

Please review the *General Terms and Conditions for Partnership Agreements*, which incorporates the modifications and 2 CFR. While our *General Terms* provides a summary of requirements, it is your responsibility to review the source documents directly.

Use the **Project Budget Form** available on the NEA website at <https://www.arts.gov/grants/manage-your-award>. Scroll down to the middle of the webpage to find the form.

We encourage you to keep your project budgets as simple as possible with easy to document allowable, allocable, and reasonable costs. **You must maintain documentation of all costs charged to your NEA award.**

(1) Show only the required 1:1 cost share/match.

Many SAAs and RAOs can and do ultimately exceed the required cost share/match, but to streamline review of your application, we ask you to limit the cost share/match to just the required 1:1 for this budget. In other words, if your award is \$200,000 show a total project cost of \$400,000.

It is important to remember that all costs—whether paid for with NEA funds or the cost share/match— included in this budget (and on subsequent payment requests and financial reports for this award) must be allowable per the *General Terms and Conditions for Partnership Agreements* for your award and 2 CFR 200.

(2) This budget cannot include overlapping project costs with any other Federal award, including previous years' Partnership Agreements.

(3) All costs included in this budget must be incurred within the allowable period of performance, which may begin no earlier than July 1.

Enter your grant period in the period of performance boxes, and be sure to account for sufficient time to advertise, review, award, and close out all subawards made with NEA and/or required cost share/matching funds.

You may request a Period of Performance that differs from the one included on your Grants.gov application form (SF-424) if it better aligns with your agency's work.

Note that all activities supported under this award must be related to the State Arts or Regional Arts Plan that was approved in your FY22 application. Funds cannot be "rolled over" for future use.

(4) Any subawards reflected on this budget must be made in accordance with the requirements of 2 CFR 200.332.

This includes specific requirements regarding applicant eligibility, required review criteria, award notice requirements, subrecipient monitoring and closeout, and other national policy requirements. Review the

General Terms and Conditions for Partnership Agreements for more detail.

If you are a State Arts Agency, Regional Arts Organization, or Local Arts Agency, please include the following information for any subgranting program:

- Name of the subgranting program(s),
- Type of recipient (organization/individuals/both),
- Indicate if funded with NEA funds, the required cost share/match, or a mix of both

(5) Provide budget numbers.

Round all numbers to the nearest \$100. Describe like costs on a single line if necessary to fit the space provided.

DETAILED INSTRUCTIONS

ORGANIZATION.

Enter your SAA's or RAO's legal name. There is no need to enter an address. The NEA is required to use the physical address on file with your SAM.gov entity registration.

APPLICATION/AWARD #.

Enter your offered application number.

DATE.

Enter the date your Authorizing Official approved this budget. Post-Award: If you are submitting a revision, remember to update this field to the current date.

PERIOD OF PERFORMANCE REQUESTED.

Enter the start and end date of your requested project period. Note that all costs in the budget must be incurred within the Period of Performance. The earliest allowable start date is **July 1**. Periods of performance must start on the first of the month and end on the last day of the month.

PROJECT DESCRIPTION.

Enter the date you will begin making subawards to expedite processing by the NEA for DATA Act compliance and for entering required subgrants into the FSRS.

The period of performance should reflect the time necessary to plan, execute, and close out your project and all subawards.

PARTICIPANTS.

This section gives you the opportunity to add or change the "participants" on the application. Consider who will need to have access to the [REACH](#) system to manage the application and award, and update as needed. Reminder: this must be done separately for each annual Partnership Agreement as "participation" in a previous Partnership Agreement does not carry over to subsequent awards. Provide the following information:

- **Authorizing Official.**

Enter the full name and contact information for the person who has the legal authority to obligate your organization and approve this budget on behalf of your organization.

- **Project Director.**

Enter the full name and contact information for the person in charge of administering your partnership agreement.

- **Primary Contact.**

Enter the full name and contact information for the person who can answer specific questions about this budget.

PROJECT COSTS

The PROJECT COSTS section of the project budget form must show how the total project costs – i.e., the combined NEA funds and your cost share/matching funds – will be spent. Direct costs are those that are identified specifically with the Partnership Agreement. These costs must be allocable and allowable under 2 CFR 200 and the *General Terms and Conditions for Partnership Agreements*.

A. DIRECT COSTS

DIRECT COSTS are those that are directly allocable to the approved project and that will be incurred during the period of performance. They must also be allowable.

- **Salaries and Wages**

List compensation for personnel, both administrative and artistic, who are paid on a salary basis. These people usually receive a W-2.

Fees for contractual personnel/consultants and compensation for artists who are paid on a fee basis (these people usually receive a 1099) should be listed under **Direct Costs: Other Costs** and not here.

Indicate the title and/or type of personnel, the number of personnel, and the percentage of time that will be allocated to the Partnership Agreement on an annual basis. List key staff positions, and combine similar functions.

