

**APPENDIX G – APPLICATION BUDGET INFORMATION, Amendment 000002**  
*(applicable to Demos, Risk Reduction and ARC-20, unless otherwise specifically noted below)*

**BUDGET FORM (Total Fed + Non-Fed) (Required for all lead entities)**

Complete the applicable SF 424A Budget (Total Fed and Non-Fed) form(s), as specified below. These are available on the application website library, in accordance with the instructions on the form, and the following instructions. The Budget form(s) may be submitted in either an Excel or .pdf format.

**Demos:** Applicants must submit two budget forms – one for the non-construction portions of the award using the SF 424R&R Budget A (the applicant may either submit a separate R&R Budget for each budget year, or may submit one showing the entire project period – the form available on the ARD website document library has provision for the full 5 – 7 years of the project), and another for the specific construction portion of the award using the SF 424C— (note: a separate SF 424 C will be required for each budget year of the construction activity).

Risk Reduction and ARC-20: Applicants must submit the R&R Budget form for the budget (the ARD website document library has a 10-year form to be used for the 5-7 year Risk Reduction application, and a 5-year form to be used for the ARC-20 application).

a. Specify a high-level cost estimate by year for a project your organization might propose and identify critical elements that could significantly impact the cost. Include rationale for the estimate.

b. A separate budget for each budget period of support requested must be completed; budget periods are typically one year in length, but may be proposed by the applicant to be shorter or longer, depending on project work and milestones; budget periods for other than one year must be explained/justified. The R&R Budget form will generate a cumulative budget for the total project period. Complete all the mandatory information on the R&R Budget form before the ‘add next’ period’ button is activated. Funds may be requested under any of the categories listed as long as the item and amount are necessary to perform the proposed work, meet all the criteria for allowability under the applicable Federal cost principles, and are not prohibited by the funding restrictions in this announcement.

c. Item “J – Fee” in the budget sheets must be left blank. In accordance with 2 CFR § 200.400(g), payment of profit or fee is unallowable under federal financial assistance (i.e., grants and cooperative agreements). This includes fee as a component of any Time and Materials based labor rates proposed for subrecipients.

d. Separately, for each year of funding requested past the first year of the project, provide specific out-year cost profiles for each demonstration in future year budget request, along with rationale.

**SUBAWARD BUDGET FORM (Total Fed + Non-Fed)**

a. If other entities/collaborators will receive funding under the proposed project, a determination must be made whether they will be a subrecipient or a contractor. Please reference 2 CFR § 200.330 *Subrecipient and contractor determinations*, for guidance on making the determination.

b. Budgets for subrecipients (other than DOE FFRDC/NL Contractors): Applicant must provide a separate budget form, available at the application site document library, for each subrecipient that is expected to

perform work estimated to be more than \$250,000 or 35% of the total-work effort (whichever is less).

c. **NOTE:** Do **NOT** lock the cells when saving this document. Applications containing budget forms with LOCKED CELLS may not be evaluated further.

**LETTER OF AUTHORIZATION** from Cognizant Contracting Officer for DOE/NNSA FFRDC/NL (**Required for FFRDC/NL listed on application regardless of funding level**)

The cognizant contracting officer for the FFRDC/NL must authorize in writing the use of a DOE/NNSA FFRDC/NL contractor on the proposed project, and this authorization must be submitted with the application. The following wording is acceptable for this authorization:

*“Authorization is granted for the [Name] Laboratory to participate in the proposed project. The work proposed for the laboratory is consistent with or complimentary to the missions of the laboratory, will not adversely impact execution of the DOE/NNSA assigned programs at the laboratory, and will not place the laboratory in direct competition with the domestic private sector.”*

**BUDGET FOR DOE NATIONAL LABORATORY CONTRACTOR or FFRDC/NL (Required for FFRDC/NL)**

a. If a DOE/NNSA FFRDC/NL contractor is applying as a collaborator, it must provide a DOE Field Work Proposal (FWP), in accordance with the requirements in DOE Order 412.1A, Administrative (Admin) Change 1, Work Authorization System, dated May 21, 2014. Include an FFRDC budget justification, to include a breakdown of the cost categories and rationale regarding the necessity of the expenditures, as well as the basis of estimate for each of the budget cost categories (e.g., labor, travel, materials, etc.); note that normally no justification is required for FFRDC rates (directs, indirects, and fee), as these are already pre-established on the FFRDC contract.

b. FWPs can be obtained from respective laboratory financial administrators.

c. FFRDC/NL are permitted to propose costs in accordance with their established DOE contracts (e.g., overhead, fees, etc.).

