Budget Narrative Guidance for Grant Writing

Purpose

- To provide budget narrative guidance and general examples that meet ADE's minimum requirements for grant applications.
- To establish a baseline that program areas might build upon to meet specific requirements of the grants they manage.

Disclaimer: Real-world examples have been used to provide concrete details regarding how to structure a narrative and are not to be interpreted as endorsements of any real people, businesses, or products by the Arizona Department of Education. Examples should not be interpreted as meeting allowable, reasonable, and necessary requirements for ALL grants managed.

N.R.A.C and the 5 W's

Start with N.R.A.C. Ensure your budget narrative is describing costs that are **N**ecessary, **R**easonable, **A**llocable and correctly **C**oded for the grant that is providing the funding. As you are writing your narratives, keep in mind the 5 W's, based on the Uniform Grant Guidance Cost Principles.

Legal Reference	Question For (external/LEA)	Question For (internal/ADE)
2 CFR §200.405	**What** is proposed for purchase?	Is it allocable & allowable under the grant?
2 CFR§200.403	**Why**? For what purpose?	Is the cost necessary?
		Included in the IAP in response to a need?
2 CFR§200.405	**Who** benefits from it or uses it?	Is it allocable?
USFR/USFRCS		Is the coding aligned to USFR/USFRCS?
2 CFR§200.404	**How** much does it cost?	Is the cost reasonable?
	How was the cost determined?	
As Applicable		
2 CFR§200.459	**Where** is this event?	Is travel required based on the location of the event? If so, are travel costs reasonable?
2 CFR§200.474		
2 CFR§200.459	**When** is this taking place?	Can the service reasonably be concluded in the time proposed?
2 CFR§200.474		Will it occur within the timeframe of the grant? Has it been pre-approved (if applicable)?

Grant Specific Formatting in Budget Narrative

Each object code below contains requirements above and beyond the agency minimums that are required by various units for the grants they oversee. Start with the minimum format requirements, located in each **Narrative Description Format Options** section. Then use the **Program Area Notes** section if there are further formatting required for the specific grant you are applying for. If you have further questions regarding these statutory requirements, please contact your Program Specialists reviewing the specific grant you are applying for.

Object Code	**6100 - Salaries**
Purpose	*Compensation of Employees*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **FTE FORMAT:** Position Title (indicate certified or classified): (# of Staff) @ (Total FTE) = Total Funding **HOURLY PAY FORMAT:** Position Title (indicate certified or classified): (Approx. # of Hours) = Total Funding **STIPEND FORMAT:** Position Title or Purpose (indicate certified or classified): (# of Stipends) = Total Funding *"Not to Exceed" may be used*
Program Area Notes:	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Educator IDs must be included prior to approval of reimbursements. **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **School Improvement**: Off contract pay must use hourly examples; positions are limited to support personnel. **EHCY**: Content area(s) to be taught, number of HCY served, verbiage satisfying comparability and supplement requirements, if position is paid through multiple funding sources, and uploaded board-approved job description. **MEP**: Content area(s) to be taught, number of MEP served, verbiage satisfying comparability and supplement requirements, if position is paid through multiple funding sources, and uploaded board-approved job description. **Early Childhood**: Staff not listed as certified must include education level achieved.

1000	**2100, 2200, 2600, 2700**	**2300, 2400, 2500, 2900**
Salary Example 1: White Middle School: Math intervention teacher 1 @ 0.70FTE = $36,400 **Salary Example 2:** 2 instructional aides (classified) working under the direct supervision of a special education certified teacher (2345678). 2 @ 2.0FTE = $42,000. **Hourly Example 1:** After school tutors (certified). Approx. 100 hours, not to exceed $2,500. **Stipend Example 1:** STEM Club sponsor stipend. 1 @ $1,000.	**Salary Example 3:** Instructional Coaches. 5 @ 4.5FTE= $360,000 **Hourly Example 2:** Off-duty pay for teachers (certified) to attend "Leader in Me" training. Approx 25 total hours for $550. **Stipend Example 2:** Instructional Technology Coach stipend (EUT). 2 stipends = $1,000	**Salary Example 4:** Set Aside #1: 1 FTE Administrative assistant to the Director of Federal Programs $22,000

Object Code	**6200 - Benefits**
Purpose	*Benefits for Employee Compensation*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Benefits:** Total Benefits = Amount *"Not to Exceed" may be used*
[Program Area Notes:](#)	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Educator IDs must be included prior to approval of reimbursements. **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **School Improvement**: Off contract pay must use hourly examples; positions are limited to support personnel. **EHCY**: # of FTEs, % of Benefits, Total Proposed Expenditure for Benefits, Cost of medical benefits must be included. **MEP**: # of FTEs, % of Benefits, Total Proposed Expenditure for Benefits, Cost of medical benefits must be included. **Early Childhood**: Staff not listed as certified must include education level achieved, # of FTEs, % of Benefits, Total Proposed Expenditure for Benefits

1000	**2100, 2200, 2600, 2700**	**2300, 2400, 2500, 2900**
Benefits Example 1: White Middle School: Instructional staff benefits: $23,210. Azure Elementary School: Instructional staff benefits: $13,670.	**Benefits Example 2:** Non-instructional support staff benefits: $33,751. **Benefits Example 3:** Non-instructional support staff benefits. Not to exceed $21,440.	**Benefits Example 4:** Set Aside #1: Administrative staff benefits: $44,683.

