



Budget Guidelines

Applicants to the Core Programs and Services and Healthy Communities portfolios who are invited to submit full proposals will develop a budget and budget narrative for each year of the project.

The budget and budget narrative should clearly outline all expenses associated with implementing the proposed project. They should also include all revenue sources known, including any cash and in-kind contributions from the organization and funding from other sources. Quotes are required for purchases of goods or services exceeding \$1,000.

A budget template is available in the online grant system. If you have another template or budgeting form you prefer to use, please do so provided the information described below is addressed.

1. **Direct Expenses**

Direct expenses are costs that can be directly attributed or allocated to the project.

a. Personnel

Itemize all personnel costs for staff directly involved in the project. In the budget narrative, include the full annual salary for the individual and what percentage of their time will be spent on the project. Please include pro-rated figures for payroll taxes and fringe benefits (e.g., health insurance and retirement benefits) as a separate line item.

b. Non-Personnel

Itemize all non-personnel costs, including costs needed to directly support the implementation of the project (e.g., consultants, travel, and supplies). Consultant services may be detailed in the budget narrative or referenced in an attached scope of work.

The budget narrative must offer a detailed breakdown of each expense. For example, a line item for \$1,200 in teacher training supplies could be detailed in the budget narrative as: \$12 per binder, including handouts, for 100 teachers.

Under most circumstances, we will only accept costs such as rent and phones as part of your indirect costs.

2. **Indirect Costs**

Indirect costs are expenses that benefit the organization as a whole.¹ While we do not require that indirect costs be itemized, expenses classified as indirect typically include:

- Rent and utilities
- Audit and legal
- Accounting
- Human resources
- Finance
- Administration
- Fundraising costs
- Maintenance
- Information technology (including telephone)

Applicants for grants with direct costs totaling \$100,000 or less may request up to 20% of their grant-funded expenses in indirect costs. Applicants for grants with direct costs totaling \$100,001 or more may request up to 15%. (For example, a grant request for \$130,435 in direct costs may include up to \$19,565 for indirect costs, for a total grant of \$150,000.) Indirect costs for grants from colleges and universities are limited to 10%.

¹ For a resource on indirect costs, visit: <http://www.thescanfoundation.org/community-based-organizations>