**BUDGET NARRATIVE / JUSTIFICATION FILE**

a. Provide the required supporting information for proposed recipients and subrecipients for the following costs: equipment; domestic and foreign travel; participant/trainees; material and supplies; publication; consultant services; ADP/computer services; subaward/ consortium/contractual; equipment or facility rental/user fees; alterations and renovations; and indirect cost type. Provide any other information you wish to submit to justify your budget request. In addition to submitting Budget form(s), attach a single-budget justification file for each budget period and for the entire project period; attach a ~~one~~-budget justification narrative document to cover all award budget periods.

For Demos, in addition to completing the R&R Budget and SF-424 C forms, and the budget justification, the application must also include an Excel spreadsheet that shows the yearly construction and non-construction budgets by cost element, which also shows the overall total project budget.

~~a~~.b. The budget is the financial plan for the proposed project. Following selection of applications for

award consideration, but prior to award being made, DOE will perform a budget review to determine whether the proposed activities are supported by adequate resources in this plan, as well as to verify cost data, including that specific elements of the proposed budget are allowable, allocable, reasonable and are consistently treated in accordance with generally accepted accounting principles and applicable cost principles. Both the applicant's budget, as well as all sub-recipient's budgets (over \$250,000), will be reviewed from both a technical and cost perspective. This evaluation will provide a comparison between the budget and the project narrative. Sub-recipient budget justifications must also be submitted for proposed budgets over \$250,000.

b.c. A budget review of sub-contractor costs will not be accomplished by DOE. However, prime award recipients will be required to explain how they determined sub-contractor costs were determined to be fair and reasonable. The technical review will also include reviewing sub-contractor proposals and scope-of-works to determine if the proposed scope to be performed by the sub-contractor supports the award's overall project scope. All award amounts for sub-contracts will have a technical review of the proposed scope of work, please ensure the scope-of-work to be performed by sub-contractors is discussed in the project narrative.

c.d. In those cases where applicants are unable to comply with the financial management standards or the DOE review indicates problems or a lack of understanding of costs issues, DOE may withhold the award, or the Contracting Officer may determine that the applicant is high risk and incorporate special restrictive terms and conditions into the award.

d.e. In order to permit DOE to accomplish this budget review, and to ensure that the issuance of the award will not be delayed, the applicant must provide a budget justification, including supporting information. Provide the following for the budget justification:

#### (1) General

- i. Applicant assessment of how the total project cost is reasonable for the effort.
- ii. Applicant assurance that all costs proposed are:
  - 1) In accordance with any limitations, exclusions, or special conditions set forth in the Funding Opportunity Announcement.
  - 2) In accordance with generally accepted accounting principles and the applicable costs principles, as well as being allocable and allowable.
- iii. Specify whether your proposed indirect rates have been audited and approved; include a copy of the audit or information on where the audit can be obtained by DOE.
- iv. If the applicant is in a partnership or consortium, describe the relationships among each member and specify how this is included in the budget.

#### (2) Personnel

- i. Identify individuals or positions, describe the different levels of personnel required (experience/skill/education, etc.), and state time commitment percentages for individuals and/or positions working on the forthcoming DOE award.
- ii. State rates/compensation to be paid to individuals or positions. In the budget justification document explain how each labor rate(s) are established. Also explain how the labor rates were

determined to be fair and reasonable.

