



The following sample narratives are provided as examples to help subrecipients prepare clear and complete budget narratives in ED Grants. **These examples are for reference only and should be tailored to the approved project scope, budget, and activities.** These examples are intended to show the level of detail needed for budget review. Final budget narratives should match the approved project scope, budget, and activities in ED Grants.

For Public Services (PS) / Community Economic Development (CED) Projects Only:		
Budget Line-Item	Sample Narrative 1	Sample Narrative 2
Salaries and Wages	Direct Service Staff – Salaried Position: CDBG will fund 75% of the Senior Counselor position. This position will provide counseling, crisis support, service coordination, and follow-up support to eligible LMI youth participating in the project. The annual salary is \$80,000. CDBG will fund \$60,000 during the agreement period (\$80,000 x 75%). Paid time off taken during the agreement period, including sick leave, holiday, and vacation time, will be claimed for reimbursement. No cash-outs of accrued leave will be claimed.	Direct Service Staff – Hourly Position: CDBG will fund .5 FTE Intake Business Officer position to support eligible LMI clients seeking to establish or expand a microenterprise. This position will assess client needs, collect income and demographic information, maintain client files, and schedule appointments with Business Counselors. The wage is \$23/hour. The Business Officer will dedicate 1,040 hours during the agreement period equivalent to .50 FTE, for a total of \$23,920 (\$23 x 1,040). Paid time off, premium pay, including overtime will be claimed for reimbursement. No cash-outs of accrued leave will be claimed.
Fringe Benefits – Employer Social Security <i>Note: Each fringe benefit type must be entered as its own subline item in ED Grants.</i>	Employer Social Security for Direct Service Staff: CDBG will fund employer-paid Social Security taxes for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Social Security is calculated at the applicable employer payroll tax rate and will be applied only to CDBG-funded wages claimed for reimbursement. The payroll tax is administered through [Payroll Provider/Administrator].	Employer Social Security for Program Staff: CDBG will fund employer-paid Social Security taxes for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Costs will be calculated based on the employer Social Security rate applied to CDBG-funded wages for each position and claimed only for the portion attributable to the approved project. The payroll tax is administered through [Payroll Provider/Administrator].
Fringe Benefits – Employer Medicare	Employer Medicare for Direct Service Staff: CDBG will fund employer-paid Medicare taxes for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Medicare is calculated at the applicable employer payroll tax rate and will be applied only to CDBG-funded wages claimed for reimbursement. The payroll tax is administered through [Payroll Provider/Administrator].	Employer Medicare for Program Staff: CDBG will fund employer-paid Medicare taxes for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Costs will be calculated based on the employer Medicare rate applied to CDBG-funded wages for each position and claimed only for the portion attributable to the approved project. The payroll tax is administered through [Payroll Provider/Administrator].
Fringe Benefits – State Unemployment Insurance	State Unemployment Insurance for Direct Service Staff: CDBG will fund employer-paid State Unemployment Insurance costs for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Costs will be calculated using the organization’s applicable SUI rate and applied only to CDBG-funded wages claimed for reimbursement. SUI is administered through [Payroll Provider/Administrator].	State Unemployment Insurance for Program Staff: State Unemployment Insurance for Program Staff: CDBG will fund employer-paid State Unemployment Insurance costs for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Costs will be calculated based on the organization’s applicable SUI rate and the CDBG-funded wage share for each position. SUI is administered through [Payroll Provider/Administrator].
Fringe Benefits – Health Insurance	Health Insurance for Direct Service Staff: CDBG will fund [\$XX] in employer-paid health insurance costs provided by [Name of Insurance Carrier]. The budget is calculated at [X.XXXX%] of covered position salaries. Health insurance costs for the Case Manager and Program Coordinator positions will be claimed for reimbursement based on the CDBG-funded share of each position.	Health Insurance for Program Staff: CDBG will fund [\$XX] in employer-paid health insurance costs provided by [Name of Insurance Carrier]. The budget is calculated at [X.XXXX%] of covered position salaries and will be claimed based on the CDBG-funded share of each covered position. Health insurance costs for the Business Counselor and Intake Specialist positions will be claimed for reimbursement.



