**[Insert Project Name]**

**[Insert Funding Program]**

**Budget Narrative - [Insert Month & Year]**

**The Budget Narrative**

**Pre-Award Costs**

All staff/consultant time must identify the position, description of tasks, hours worked, rate per hour, and the total. If a consultant is completing work, the executed contract and procurement documentation must be included.

**Project Budget Costs**

Provide a detailed narrative for all remaining costs associated with the subapplication outside of “Pre-Award”. Post Award costs should correspond to the individual line items in the project cost estimate including title and cost category. If the subapplication is a phased project, this section will be divided into Phase I and Phase II.

Examples Include:

* **Phase I: Project Management**

Costs include staff/consultant time to manage the overall project. Activities can include but are not limited to: project coordination, review of technical deliverables, scheduling, meetings, outreach, and overall management.

* **Phase I: Engineering Design**

Engineering Design services must be consistent with historical data, estimated effort, project size, and based on industry standard rates. These services will produce detailed design, plans, and specifications for the construction projects. The work must be completed by credible and qualified civil, geotechnical, and hydraulic engineering professionals. The rates provided in the cost estimate should be as close to a finalized budget as possible because it is unlikely for projects to receive additional funding due to a cost overrun.

* **Phase I: Community Engagement**

Depending on the type of project and local jurisdictional policies, community engagement and outreach meetings may be required. The purpose of this deliverable is to inform the public on the intended project and to receive feedback on the design, process of the project, and homeowner participation (homeowner participation is only applicable to Acquisition, Elevations, and Mitigation Reconstructions).

* **Phase I: Environmental and Historic Preservation (EHP) Review and Permitting**

Environmental Specialists will be required to conduct this work in assisting the subapplicant in complying with the National Environmental Policy Act (NEPA). These specialists will provide an analysis, detailed documentation, develop mapping, and coordination with other agencies to determine the potential environmental effects the project may have in the community.

* **Phase I: Grant Deliverables**

Deliverables are project activities that will be completed during Phase I. Internal staff/Consultants will prepare these results and present the findings on the cost effectiveness, eligibility, and feasibility to move forward with Phase II approval.

* **Phase II: Procurement of Construction Vendors**

The vendors must be procured in compliance with 2 CFR 200, State and Local procurement requirements. The selected vendor will complete the mitigation activity with support from the design and engineering professionals. These services will prepare the project bid documentation, manage project bidding, and contractor selection.

* **Phase II: Project Management**

The project management team may consist of internal staff or consultants who will be responsible for overall project coordination, review of technical deliverables, scheduling, managing staff, and programmatic development.

* **Phase II: Construction Management, Inspection, and Regulatory Compliance**

Staff will maintain tight construction management over each step of the process, conduct quality control measures, and have specialized professionals conduct project inspections to ensure the work being completed meets regulatory approvals.

* **Phase II: Construction**

Note the specific construction activities and give details on how the costs were determined. This line item may be used multiple times.

* **Phase II: Grant Closeout**

Grant closeout is comprised of tasks such as development of final project reports, developing Certificates of Completion, and any final grant management closeout reports.

**Management Costs**

Costs generated from administrative activities associated with managing the grant (EX: drafting and submitting quarterly reports, submitting requests for reimbursement, grant close out, etc.).

* **Phase I: Grant Management Cost**

During Phase I, the grant implementation process will be managed by the Subapplicant/Consultant. All activities should be based on industry standard rates.

* **Phase II: Grant Management Cost**

During Phase II, the Subapplicant/Consultant will manage the grant process. The fees associated during the grant process, not Project Management costs, will be conducted based on industry standard rates and can also be determined by rates identified in executed projects that have a similar scope.