Southeast New England Program
2026 Watershed Implementation Grants (SWIG26)

Application Budget Guidance

For use in developing Letter of Intent and Full Proposal applications

1. SWIG26 Application Budget
Before tackling your SWIG26 project budget, be sure read the SWIG26 Request for Proposals (RFP), available for download on the **SWIG26 RFP Page**.

The budget is central to your SWIG26 project proposal. In order to be considered for funding, your proposal must provide clear, complete, and defensible information on expected project costs.

SWIG proposal budgets may include some cost estimates, since actual project costs may vary and can be adjusted once the project is underway. The Letter of Intent (LOI) provides a preliminary budget, while the Full Proposal budget will provide actual numbers or solid estimates for all costs. Therefore, the two budgets need not be identical, but should be generally consistent with respect to uses of funds and overall costs.

The budget table is required for both the LOI and Full Proposal, and should itemize all project costs, for both the request and the non-federal match. The Full Proposal also requires a budget narrative form, where you can provide additional detail or back-up information on the costs listed in the table. More on this below.

If you have questions beyond those which are addressed in this document, refer to detailed video guidance from EPA on all aspects of grant budget development **ON THIS PAGE**.

2. Budget Table
In both the LOI and Full Proposal, the budget table is the primary means by which you'll communicate the expected costs of your project. Download the Excel budget template from the SWIG26 RFP Page, and review the example of a completed proposal budget in the RFP. Use the template to create your proposal budget.

3. Budget Categories
The budget table must break down costs for both Request and Match by federal (SF-424A) cost category (object class). These categories are as follows (additional explanation provided by RAE):

a. Personnel: The "Personnel" category includes requests and/or match for salaries **of the applicant (grantee) organization only**. As noted below, salaries of partner organizations should be listed under "Other." Salaries must be provided at **actual rates** but should factor in anticipated raises (note this calculation in the table or budget narrative). In the budget narrative, briefly describe the work that each funded employee will do on the project.

b. Fringe Benefits: Fringe may be calculated on an hourly basis or as a percentage of staff salaries and must be provided at actual rates. Fringe must be separated from salary. The "Fringe" category should include fringe request and/or match for the applicant organization only.

c. Travel: Estimate costs for local and long-distance travel for staff of applicant organization only. Use current federal mileage rate and note purpose of travel in the table or budget narrative.

d. Equipment: Durable goods with a **unit cost in excess of $5,000**. Please include justification for equipment purchase and basis for cost determination in table or budget narrative.

e. Supplies: All other durable and non-durable goods with a unit cost less than $5,000, including computers. Grants will pay for refreshments as necessary for public meetings, etc., but food and drink costs must be listed as a separate line item. Grants will not pay for alcoholic beverages.

f. Contractual: Include all purchases of services (engineering companies, construction companies, etc.). Include basis for cost determination in table or budget narrative. In budget narrative, include brief description of scope of work for each contract. Contracts are subject to federal purchase requirements—see below.

g. Construction: Do not include this federal cost category in your SWIG budget. Construction activities should be costed under other appropriate categories such as Personnel, Equipment, Supplies, or Contractual.

h. Other: Includes partner salaries and other expenses, all volunteer time used as match, and other miscellaneous expenses that don't fit under the prior categories, whether requested or provided as match. Add budget lines as need be – each partner organization or subgrant should have at least one line under this category. If you need to further detail partner expenses, add a brief cost table or tables to the budget table spreadsheet, beneath the main table. Use the budget narrative as needed for additional information on partner contributions or cost breakout.

i. Total Direct: Sum of Categories a – h, above.

j. Indirect: See below for guidance on calculation of indirect costs.

k. Total: Sum of Direct (i) and Indirect (j.), above.

Applications must use the budget table template provided, using the federal cost categories as listed. Add additional line items within categories as necessary but do not alter or delete categories. Provide a separate line under "Personnel" for each individual on the project, a separate line under "Contractual" for each contract or major contractual cost component (e.g., "engineering" vs. "construction"), and a separate line under "Other" for each partner organization subaward. Show request and match amounts for each line item and cost category.

Note all sources of match and whether they are cash or in-kind. **Total non-federal match must be at least 33% of request**. Proposals providing more than the minimum match percentage will receive no additional benefit in scoring. Match percentage is calculated as follows: **(non-federal match) ÷ (request) x 100 = match percentage.**

4. Budget Narrative
A budget narrative form is required ***for the full proposal only***. Download the form from the SWIG26 RFP Page, complete it, and upload as indicated on the application portal. The purpose of the budget narrative is to provide information, as necessary, to support the numbers in the budget table. Your goal is simply to show reviewers that the requested funds will be used effectively, so be succinct but thorough.

For example, if you have included the costs of three employees in the budget table, use the budget narrative to briefly describe the work that each of those employees will do. If you have two line-items for contracts in the budget table, provide a sentence or two describing the scope of work of each contract here. Use the budget narrative to explain travel costs, fringe or indirect cost calculations as need be. The budget narrative form is particularly useful in providing detail, breakdown or justification of partner expenses. If a particular section of the budget narrative is not needed, just mark it N/A.

