactics and talent” you plan to use meet objectives.
 - What specific strategy or strategies do you plan to use and why?
 - What specific communications techniques and technology will you develop and/or employ to achieve your objectives?
 - What medium or media will you use to accomplish your objectives? How/why did you select a particular medium?
 - What are the ultimate communication products and services you will provide?
 - What is the time-line and schedule for carrying out your work plans?

C. Anticipated Outcomes: Identify how things will be different in three years because of communications efforts during the 3 year cycle. Identify the most significant anticipated outcomes in the proposal, by discussing topics such as:

- What are the anticipated results and benefits of your efforts? What do you expect to happen through your communications products and services?
- How do you propose to evaluate and/or document the success of your efforts? How will you measure the results (demographics, audience surveys, review of product distribution, etc.)?
- What formal and/or informal feedback mechanisms will you use for ensuring two-way communication with your target audiences?

D. Organization, staffing, and management: Explain how communications works with and provides support to the different components of your program research, extension, education, and management. What is the relationship with related communications entities within the university/institution? What is your degree of involvement in regional and/or multi-program activities and in communications activities of the larger Sea Grant network?

- Describe your communications staff by name, title, time commitment (FTE), area of expertise, and source (s) of salary support. Are there any staff vacancies and/or what new staff positions are needed or planned? What other sources of funding are available for conducting your communications work?

- Explain communications planning and how the overall communications effort is reviewed and managed. How are the needs of the users and audiences identified and incorporated into the planning process?

E. Budgets and Justifications: Provide detailed budget forms with justifications for requested travel, permanent equipment, etc.

Changes from the initial communication and/or extension proposals in program direction, staffing, or level of effort should be clearly identified in subsequent yearly omnibus submissions.

(4) Management –

Since the four-year strategic and implementation plans will contain much of the information formerly contained in introduction and background sections of the old-style omnibus proposals, this material should not be repeated in the proposal. The management project should contain only the project summary, budget, and new or revised material not covered in the program's strategic or implementation plans. Progress made towards management goals should be reported in the Annual Report through NIMS.

Required forms:

- (1) Sea Grant Project Summary Form (90-2)
- (2) Sea Grant Budget form 90-4 (for each year and for the 24 month period).

NOTE: Not all programs have submitted man-months (Full Time Employees = 12 man months) on the 90-4s; please make sure this section is filled out for each year.

(5) Letter of Intent –

Before notifying proposers of the outcome of the peer review proposal selection process, the director must inform the NSGO program officer via a letter of intent, of the institution's intended decisions to fund specific proposals and document the corresponding rationale for the record. This documentation must be part of the omnibus proposal submitted to the NSGO for funding.

Format

New projects should include copies of the entire project proposal, including budget justifications (supplies, travel, subcontracts, etc.), 90-2, and 90-4. Continuing four-year projects require a 90-2 (Sea Grant Project Summary Form), a 90-4 (Sea Grant Budget Form) containing modified budgets and budget justifications. Please include a current indirect cost rate agreement in your final submission.

Start and End Dates - The time duration of the omnibus proposal shown on the SF-424 should be for the number of months from your anniversary date to the latest date of any project for which you are providing federal funds in this grant action.

Omnibus Proposal Checklist

(To be uploaded in Grants.gov as the Project Narrative)

- Table of Contents
- Letter of Intent
- Program Officer Response to Letter of Intent
- Program Summary 90-4 for each year (Sea Grant Project Summary Form)
- Indirect Cost Rate Agreement for each institution

Program Management

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification (for each year)
- Proposal
 - Introduction
 - Accomplishments
 - Organization, Staffing, and Management
 - Program Organization Chart
 - Oversight and Reporting Arrangements
 - Management Team
 - Advisory and Oversight Structure (Members of Advisory Boards/Councils)
- Management Objectives and Plans
- CV for PI

Program Development

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification
- Proposal

Extension

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification
- Proposal

Education

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification
- Proposal

Communications

- 90-2 (Sea Grant Project Summary Form)

- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification
- Proposal

Research

New Projects

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification
- Copy of full project proposal

Continuing Projects

- 90-2 (Sea Grant Project Summary Form)
- 90-4 (Sea Grant Budget Form for each year)
- Budget Justification

Omnibus Submission (To be uploaded in Grants.gov as the Budget Narrative)

- Table of Contents
- Summary 90-4 for each year (Sea Grant Project Summary Form)
- Budget Information for Individual Projects
 - 90-4 (Sea Grant Budget Form for each year)
 - Budget Justification
- Fringe Benefits Calculation

