



BUDGET INFORMATION, INSTRUCTIONS, AND FORMS

General Information

Project budget

The standard budget form and instructions for completing it follow. This budget form is to be used for applications for Collaborative Research; Education Development and Demonstration; Schools for a New Millennium; Public Programs for Libraries, Museums, and Special Projects; Media Projects; Preservation and Access; and Extending the Reach: Institutional Grants. For budget instructions for other programs, see the specific guidelines.

Types of grant support

The Endowment supports projects with outright funds, matching funds, and a combination of the two.

Outright Funds: Outright funds are awarded by the Endowment and are not contingent on additional fund-raising.

Matching Funds: Matching funds require a grantee to secure gift funds from third parties before federal funds are awarded. Except for Challenge Grants (see special budget instructions), NEH matching grants are made on a one-to-one basis.

Because matching awards enable the Endowment to provide support to a greater number of projects, applicants are encouraged to request complete or partial support in the form of matching grants. Whenever possible, applicants requesting matching funds should identify potential sources of gift funds at the time they submit an application to the Endowment (see Eligible Gifts and Donors below).

Combined Funds: Applicants may also request a combination of outright and matching funds from the Endowment. For example, if a project will cost \$40,000, and the applicant expects to receive an additional \$5,000 from an eligible third-party donor, the applicant should request \$5,000 in matching funds. The balance of the project's costs (\$30,000) may be requested in outright funds.

The Endowment may offer funding at a different level than that requested. In some instances, the Endowment may offer matching funds only, or it may offer a combination of matching and outright funds in response to a request for outright funds.

Cost Sharing

The Endowment normally can contribute only part of the funds needed to carry out projects. Cost sharing consists of the cash contributions made to the project by the applicant and third parties as well as third-party in-kind contributions, such as donated services and goods. Cost sharing includes gift money that will be raised to release federal matching funds.

See guidelines for specific cost sharing expectations for each program.

Grant Period

The grant period encompasses the entire period for which Endowment support is requested in the current application. All project activities and the expenditure of project funds must occur during the grant period.

In determining the beginning date of a proposed grant period, applicants should refer to the schedule of application deadlines on the inside back cover of this booklet.

Eligible Gifts and Donors

For the purpose of the Endowment's gifts and matching program, a gift is a voluntary transfer of money (or a noncash contribution that is subsequently converted to cash) from a nonfederal third party to the applicant without compensation or consideration in return. Only gifts that will be used to support budgeted project activities during the grant period are eligible to be matched with federal funds. Ineligible donors include the applicant who will carry out the project and any institution or individual who is involved in project activities and will receive some sort of remuneration from project funds.

Challenge Grants have different rules for gift eligibility, see page 12.



BUDGET INSTRUCTIONS

Before developing a project budget, applicants should review the sections on cost-sharing requirements, the different kinds of Endowment funding, limitations on the length of the grant period, and any restrictions on the types of costs that may appear in the project budget.

Requested Grant Period

Grant periods begin on the first day of the month and end on the last day of the month. All project activities must take place during the requested grant period.

Project Costs

The budget should include the project costs that will be charged to grant funds as well as those that will be supported by applicant or third-party cash and in-kind contributions (cost-sharing). In-kind contributions include the value of services or equipment that is donated to the project free of charge.

All of the items listed, whether supported by grant funds or cost-sharing contributions, must be reasonable, necessary to accomplish project objectives, allowable in terms of the applicable federal cost principles, auditable, and incurred during the grant period. Charges to the project for items such as salaries, fringe benefits, travel, and contractual services must conform to the written policies and established practices of the applicant organization.

When indirect costs are charged to the project, care should be taken that expenses that are included in the organization's indirect cost pool (see Indirect Costs) are not charged to the project as direct costs.

Fringe Benefits

Fringe benefits may include contributions for social security, employee insurance, pension plans, etc. Only those benefits that are not included in an organization's indirect cost pool may be shown as direct costs.