Note: 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction), formerly known as the Davis-Bacon Act, does not apply to work done for the construction of the reactor, unless the prime awardee is a unit of government building the reactor as a “public work”.

(3) Other Direct Costs.

- i. Travel. If travel is proposed, provide the following data; this may be provided in a narrative or on a Microsoft Excel spreadsheet (using an .xlsx format) ; the travel spreadsheet is to be and be included as part of the Budget Justification file: ; using the single file named "Budget.pdf":
  - 1) Identify the proposed trips; specify the purpose of the trip, as well as the number of people traveling on each trip, the number of days per trip, and an explanation of why the specified number of travelers is required for each trip.
  - 2) Specify if the travel costs proposed are consistent with the applicant’s established travel policy; include a copy of the relevant portions of the travel policy or specify where DOE can access the travel policy.
  - 3) Estimated airline cost and an explanation on how airline ticket cost was estimated for each trip. If business or first-class airfares are included, provide a complete justification for the additional cost.
  - 4) Identify city pairs to include cities leaving from and destination cities.
  - 5) Federal travel regulation daily approved per diem rates for each destination city (travel day costs can’t be higher than 75% of the destination city per diem rate).
  - 6) Federal travel regulation daily incidental rates for each destination city.
  - 7) Federal travel regulation maximum hotel rates for each destination city.
  - 8) If applicable, estimated car rental costs, estimated car fuel costs for each trip, and if applicable estimated parking fees or other costs such as tolls.
  - 9) If applicable, estimated train, taxi, or other transportation costs.
- ii. Equipment. For proposed equipment, provide the following:
  - 1) Explain the need for the equipment and clearly indicate the unit cost for each item to be purchased.
  - 2) Explain how the cost estimates for equipment purchases are established and how you determined the cost estimates to be fair and reasonable.
- iii. Subrecipients. See above for a discussion of sub-recipient budget justifications.
- iv. Sub-contractors. Describe the goods or services to be acquired and justify how the costs were determined fair and reasonable in accordance with the awardee’s 2 CFR 200 Procurement Standards. Prime awardees must have a DOE approved procurement standard as outlined in 2CFR §§ 200.317 thru 200.326. If the prime awardee does not possess an approved procurement standards document at time of award selection, then the prime award recipient will be given time before the award is approved in order to create the procurement standard document. Award selection can’t be completed until the

awardee's procurement standard document is submitted to DOE, and then reviewed and approved by DOE.

- v. Any Other Direct Costs. If any other direct costs are proposed in addition to those listed above, identify such costs and provide an explanation/justification for each cost similar to what is required in paragraphs 3, subparagraph i. – iv. above.

(4) Indirect Costs. Provide the name of your cognizant/oversight agency, if you have one, and the name and phone number of the individual responsible for negotiating your indirect rates.

Indirect Rate Information. Federal awards for financial assistance are required to include indirect cost rate(s) for the Federal award (including if the de minimis rate is charged per § 200.414 Indirect (F&A) costs). Indirect cost information and rates are also required for evaluation by DOE prior to award when reviewing applicant budgets. Accordingly, the Pre-application Information the applicant must specify whether the applicant and all subapplicants have:

- i. Federally established indirect cost rate agreement(s); specify the cognizant Federal agency name and point of contact information, as well as provide a copy of the rate agreement(s).
- ii. If the prime or subs do not have an approved Federally established indirect cost rate agreement, indicate why not as well as what actions are being taken to obtain such an agreement, including anticipated timelines to have such an agreement negotiated

Note: Not having an approved rate(s) may delay the award and thereby jeopardize the project's success in accomplishing the demonstration program within 5 – 7 years, per Congressional mandate; accordingly, DOE may consider this as a program policy factor in making its award selection.

Save the budget justification information in a single file named "Budget.xlsx or .pdf", [insert application ID#] and click on "Add Optional Other Attachment" to attach.