Appendix C: Instructions for Completing Budget (90-4) and Budget Justification Sample Budget Justifications

Sample Budget Justifications

Year 1

A. Salaries and Wages.

1. Senior Personnel. a. (Co) Principal Investigator(s). \$20,500.

Two months salary coverage is budgeted for the Principle Investigator, who will be responsible for the project coordination and oversight , training field crews, data analysis, and report and manuscript preparation, as well as outreach activities

2. Other Personnel. b. Research Associates. \$8,000

A total of 5 months of research associates time (2.3 Sea Grant +2.7 match) is required to complete Year 1 of the proposed study. Sampling including comp time, preparation and Tucker trawl sampling. Create electronic data base, preparation of education and outreach graphics

B. Fringe Benefits.

\$8,550 - Fringe benefits are calculated at 30%

C.

Permanent Equipment

\$1,500 to purchase a Sony high definition digital camera to photograph the location of spat

D. Expendable Supplies and Equipment. \$4,000

\$4,000 is requested to cover costs of a YSI model 85 Dissolved oxygen, temperature, conductivity meter and case (\$1,600),

nets - 1X1m neuston net(\$500), 0.5 X 0.5m neuston net(\$300), Replacement tucker trawl (\$500),

Calibration of flow meters (\$500)

miscellaneous supplies(\$300)

E. Travel

1. Domestic. \$750.

\$750 is requested for PI and student to travel to a national meeting to present results

G. Other.

2. Statistical Consultation/Data Analyses. \$1,000.

Statistical consulting (Dr. Smith or person with similar expertise) to discuss alternative approaches for dealing with non-linear data and incorporating environmental variables in the predictions of organisms density from sampling.

6. Subcontract.

-\$3,500 to ECO Lab for analytical services for nutrient analyses: for transect studies (7 transects) x (5 samples per cycle) x (2 seasons) x \$10 per sample =\$3,500

-\$7,000 is budgeted for a subcontract to Somme University to cover 10d use of the 60 foot RV Boat for Tucker trawl collections of organisms. Costs are \$700/d including Captain's salary

Year 2 (Same format as year 1)

A 50 percent match of the federal funds (i.e., one dollar of match for every two dollars of federal money received) is required on all Sea Grant proposals unless otherwise specified.

Note that it is important to specify match contributions carefully to be able to demonstrate sources and amounts. Any match contributions identified by investigators are subject to federal audit that may result in additional costs to the institution.

- Match may be in the form of selected "in-kind" services or additional funds from a specified institution, agency, industry, or nonfederal program. No funds from federal agencies can be used as match.

For Matching Funds, NOAA Grants Management Division expects you to consider the following questions:

- Is a match (non-federal share) required for this program?
- If yes, does the application meet the matching requirements?
- Are the sources of match clearly identified? (i.e. cash or in-kind)
- Does the application provide adequate documentation to support in-kind contributions?
- Does the application exclude matching contributions, cash or in-kind, used for other programs?
- Does the application exclude federal funds used as match?
- Are all matching contributions necessary for accomplishing the project?
- Are all matching contributions in compliance with federal cost principles?

A. SALARIES AND WAGES

Budget

Assign personnel to the various categories according to the explanations provided which conform to NOAA/Sea Grant usage (these definitions do not necessarily conform to usage in your institution). Identify project personnel by name as indicated on the form. Use accurate current salaries as the basis for calculating salaries and wages for each individual. If funds are being requested to support a vacant position, so indicate (vac. pos.) and use a salary rate appropriate to the position. Enter months of effort as full-time equivalents, regardless of how many calendar months the individual will work on the project for both Sea Grant and matching funds. Entries must be done in separate columns as indicated on the form.

Budget Justification

For Salaries and Wages, NOAA Grants Management Division expects the budget justification to address the following questions:

- Is each individual identified by name and position?
- Are time commitments such as hours and percent of time stated for each position?
- Are the total charges for each person listed along with an explanation of how the costs were calculated?
- Do the combined charges for all activities of any individual exceed 100% of their time?
- Do the time commitments and charges appear reasonable?

- Are all individuals employees of the applicant organization? (If not, explain)
- Is a cost of living increase built into the budget?
- Are salary increases justified for the grant period?
- Are any salary/personnel costs unallowable (i.e., Federal Employees or legislative personnel)

B. FRINGE BENEFITS

Budget

Fringe benefits are those customarily paid by the grantee institution, following its usual practices in the payment of such benefits.