Travel Costs

The lowest available commercial fares for coach or equivalent accommodations must be used and foreign travel must be undertaken on U.S. flag carriers when such services are available.

Equipment

Only when an applicant can demonstrate that the purchase of permanent equipment will be less expensive than rental may charges be made to the project for such purchases. Permanent equipment is defined as nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more.

Services

The costs of project activities to be undertaken by a third-party contractor should be included in this category as a single line item charge. A complete itemization of the cost comprising the charge should be attached to the NEH budget. If there is more than one contractor, each must be budgeted separately on the NEH form and must have an attached itemization.

Indirect Costs (Overhead)

These are costs that are incurred for common or joint objectives and therefore cannot be readily identified with a specific project or activity of an organization. Typical examples of indirect cost type items are the salaries of executive officers, the costs of operating and maintaining facilities, local telephone service, office supplies, and accounting and legal services.

Indirect costs are computed by applying a negotiated indirect cost rate to a distribution base (usually the direct costs of the project). Organizations that wish to include overhead charges in the budget but do not have a current federally negotiated indirect cost rate or have not submitted a pending indirect cost proposal to a federal agency may choose one of the following options:

1. The NEH will not require the formal negotiation of an indirect cost rate, provided the charge for indirect costs does not exceed 10 percent of direct costs, less distorting items (e.g., capital expenditures, participant stipends, major subcontracts), up to a maximum total project charge of \$5,000 per year. (Applicants who choose this option should understand that they must maintain documentation to support overhead charges claimed as part of project costs.)
2. If your organization wishes to use a rate higher than 10 percent or claim more than \$5,000 in indirect costs per year, an estimate of the indirect cost rate and the charges should be provided on the budget form. If the application is approved for funding, you will be instructed to contact the NEH Office of the Inspector General to develop an indirect cost proposal.

SAMPLE BUDGET COMPUTATIONS

		NEH Funds	Cost Sharing	Total
		(a)	(b)	(c)
Salaries and Wages				
Jane Doe/Project Director	[] 9 months x 100% @ \$40,000/academic yr.	\$20,000	\$20,000	\$40,000
Jane Doe	[] 1 summer month x 100% @ \$3,000	\$ 3,000		\$ 3,000
John Smith/Research Assistant	[] 6 months x 50% @ \$30,000/yr.	\$ 7,500		\$ 7,500
Secretarial Support	[] 3 months x 100% @ \$20,000/yr.	\$ 5,000		\$ 5,000
Fringe Benefits				
15% of \$50,500		\$ 4,775	\$ 2,800	\$ 7,575
10% of \$ 5,000		\$ 500		\$ 500
Travel	no. of total travel subsistence transport.			
	persons days costs + costs =			
New York City/Chicago	[2] [4] \$800 \$600	\$ 1,400		\$ 1,400
Various/Washington D.C. conf.	[5] [10] \$750 \$500	\$ 1,250		\$ 1,250
Consultant Fees				
Epistemologist	5 days @ \$100/day	\$ 500		\$ 500
Services				
Long Distance Telephone	est. 40 toll calls @ \$3.00	\$ 120		\$ 120
Conference Brochure	50 copies @ \$3.50/copy	\$ 175		\$ 175
TOTAL DIRECT COSTS		\$44,220	\$22,800	\$67,020
Indirect Costs				
20% of \$67,020		\$ 8,850	\$ 4,554	\$13,404
TOTAL PROJECT COSTS (Direct and Indirect)		\$53,070	\$27,354	\$80,424

National Endowment for the Humanities
BUDGET FORM

Project Director _____ If this is a revised budget, indicate the NEH application/grant number: _____

Applicant Organization _____ Requested Grant Period _____
FROM _____ THROUGH _____
mo/yr mo/yr

The three-column budget has been developed for the convenience of those applicants who wish to identify the project costs that will be charged to NEH funds and those that will be cost shared. FOR NEH PURPOSES, THE ONLY COLUMN THAT NEEDS TO BE COMPLETED IS COLUMN C. The method of cost computation should clearly indicate how the total charge for each budget item was determined. If more space is needed for any budget category, please follow the budget format on a separate sheet of paper.

