

**FFY 2017 LIHEAP Budget Narrative**

Provide a narrative description of the proposed costs associated with the provision of services and the administration of the LIHEAP contract. Break down each cost category by line item as entered on the “Budget Form”). Provide specific information regarding how the expense was calculated and ensure that the total of the break down equals the cost category on the Budget Form.

The Department of Social Services has an established policy that provides uniform procedures for allowance of contractor administrative rates. Administrative costs are those associated with the management and oversight of an organization's activities and are a result of all activities of the contractor, such as utilities, rent, administrative salaries, financial staff salaries, and building maintenance, etc. Agencies with Federally Negotiated Indirect Cost Rates (FNICR) will use these rates in determining the Indirect Administrative Contract Cost. Agencies without FNICR will use De Minimus rate of 10% of the Modified Total Direct Administrative Cost. Modified Total Direct Administrative cost is equal to the Total Direct Administrative cost less equipment and contract/consulting over \$25,000.

**Indirect Administrative Cost with FNICR**

Federally Negotiated Indirect Cost Rate (FNICR) %	%
Application Base: (direct administrative program salaries, wages and employee benefits)	x _____
Indirect Administrative Cost	\$

**Indirect Administrative Cost with De Minimus**

De Minimus:	10%
Application Base (Modified Total Direct Administrative Cost)	x _____
Indirect Administrative Cost	\$

**Direct Administrative Costs**

- 1. Program Salaries and Wages**
  
- 2. Employee Benefits**
  
- 3. Travel**
  
- 4. Training**
  
- 5. Rent/Space**
  
- 6. Utilities**

**7. Insurance**

**8. Office Supplies (under \$5,000)**

**9. Communications**

**10. Repairs and Maintenance**

**11. Contracting/Consulting under \$25,000**

**12. Other**

**13. Equipment (over \$5,000)**

**14. Contracting/Consulting over \$25,000**

***\*See Attached Budget Form for Budget Preparation and Submission***