Budget Justification

For Fringe Benefits, NOAA Grants Management Division expects the budget justification to address the following questions:

- Are fringe benefits identified as a separate item?
- Are all the elements that comprise fringe benefits indicated?
- Do the fringe benefits and charges appear reasonable?
- Are the total charges for each person listed along with an explanation of how the charges were calculated?
- Are fringe benefits charged to federal and matching categories in the same proportion as salaries?

C. PERMANENT EQUIPMENT

Budget Justification

For any item(s) of equipment that has a useful life of more than one year or costing \$5,000 per unit or more, a description of the item and associated costs is required.

For Permanent Equipment, NOAA Grants Management Division expects the budget justification to address the following questions:

- Is each item of equipment listed?
- If over \$5,000 is there a description of how it will be used in the project?
- If over \$5,000 has a lease vs. purchase analysis been completed?
- For each item of equipment, is the number of units, cost per unit and total cost specified?
- Is each item of equipment necessary for the successful completion of the project?
- Are the charges for each item reasonable and realistic?
- Are disallowed costs excluded?
- Contingencies or miscellaneous charges must be excluded!

D. EXPENDABLE SUPPLIES AND EQUIPMENT

Budget Justification

Expendable supplies and equipment must be described according to major categories, e.g., chemical reagents, computer paper and supplies, glassware, lumber, etc. Fuel for boats should be budgeted here rather than under travel. Fuel for vehicles should be budgeted under E. Travel. The justification may be based on historical costs (note as such). For Expendable Supplies and Equipment, NOAA Grants Management Division expects the budget justification to address the following questions:

- Are supplies itemized by type of material or nature of expense?
- For general office or business supplies, is the total charge listed along with the basis for the charge (i.e. historical use rates)?
- For other specific supply categories, is the number of units, cost per unit and total cost specified?
- Are the charges necessary for the successful completion of the project?
- Are the charges reasonable and realistic?
- Are disallowed costs (e.g. liquor, entertainment) excluded?
- Contingencies or miscellaneous charges must be excluded!

E. TRAVEL

Budget Justification

The budget narrative is required for all travel. It must provide a detailed breakdown of travel costs totaling more than \$5,000 or 5% of the total project cost, whichever is greater.

For Travel, NOAA Grants Management Division expects the budget justification to address the following questions:

- For foreign and domestic travel, is each trip listed along with the destination, estimated mileage, method of travel, cost per mile and duration, number of travelers, per diem rate for meals and lodging?
- If actual trip details are unknown, what is the basis for the proposed travel charges?
- Is the requested travel directly relevant to the successful completion of the project?
- Are the travel charges reasonable and realistic?

G. OTHER COSTS

Budget Justification

For Other Costs, NOAA Grants Management Division expects the budget justification to address the following questions:

- Are items listed by type of material or nature of expense?
- For each charge, is the number of units, cost per unit and total cost specified?
- Are the charges necessary for the successful completion of the project?
- Are the charges reasonable?
- Are disallowed costs (e.g. liquor, entertainment) excluded?
- Are charges which duplicate indirect cost items excluded?

For G.6. Subcontract, NOAA Grants Management Division expects the budget justification to address the following questions:

- Is each contract or subgrant listed as a separate item? (Separate budgets are required for subgrants or contracts regardless of the dollar value.)
- Are the products/services to be acquired described along with the applicability of each to the project?
- Do the costs appear reasonable and realistic?
- Are any sole source contracts contemplated?
- If yes, is a sole source justification included with the application which describes why the proposed sole source entity is the only source capable of meeting the applicant's project needs?
- Are disallowed costs excluded?
- Contingencies or miscellaneous charges must be excluded!
- Are there contracts with non-US organizations?
- Do you have a CD-512 on file for each of your subgrants or contracts?

H. INDIRECT COSTS

Budget

- Indirect Cost is the institution's negotiated Facilities and Administrative (Indirect) cost rate and its relation to those elements of the proposed grant budget to which that rate is to be applied.
- An institution will identify the direct costs to which indirect costs can be applied. An explanation of for all indirect costs must be included in the budget justification.
- Unrecovered indirect cost may be included as part of cost sharing and matching.

Budget Justification

For Indirect Costs, NOAA Grants Management Division expects the budget justification to address the following questions:

- Are indirect costs requested?
- Is the correct rate being used? (If a lower rate than is authorized in the indirect cost rate agreement is being proposed you must explain why your organization is deviating from the approved rate.)
- Is the rate applied to the correct base?
- Are charges which duplicate direct costs excluded? (If no, explain/revise.)