When the requested grant period is eighteen months or longer, separate budgets for each twelve-month period of the project must be developed on duplicated copies of the budget form.

SECTION A - budget detail for the period FROM _____ THROUGH _____
mo/yr mo/yr

1. Salaries and Wages. Provide the names and titles of principal project personnel. For support staff, include the title of each position and indicate in brackets the number of persons who will be employed in that capacity. For persons employed on an academic year basis, list separately any salary charge for work done outside the academic year.

name/title of position	method of cost computation no. (see sample)	NEH Funds (a)	Cost Sharing (b)	Total (c)
_____	[] _____	\$ _____	\$ _____	\$ _____
_____	[] _____	_____	_____	_____
_____	[] _____	_____	_____	_____
_____	[] _____	_____	_____	_____
_____	[] _____	_____	_____	_____
_____	[] _____	_____	_____	_____
_____	[] _____	_____	_____	_____
SUBTOTAL		\$ _____	\$ _____	\$ _____

2. Fringe Benefits. If more than one rate is used, list each rate and salary base.

Rate	salary base	(a)	(b)	(c)
_____ % of	\$ _____	\$ _____	\$ _____	\$ _____
_____ % of	\$ _____	_____	_____	_____
_____ % of	\$ _____	\$ _____	\$ _____	\$ _____
SUBTOTAL		\$ _____	\$ _____	\$ _____

3. Consultant Fees. Include payments for professional and technical consultants and honoraria.

name or type of consultant	no. of days on project	daily rate of compensation	a)	(b)	(c)
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____
SUBTOTAL			\$ _____	\$ _____	\$ _____

4. Travel. For each trip, indicate the number of persons traveling, the total days they will be in travel status, and the total subsistence and transportation costs for that trip. When a project will involve the travel of a number of people to a conference, institute, etc., these costs may be summarized on one line by indicating the point of origin as "various." All foreign travel must be listed separately.

from/to	no. persons	total travel days	subsistence costs +	transportation costs =	NEH Funds (a)	Cost Sharing (b)	Total (c)
_____	[]	[]	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	[]	[]	_____	_____	_____	_____	_____
_____	[]	[]	_____	_____	_____	_____	_____
_____	[]	[]	_____	_____	_____	_____	_____
_____	[]	[]	_____	_____	_____	_____	_____
_____	[]	[]	_____	_____	_____	_____	_____
_____	[]	[]	_____	_____	_____	_____	_____
SUBTOTAL					\$ _____	\$ _____	\$ _____

5. Supplies and Materials. Include consumable supplies, materials to be used in the project and items of expendable equipment; i.e., equipment items costing less than \$5,000 and with an estimated useful life of less than one year.

item	basis/method of cost computation	(a)	(b)	(c)
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
SUBTOTAL		\$ _____	\$ _____	\$ _____

6. Services. Include the cost of duplication and printing, long distance telephone, equipment rental, postage, and other services related to project objectives that are not included under other budget categories or in the indirect cost pool. For subcontracts provide an itemization of subcontract costs on this form or on an attachment.

item	basis/method of cost computation	(a)	(b)	(c)
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
SUBTOTAL		\$ _____	\$ _____	\$ _____

7. Other Costs. Include participant stipends and room and board, equipment purchases, and other items not previously listed. Please note that "miscellaneous" and "contingency" are not acceptable budget categories. Refer to the budget instructions for the restriction on the purchase of permanent equipment.

item	basis/method of cost computation	NEH Funds (a)	Cost Sharing (b)	Total (c)
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
	SUBTOTAL	\$ _____	\$ _____	\$ _____

8. Total Direct Costs (add subtotals of items 1 through 7) \$ _____ \$ _____ \$ _____

9. Indirect Costs (This budget item applies only to institutional applicants.)
 If indirect costs are to be charged to this project, CHECK THE APPROPRIATE BOX BELOW and provide the information requested. Refer to the budget instructions for explanations of these options.