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Fringe Benefits – Dental Insurance	Dental Insurance for Direct Service Staff: CDBG will fund employer-paid dental insurance costs for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Dental insurance is provided through [Carrier Name]. Costs will be calculated based on the employer-paid monthly premium and allocated according to the CDBG-funded share of each position.	Dental Insurance for Program Staff: CDBG will fund employer-paid dental insurance costs for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Dental insurance is provided through [Carrier Name]. Costs will be claimed based on the employer-paid premium amount and the percentage of each position funded by CDBG.
Fringe Benefits – Vision Insurance	Vision Insurance for Direct Service Staff: CDBG will fund employer-paid vision insurance costs for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Vision insurance is provided through [Carrier Name]. Costs will be calculated based on the employer-paid monthly premium and allocated according to the CDBG-funded share of each position.	Vision Insurance for Program Staff: CDBG will fund employer-paid vision insurance costs for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Vision insurance is provided through [Carrier Name]. Costs will be claimed based on the employer-paid premium amount and the percentage of each position funded by CDBG.
Fringe Benefits – Retirement Contributions	Retirement Contribution for Direct Service Staff: CDBG will fund employer-paid retirement contributions for the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Retirement benefits are administered through [Carrier/Plan Administrator]. Costs will be calculated using the organization’s approved employer contribution rate and applied only to CDBG-funded wages claimed for reimbursement.	401(k) Match for Program Staff: CDBG will fund employer-paid 401(k) matching contributions for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. The retirement plan is administered through [Carrier/Plan Administrator]. Costs will be calculated based on the organization’s approved matching formula and allocated according to the CDBG-funded share of each position.
Fringe Benefits – Workers’ Compensation	Workers’ Compensation for Direct Service Staff: CDBG will fund workers’ compensation costs associated with the CDBG-funded portion of the Case Manager and Program Coordinator positions, for a total of [\$XX]. Coverage is provided through [Carrier Name]. Costs will be calculated based on the organization’s workers’ compensation rate and allocated to the CDBG-funded wage share for each covered position.	Workers’ Compensation for Program Staff: CDBG will fund workers’ compensation costs for the CDBG-funded portion of the Business Counselor and Program Assistant positions, for a total of [\$XX]. Coverage is provided through [Carrier Name]. Costs will be claimed based on the applicable workers’ compensation rate and the CDBG-funded share of wages for each position.
Direct Program Delivery Expenses	Training Fees: CDBG will fund training and certification fees for eligible LMI clients participating in the workforce readiness program. Certifications may include First Aid/CPR, food handler certification, and other job readiness credentials directly tied to the approved project. The estimated cost is \$75 per client for 80 clients, for a total of \$6,000.	Client Service Costs: CDBG will fund background check and credit report fees for eligible LMI clients receiving microenterprise assistance and preparing to apply for small business financing. Each client is estimated to require \$50 in direct costs. The project anticipates serving 75 clients, for a total of \$3,750.

For Public Services (PS) / Community Economic Development (CED) Projects Only:		
Budget Line-Item	Sample Narrative 1	Sample Narrative 2
Supplies, Administrative Use	Client File Supplies: CDBG will fund office and program supplies used by staff to support project implementation, including paper, folders, pens, toner, clipboards, and file materials for client intake and case documentation. Supplies will support the creation and maintenance of client files for approximately 100 eligible LMI participants. The total budget is \$1,500 and will be fully expended within the first six (6) months of the agreement period.	Program Staff Supplies: CDBG will fund staff-use supplies needed to deliver the approved project, including notepads, binders, printer toner, intake forms, and related office materials. These supplies will support staff documentation, client tracking, and reporting for approximately 150 eligible LMI clients. The total budget is \$2,000 and will be fully expended within the first six (6) months of the agreement period.