5. Additional Information on Budget Development:
- Cost bases (methods or formulas for calculating or estimating costs) should be included in the budget table.
- Salaries and fringe may be calculated on an hourly or percentage basis. If salaries are expected to increase over the period of the grant, factor in such increases to reflect total cost over the period of the grant, and provide a note explaining your calculations.
- RAE recognizes that cost estimates will be necessary in some instances, for example construction contracts that will be competitively bid. Please note cost estimates where used and note the basis for developing such estimates.
- Sub-awards to partner organizations should be listed under "Other," with a separate line item for each organization. Provide a brief explanation or justification for calculation of partner costs in the budget narrative. If desired, you can add brief cost tables for partners to the spreadsheet beneath the budget table.
- Contracts or sub-contracts awarded to engineering firms, construction firms, and other for-profit businesses must be selected through procedures consistent with Federal requirements (2 C.F.R. 200) as well as the grantee's own purchasing procedures. Above certain dollar thresholds, competitive bidding is required. See our **Applicant and Grantee Resources Page** for EPA procurement guidance. Where SWIG funds continuing contracts (i.e., contracts that were awarded by the grantee prior to the SNEP grant award), RAE will require documentation of competitive selection procedures used in awarding such contracts. Note that contractors (including individual consultants) typically operate in a competitive environment and provide goods and services on commercial terms to many different purchasers. It is not the legal status of an organization (e.g., governmental

unit, non-profit organization, institute of higher education, or for-profit organization) that determines whether a transaction is a subaward or procurement contract, but whether the object is to carry out the purposes of the statute authorizing EPA to provide financial assistance.

- Be sure to budget for QAPP development if your project will require one (most SWIG-funded projects do, including construction projects). QAPPs may be developed in-house or through a consultant contract – more on this in the RFP. Contact RAE for assistance in QAPP planning if need be.
- Volunteer time should be calculated at the national average rate published by Independent Sector and can be accessed **here**. Volunteer time should be listed under the "Other" category in the "Non-Federal Match" column.
- While federal resources may not be counted as match, list any federal funds or resources that are contributing toward the work in the budget narrative where indicated.
- Passenger vehicle mileage should be calculated at the current federal rate.
- Equipment is generally durable property valued at more than $5,000 – see 2 CFR 200 for guidance.
- If you anticipate earning program income as part of your project, show the source, estimated amount, and how it will be used.
- Round all costs to the nearest dollar – do not include cents.

6. Indirect Costs

SNEP Watershed Implementation Grants will reimburse grantees for reasonable indirect costs related to the execution of funded projects. The calculation of indirect costs and amount of reimbursement depends on the type of organization, and whether it has an approved, current Negotiated Indirect Cost Rate Agreement (NICRA) on file with a federal agency. The following guidance summarizes the process for budgeting indirect costs for organizations without or with an approved NICRA.

Organizations _without_ NICRA: For applicants that have never had a NICRA with a Federal agency, the applicant may use the de minimis indirect cost rate of 10% of Modified Total Direct Costs (MTDC). MTDC (as defined under 2 C.F.R. §200.68) **includes** all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and the first $25,000 of each subaward or subcontract (regardless of the period of performance of the subawards and subcontracts under the award). MTDC **excludes** equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward or subcontract in excess of $25,000. Procurement contracts are not covered by this restriction. **Organizations seeking to charge the 10% indirect cost rate must calculate MTDC in order to calculate the allowable indirect cost.** See sample budget.

Organizations _with_ Current Approved NICRA: Use the formula in your NICRA to calculate indirect costs. Organizations may charge less than the full authorized NICRA rate to a SNEP Watershed Grant in order to devote more grant funding toward direct costs; in such cases the organization may apply the difference (foregone indirect cost) toward match

if it is from eligible non-federal sources. Organizations with an approved NICRA will be required to provide RAE with a copy of the current NICRA, and to provide RAE with updates as they are approved by the federal agency.

Note: Organizations **with** an approved NICRA **should not calculate MTDC.** Rather, show the NICRA base cost, calculated NICRA indirect cost, and the portions of the NICRA indirect cost for which the applicant is requesting reimbursement or which it is applying as match.

Note: Organizations **with** an approved NICRA **need not calculate MTDC.** Rather, show the NICRA calculation in the notes field at the bottom of the table, and enter the indirect in the appropriate line of the table.

7. Uploading the Budget Table and Narrative
When the budget table is complete save it as a PDF and upload it where indicated on the LOI or Full Proposal application form. The PDF pages must be standard letter size and the budget table may be a maximum of three pages. The budget table should be no more than one page wide in the PDF. Before uploading the table, be sure it's easily legible! We can't evaluate your budget if we can't read it. Similarly, upload the narrative budget as a PDF where indicated on the Full Proposal form. Before submitting your application, be sure that the numbers in the application, the budget table, and the narrative budget all agree.

Thanks for applying to SNEP Watershed Implementation Grants! If you need additional assistance, contact Restore America's Estuaries using the information in the SWIG26 RFP.