- Current indirect cost rate(s) has/have been negotiated with federal agency. (Complete items A and B.)
- Indirect cost proposal has been submitted to a federal agency but not yet negotiated. (Indicate the name of the agency in item A and show proposed rate(s) and base(s), and the amount(s) of indirect costs in item B.)
- Indirect cost proposal will be sent to NEH if application is funded. (Provide an estimate in item B of the rate that will be used and indicate the base against which it will be charged and the amount of indirect costs.)
- Applicant chooses to use a rate not to exceed 10% of direct costs, less distorting items, up to a maximum charge of \$5,000 per year. (Under item B, enter the proposed rate, the base against which the rate will be charged, and the computation of indirect costs or \$5,000, whichever sum is less.)

A. _____
 name of federal agency date of agreement

B.	rate(s)	base(s)	NEH Funds (a)	Cost Sharing (b)	Total (c)
	_____ % of	\$ _____ \$	\$ _____	\$ _____	\$ _____
	_____ % of	\$ _____ \$	_____	_____	_____
	TOTAL INDIRECT COSTS		\$ _____	\$ _____	\$ _____

10. Total Project Costs (direct and indirect) for Budget Period \$ _____ \$ _____ \$ _____

SECTION B - Summary Budget and Project Funding

SUMMARY BUDGET

Transfer from section A the total costs (column c) for each category of project expense. When the proposed grant period is eighteen months or longer, project expenses for each twelve-month period are to be listed separately and totaled in the last column of the summary budget. For projects that will run less than eighteen months, only the last column of the summary budget should be completed.

Budget Categories	First Year/ from: thru:	Second Year/ from: thru:	Third Year/ from: thru:	=	TOTAL COSTS FOR ENTIRE GRANT PERIOD
1. Salaries and Wages	\$ _____	\$ _____	\$ _____	=	\$ _____
2. Fringe Benefits	_____	_____	_____	=	_____
3. Consultant Fees	_____	_____	_____	=	_____
4. Travel	_____	_____	_____	=	_____
5. Supplies and Materials	_____	_____	_____	=	_____
6. Services	_____	_____	_____	=	_____
7. Other Costs	_____	_____	_____	=	_____
8. Total Direct Costs (items 1-7)	_____	_____	_____	=	_____
9. Indirect Costs	_____	_____	_____	=	_____
10. Total Project Costs (Direct & Indirect)	_____	_____	_____	=	_____

PROJECT FUNDING FOR ENTIRE GRANT PERIOD

1. Requested from NEH:		2. Cost Sharing:	
Outright	\$ _____	Applicant's Contributions	\$ _____
Federal Matching	\$ _____	Third-party Contributions	\$ _____
TOTAL NEH FUNDING	\$ _____	Project Income	\$ _____
		Federal Agencies	\$ _____
		TOTAL COST SHARING	\$ _____

3. Total Project Funding (NEH Funds + Cost Sharing) = \$ _____

1. Indicate the amount of outright and/or federal matching funds that is requested from the Endowment.
2. Indicate the amount of cash contributions that will be made by the applicant and cash and in-kind contributions made by third parties to support project expenses that appear in the budget. Cash gifts that will be raised to release federal matching funds should be included under Third-party Contributions. (Consult the program guidelines for information on cost sharing requirements.)

When a project will generate income that will be used during the grant period to support expenses listed in the budget, indicate the amount of income that will be expended on budgeted project activities.

Indicate funding received from other federal agencies.

3. Total Project Funding should equal Total Project Costs.

 Institutional Grant Administrator/Individual Applicant. Provide the information requested below when a revised budget is submitted. The signature of this person indicates approval of the budget submission and the agreement of the organization/individual to cost share project expenses at the level indicated under "Project Funding."

 Name and Title (please type or print) Telephone (_____) _____

 Signature Date _____