Supplies, Client Use	Training Supplies: CDBG will fund training supplies provided to eligible LMI clients participating in the workforce readiness program. Supplies may include workbooks, course materials, notebooks, writing supplies, and other materials needed to complete training activities. The estimated cost is \$40 per client for 100 clients, for a total of \$4,000.	Client-Retained Supplies: CDBG will fund basic toolkits for eligible LMI clients completing job training and preparing for employment in approved trade-related positions. Each toolkit is estimated to cost \$150. The project anticipates providing toolkits to 40 clients, for a total of \$6,000. A client distribution list will be maintained and submitted for reimbursement of expense.
Publications/Printing	Outreach Materials: CDBG will fund the design and printing of flyers, brochures, and outreach materials to promote the approved project to eligible LMI clients. Materials will be distributed at community events, partner sites, and service locations. The budget includes printing 2,000 flyers at an estimated cost of \$0.50 each, for a total of \$1,000.	Program Materials: CDBG will fund printing of course packets for eligible LMI youth participating in the college readiness program. Each packet will include workshop materials, writing exercises, and resource guides. The project will print 150 packets at an estimated cost of \$8 each, for a total of \$1,200.
Rent/Lease	Program Site Lease: CDBG will fund a portion of the lease cost for the program site where eligible LMI clients receive direct services. The monthly lease is \$4,000. Based on the approved cost allocation methodology, 40% of the site is attributable to the CDBG-funded project. CDBG will fund 75% of that allocated share, or \$1,200 per month ($\$4,000 \times 0.40 \times 0.75$), for a total of \$14,400 during the agreement period.	Shared Service Location: CDBG will fund the allocated lease cost for the shared service location used to provide intake, counseling, and workshops for eligible LMI clients. The monthly lease is \$3,500. Based on the approved cost allocation methodology, 50% of the site is attributable to the CDBG-funded project. CDBG will fund \$1,750 per month, for a total of \$21,000 during the agreement period.
Maintenance/Repair	Client Service Area Repairs: CDBG will fund a portion of minor maintenance and repair costs for the service site used to deliver the approved project. Planned costs include repair of interior lighting and replacement of worn flooring in client service areas. The estimated total cost is \$10,000. Based on the approved cost allocation methodology, 50% is attributable to the CDBG-funded project. CDBG will fund \$5,000.	Program Space Maintenance: CDBG will fund maintenance needed to support safe and accessible use of the program space where eligible LMI clients receive services. Planned costs include HVAC repair and replacement of damaged carpeting in the client training room. The estimated total cost is \$12,000. Based on the approved cost allocation methodology, 40% is attributable to the CDBG-funded project. CDBG will fund \$4,800.

For Public Services (PS) / Community Economic Development (CED) Projects Only:		
Budget Line-Item	Sample Narrative 1	Sample Narrative 2
Utilities	Program Site Utilities: CDBG will fund a portion of utility costs for the service site where eligible LMI clients receive direct services. Utilities include electricity (\$average), water (\$ average), and gas (\$average). The average monthly utility cost is \$600. Based on the approved cost allocation methodology, 40% is attributable to the CDBG-funded project. CDBG will fund \$240 per month ($\600×0.40), for a total of \$2,880 during the agreement period.	Shared Facility Utilities: CDBG will fund allocated utility costs for the shared facility used to provide workshops, intake, and client meetings. Average monthly electricity (\$average), water (\$average), and gas costs (\$average), total \$450. Based on the approved cost allocation methodology, 50% is attributable to the CDBG-funded project. CDBG will fund \$225 per month for a total of \$2,700 during the agreement period.
Communications	Phone and Internet Services: CDBG will fund a portion of telephone and internet costs needed to provide project services, communicate with clients, schedule appointments, and maintain project records. The average monthly communications cost is \$500. Based on the approved cost allocation methodology, 50% is attributable to the CDBG-funded project. CDBG will fund \$250 per month, for a total of \$3,000 during the agreement period.	Client Outreach Communications: CDBG will fund allocated telephone and internet costs used by project staff to conduct client outreach, confirm appointments, provide follow-up, and maintain service records. The average monthly cost is \$400. Based on the approved cost allocation methodology, 60% is attributable to the CDBG-funded project. CDBG will fund \$240 per month for a total of \$2,880 during the agreement period.