EXAMPLE:

<i>Title and/or type of personnel</i>	<i>Number of personnel</i>	<i>Annual or average salary range</i>	<i>% of time devoted to this project</i>	<i>Amount</i>
Executive Director	1	\$120,000	10%	\$12,000
Program Directors	2	\$70,000	50%	\$35,000
Education/Outreach	5	\$25,000 - \$50,000	20-30%	\$75,000

Salaries and wages for performers and related or supporting personnel must be estimated at rates no less than the prevailing minimum compensation as required by the Department of Labor Regulations. (See "Legal Requirements" for details - see <https://www.ecfr.gov/cgi-bin/text-idx?SID=3f31ae73d7c3a076e59796519a2357d8&mc=true&node=pt29.3.505&rgn=div5> for details.)

Reminder:

Per 2 CFR 200.442(a), costs for fundraising activities that are necessary to meet the objectives of the Federal award are allowable. You may include pro-rated salaries for personnel who undertake fundraising activity if their work is directly allocable to approved Partnership Agreement activity.

Fringe benefits are those costs other than wages or salary that are attributable to an employee, as in the form of pension, insurance, vacation and sick leave, etc. They may be included here only if they are not included as indirect costs.

▪ **Travel**

All travel costs must be estimated according to your organization's established written travel policies and must directly relate to the approved activity outlined in your strategic plan/application.

Airfare costs charged to the award may not exceed the cost of the least expensive class (e.g. coach) available. Include subsistence costs (e.g., hotels, meals) as part of the amount listed for each trip, as appropriate.

Foreign/international travel. If you are including foreign/international travel in this budget, you must specify the country of origin and destination and must conform to government regulations, including those of the U.S. Treasury Department Office of Foreign Asset Control and the Fly America Act. See the *General Terms and Conditions for Partnership Agreements* for additional information.

Indicate travel costs according to the example below. Unless travel is to foreign countries, you do not need to specify destinations; simply indicate whether travel is within your state or out of state. List all trips – both foreign and domestic – individually.

EXAMPLE

# of Travelers	From	To	Amount
10	In State (various)	In State (various)	\$6,000
4	Out of State (Domestic)	State Capital	\$4,000
1	France	State Capital	\$2,000

▪ **Other**

List subawards, consultant and artist fees, contractual services, promotion, acquisition fees, rights, evaluation and assessment fees, access accommodations (e.g., audio description, sign-language interpretation, translation, closed or open captioning, large-print brochures/labeling), internet access, telephone, copying, postage, supplies and materials, publication, distribution, transportation of items other than personnel, rental of space or equipment, and other project-specific costs.

List artist compensation here if artists are paid on a fee basis.

Subawards: If your budget includes subaward activity, you must include the following:

- Name of the subgranting program(s),
- Type of recipient (organization/individuals/both),
- Indicate if funded with NEA funds, the required cost share/match, or a mix of both.

Equipment: If you intend to purchase any **equipment** that costs \$5,000 or more per item (or your State’s or organization’s capitalization level) and that has an estimated useful life of more than one year, you must specifically identify that item here, and provide a justification for the expenditure on this form or in an attachment. Clearly identify the rental or purchase of equipment.

- For equipment purchases, you must provide specific written justification for items with a unit value of \$5,000 or more and a useful life of more than one year.
- Computing devices with a unit cost of \$5,000 or less are considered supplies, regardless of the length of useful life.

Provide detailed information for any large line items.

EXAMPLE:

Creativity Grants, subgrants to nonprofit organizations (NEA funds and State Cost Share)	\$200,000
Contractual Services (web design, marketing)	\$35,000
Administration (% of rent, supplies, communications)	\$50,000
Equipment (purchase of high def audio/visual system for state-wide webcasts) – separate components that total =	\$7,500
Access Accommodations	\$10,000

Do **NOT** include the following **unallowable** costs in your NEA project budget. All costs in the budget—whether funded with NEA funds or your cost share/matching funds—must be allowable. See [2 CFR 200 Subpart E](#).

The following costs are **unallowable** and may **not** be supported with Federal or cost share/matching funds.

- (1) Alcoholic beverages.
- (2) Audit costs not directly related to a federally required Single Audit.
- (3) Cash reserves or endowments.
- (4) Concessions including food, beverages, T-shirts, posters, and other items for resale (retail activities). This includes costs for workers selling such items.
- (5) Contingencies, miscellaneous, or “other” costs.
- (6) Contributions or donations to other entities.

- (7) Costs incurred before or after the approved period of performance. This includes subgranting activity.
- (8) Fines and penalties, bad debt costs, or deficit reduction.
- (9) General fundraising for your organization.
- (10) Gifts and prizes. This includes cash prizes, gift certificates/cards, or any other items with monetary value.
- (11) Hospitality costs and costs related to social functions such as receptions, parties, and galas, as well as food/meals that conclude a program or event.
- (12) Land purchase costs, construction, or renovation of building structures.
- (13) Lobbying.
- (14) Marketing expenses not directly related to the project.
- (15) Rental costs for home office workspace owned by individuals or entities affiliated with your organization.
- (16) Vehicle purchase costs.
- (17) Visa costs paid to the U.S. government.