#### **COST SHARING INFORMATION APPLICATION SUBMISSION INSTRUCTIONS.**

The Budget for Demos awards must indicate a recipient cost share of at least 50 percent of the total proposed project costs. The Budget for Risk Reduction awards must indicate a recipient cost share of at least 20 percent of the total proposed project costs. Because applications submitted for Demos that are not selected for Demos awards will be automatically accepted for Risk Reduction, Demos applications must also include a separate budget for a minimum of at least 20 percent recipient funding.

Describe your ability to provide your portion of the cost share required for the project, including levels of commitment from the applicant as well as third party sources (if applicable). This shall include a minimum of at least 50 percent recipient funding for applications submitted for Demos, and 20 percent for Risk Reduction, as well as ARC-20.

Because applications submitted for Demos that are not selected for Demos awards will be automatically accepted for Risk Reduction, Demos applications must also include a separate discussion for a minimum of at least 20 percent recipient funding.

Provide a total project cost estimate along with evidence of firm commitments for the full private sector share of the project cost. Such evidence may include executed loans, bond financing agreements, state or local grants, and third-party contribution agreements. For each non-governmental source of cost-sharing, the Applicant shall provide audited financial statements for the most recent two years. If firm commitments for the full private sector share of the project cost have not been secured, the applicant shall provide evidence of firm commitments made to date, and detail your plan for obtaining the required cost sharing, including:

a. A reasonable plan to obtain the balance of funding for the private sector share of the project cost; identify anticipated sources of the private sector cost-share such as bank loans, bond offerings, state or local grants, and equity contributions.

b. Provide a full description of any limitations, conditions or other factors that could affect the availability of funding. If third party financing will be a source of project funds, discuss the timing, conditionality and terms and conditions of such financing.

c. Audited financial statements for the most recent two fiscal years shall be provided for each non-governmental source of funds. If a source does not have audited financial statements, that source should provide equivalent financial statements prepared by the party, in accordance with Generally Accepted Accounting Principles, and certified as to accuracy and completeness by the Chief Financial Officer of the party providing the statements.

d. [Cost Sharing Commitment Letters, including Third Party Cost Sharing Commitment Letters.](#) As applicable, provide a commitment letter from each source, signed by an officer of the corporation or other entity that is authorized to commit the funding to the proposed project. The amount of funds to be provided, the timing of the funding, and any contingencies, should be specified. Commitment letters should identify the type of proposed cost sharing (e.g., cash, services, and/or property) to be contributed. If applicable, at the time the application is submitted it must include a letter from each third party (i.e., a party other than the organization submitting the application). The letter must state that the third party is committed to providing a specific minimum dollar amount of cost sharing. Submitting the application provides assurance that the letters of commitment have been signed.

~~Third Party Funding Commitment Letters. As applicable, in an appendix to the Budget Justification, the following information for each third party contribution to cost sharing must be identified: (1) the name of the organization; (2) the proposed dollar amount to be provided; (3) the amount as a percentage of the total project cost; and (4) the proposed cost sharing — cash, services, or property; and (5) must be signed.~~

Name File: Commitment Letters\_[Insert Application ID#]

e. If in-kind contributions of property or services are proposed, provide support for their valuation and explain how the valuation was determined.

f. If the project will be financed on a non-recourse basis, provide a working financial model (in MS Excel using an .xlsx extension, or earlier MS Excel version) that provides projections of the project including an income statement, balance sheet, cash flow statement, and sources and uses of funds statement, all on an annual basis with appropriate supporting schedules. The financial projections should be developed in

this financial model, commencing with the initial project development phase and extending through the period of operations needed to obtain funding. The model should be provided in electronic form including cell formulas so that review of the model assumptions and sensitivity calculations may be facilitated. The recipient shall provide a description and explanation for each of the financial, economic, and operating assumptions for the project. The assumptions should be consistent with and supported by the information provided in the project cost estimate.

**MILESTONE PAYMENTS** (applicable to **Demos** and **Risk Reduction** only; optional for **ARC-20**)

For the milestones provided in the Business Plan and Project Management Plan, specify milestones (title and description) by each budget period (or phase) of the project, along with planned completion date, verification period, and the proposed milestone payment amount.