Equipment Rental	Outreach Equipment: CDBG will fund rental of tables, chairs, and canopies for community outreach events serving eligible LMI clients. The project anticipates holding 8 outreach events. Each event is estimated to require \$400 in equipment rentals, for a total of \$3,200.	Service Delivery Equipment: CDBG will fund rental of a mobile service vehicle used to provide approved outreach and direct services to eligible LMI clients. The rental cost is estimated at \$1,200 per month for 6 months, for a total of \$7,200.
Insurance	Allocated Liability Insurance: CDBG will fund a portion of insurance costs associated with the approved project, including commercial general liability, automobile liability, and workers' compensation coverage. The annual premium is \$6,000. Based on the approved cost allocation methodology, 40% is attributable to the CDBG funded project. CDBG will fund \$2,400 annually or \$200/month ($\$500 \times .40 \times 12$).	Project Site and Staff Coverage: CDBG will fund the allocated share of insurance costs needed to support project operations at the service site, including commercial general liability and workers' compensation coverage for project staff. The annual premium is \$5,000. Based on the approved cost allocation methodology, 50% is attributable to the CDBG-funded project. CDBG will fund \$2,500 annually or \$203/month ($\$416 \times .50 \times 12$).
Administrative Indirect Overhead	Approved Indirect Cost Rate: CDBG will fund administrative indirect costs using the 15% de minimus/organization's federally approved [select appropriate rate] indirect cost rate of 10% outlined in the Cost Allocation Plan. The rate will be applied to \$80,000 in eligible CDBG-funded direct project costs, for a total indirect cost budget of \$8,000.	Cost Allocation Methodology: CDBG will fund administrative indirect costs based on the organization's approved cost allocation methodology. The methodology allocates 15% of eligible administrative costs to the CDBG-funded project based on staff time and program usage. The total indirect cost budget is \$7,500.
Consultant Services	Program Consultant: CDBG will fund consultant services to provide approved financial coaching workshops for eligible LMI microenterprise clients. The consultant will provide 12 workshops at \$500 each, for a total of \$6,000.	Specialized Service Provider: CDBG will fund a third-party service provider to deliver approved mobile health screening services to eligible LMI clients as part of the project. Services will include staffing, screening supplies, and follow-up referrals. The provider will conduct 10 service events at \$1,000 per event, for a total of \$10,000.

For Nonprofit Capital Improvement Projects – Facilities (NCIP-F) Only:		
Budget Line-Item	Sample Narrative 1	Sample Narrative 2
Construction/Renovation	Facility Accessibility and Systems Improvements: CDBG will fund construction and renovation costs for approved improvements to the nonprofit facility located at [Project Address]. Improvements will include ADA accessibility upgrades, restroom rehabilitation, flooring replacement, electrical connections, and related permit costs. The estimated budget is based on the contractor’s construction proposal/quote. The improvements will support continued use of the facility for services to benefit eligible LMI clients.	Workforce Training Facility Renovation: CDBG will fund renovation of an existing nonprofit facility used to provide workforce training and supportive services to eligible LMI clients. Renovation activities will include demolition of deteriorated interior finishes, installation of new doors, windows, lighting, flooring, drywall, plumbing, electrical connections, and ADA pathway improvements. The estimated budget is based on the contractor’s construction proposal/quote.
Construction Management	Construction Oversight and Closeout Support: CDBG will fund third-party construction management services for the approved NCIP-F project. Services will include coordination of pre-construction activities, contractor oversight, schedule tracking, review of construction progress, coordination of required documentation, and support for project closeout. The Construction/Renovation budget is \$300,000. The Construction Management budget is \$18,000, which is 6% of the Construction/Renovation line item.	Project Schedule and Compliance Coordination: CDBG will fund construction management services to support completion of the approved facility renovation project. Services will include coordinating with contractors and City staff, managing the project schedule, reviewing construction progress, supporting permit and inspection coordination, monitoring required documentation, and assisting with project closeout. The Construction/Renovation budget is \$355,000. The Construction Management budget is \$21,300, which is 6% of the Construction/Renovation line item.