Procurement / Acquisition:

- For units of state government, follow the same procurement policies and procedures you use for non-federal Funds ([2 CFR 200.317](#)).
- For nonprofits, all acquisitions must be carried out in accordance with your organization's written established procurement policy which must be consistent with [2 CFR 200.318 - .327](#).

➔ TOTAL DIRECT COSTS = SALARIES/WAGES/FRINGE + TRAVEL + OTHER.

B. INDIRECT COSTS

Indirect costs are overhead or administrative expenses that are not readily identifiable with fulfilling the Partnership Agreement. The costs of operating and maintaining facilities and equipment, depreciation or use allowances, and administrative salaries and supplies are typical examples of indirect costs.

You must upload a copy of your most recent federally-negotiated indirect cost rate agreement and/or Statewide Cost Allocation Plan (SWCAP) to the Documents Tab for your offer via REACH.

For SAAs

You may include costs required under a SWCAP here. However, you must provide a copy of the allocation plan and details on how the SWCAP amount was calculated.

For RAOs/NASAA

In order to claim indirect costs on this line, you must have a rate negotiated with the NEA or another federal agency. (If so, provide a copy of your current rate agreement with this budget.)

DE MINIMIS RATE

- If your organization has never received a federally negotiated indirect cost rate, you may elect to charge a de minimis rate of 10% on modified total direct costs (MTDC) which may be used indefinitely. For more information, see [2 CFR Part 200.414\(f\)](#). Simply check the box next to “de minimis.”
- A non-federal entity that had a past indirect cost rate agreement that is now expired may elect to charge the de minimis indirect cost rate (see [2 CFR Part 200.414\(f\)](#) and [85 FR 49506](#)). The de minimis rate may be used indefinitely.

Note: If you do not have an ICRA and do not choose the de minimis option, you may still claim administrative/overhead costs as direct costs under **Direct Costs: Other**. However, you cannot claim both.

➔ **Total INDIRECT COSTS** (if applicable).

➔ **TOTAL PROJECT COSTS = TOTAL DIRECT COSTS + INDIRECT COSTS** (if applicable).

TOTAL PROJECT COSTS should equal your TOTAL PROJECT INCOME.

PROJECT INCOME

Cost Share/Match Requirement. The total cost share/match for the project must be equal to the National Endowment for the Arts’ Offered Amount below (unless you are receiving NEA funds that do not require a cost share/match).

Your cost share or match may be all cash or a combination of cash and in-kind contributions as detailed below.

▪ **ORGANIZATION SHARE: CASH**

List cash donations (including items or services that are provided by the applicant organization), appropriated funds, grants, and/or other revenues that are expected or received for the Partnership Agreement.

For SAAs

The NEA’s legislative requirements for cost share/match states that *“The non-Federal funds required...to pay 50 percent of the cost of a program or production shall be provided from funds directly controlled and appropriated by the State involved and directly managed by the State agency of such State.”*

For RAOs/NASAA

Funds proposed as cost share/match must be allowable per the *General Terms and Conditions for Partnership Agreements* and the *General Terms and Conditions for Grants and Cooperative Agreements to Organizations*. Do not include NEA or other federal funds that are anticipated or received here.

▪ **THIRD-PARTY, IN-KIND CONTRIBUTIONS**

List goods or services donated by third-party individuals/entities outside your organization.

For SAAs

In-kind cost share/match cannot be used to meet the minimum matching requirement for your award. This section must be blank and equal \$0.

For RAOs/NASAA

In-kind can include donated space, supplies, and/or volunteer services – i.e., goods and services that are donated by individuals or organizations other than the applicant. To qualify as matching resources, these same items also must be listed under direct costs. The dollar value of these non-cash donations should be calculated at their verifiable fair-market value. Identify sources. Proper documentation must be maintained for all items noted as "in-kind."

➔ TOTAL RECIPIENT SHARE FOR THIS PROJECT (Total Project Income). TOTAL CASH + TOTAL IN-KIND.

➔ NEA AMOUNT = Enter the total amount of funding offered per the accompanying notification.

➔ TOTAL PROJECT INCOME. TOTAL RECIPIENT SHARE + NEA AMOUNT.

PAPERWORK REDUCTION ACT STATEMENT

The public reporting burden for this collection of information is estimated at an average of one hour per response. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. We welcome any suggestions that you might have on improving the guidelines and making them as easy to use as possible. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: webmgr@arts.gov, Attention: Reporting Burden.

Note: Applicants/awardees are not required to respond to the collection of information unless it displays a currently valid U.S. Office of Management and Budget (OMB) control number.