Object Code	**6300 - Purchased Professional Services**
Purpose	*Services that by their nature can be performed only by persons or firms with specialized skills and knowledge. Costs related to conference fees, employee training and professional development are also included here*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Purchased Service:** (Service Provider); (Type or Topic of Service) = Total **Conference Fee:** (Name of Conference); (Type or Topic of Service) = Total
[Program Area Notes:](#)	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Contracted Special Ed teachers require Educator IDs prior to approval of reimbursements. Consultant job duties may be requested to ensure allowability. **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **EHCY**: Number of HCY served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required. Conference registration requires location information. **MEP**: Number of MEP served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required. Conference registration requires location information.

1000	2100, 2200, 2600, 2700	2300, 2400, 2500, 2900
Purchased Service Example 1: 1 contracted early childhood special education certified teacher to work with students with disabilities in the 3-5 year old age group (3456789). $66,500. **Purchased Service Example 2:** White Middle School: ABC Tutoring – Reading Program (K-4th) (flat fee) = $3,500	**Conference Registration Example 1:** PLC Summit, PD to improve PLC teams= $900. **Conference Registration Example 2:** (WRE) AP by the Sea (San Diego, CA). PD for expanded AP program staff. $1,200. **Purchased Service Example 3:** Kagan Services; 1 Coach providing ongoing PD (behavior, differentiation, reading strategies, etc.). = $4,500	**Conference Registration Example 3:** AVID coordinator to attend AVID Leadership Conference (Las Vegas, NV). $565.

Object Code	**6400 - Purchased Property Services**		
Purpose	*Services that by their nature can be performed only by persons or firms with specialized skills and knowledge. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.*		
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Purchased Service:** (Service Provider); (Type or Topic of Service) = Total		
Program Area Notes:	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **EHCY**: Number of HCY served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required. **MEP**: Number of MEP served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required.		
1000	**2100, 2200, 2600, 2700**		**2300, 2400, 2500, 2900**
Not generally used to provide instruction, no examples given.	**Cleaning Service Example 1:** MerryMaids providing additional deep cleaning of classrooms as needed to address COVID outbreaks as they occur. Not to exceed = $1,200. **Maintenance Example 1:** (WRE) TMT Services; assembly of all new purchased choir risers for all 5 middle schools. $2,000.		**Maintenance Example 2:** PEAK Operations: yearly contract to maintain computer servers and ensure continuity of service throughout the year. $3,000.

Object Code	**6500 - Other Purchased Services**
Purpose	*Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.* *All travel items should follow the AZ Travel Policy or the LEA Governing Board policy.* **All billing of combined internal services such as printshops, transportation, etc. must be coded under 6885 (see 6800 for more instruction)*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Travel:** (Nature/Purpose of the Travel); Travel Cost Types (ex. Airfare, Lodging, Transportation, Per Diem, etc.) = Total **Communications:** (Service Provider); (Type of Service) = Total **Printing:** (Service Provider); (Type of Service) = Total **Tuition/Dual Enrollment:** (Educational Entity); (Type of Service) = Total **Inter-Agency Service Agreements:** (Name of LEAs); (Type of Service) = Total
Program Area Notes:	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **EHCY**: Travel costs must include timeline, type of lodging, type of transportation, In/Out of State destination, # of staff, cost per participant/per night / per flight. Verbiage satisfying comparability and supplement requirements. **MEP**: Travel costs must include timeline, type of lodging, type of transportation, In/Out of State destination, # of staff, cost per participant/per night / per flight. Verbiage satisfying comparability and supplement requirements.

1000	2100, 2200, 2600, 2700	2300, 2400, 2500, 2900
Tuition Example 1: Blue High School: Funds to cover student tuition expenses at ABC Community College for Dual Enrollment courses in Welding, Culinary, Business Management. 167 students. (Not to Exceed 400 Credit Hours @ $10 per credit) = $4,000 **Inter-Agency Service Example 1:** Shared Reading Specialist (ASU Prep Phoenix Elementary employee) 0.40FTE of 1.0 funded. $34,000.	**Travel Example 1:** Travel costs to attend the OELAS Conference (Lodging, Transportation, Per Diem) = $450. **Printing Example 1:** PNC Printing – Title I Meeting informational pamphlets and flyers. = $55	**Example 1:** Travel costs to attend AVID Leadership Conference (Seattle, WA). (Lodging, Airfare, Transportation, Per Diem) = $1,300.

Object Code	**6600 - Supplies**
Purpose	*Items that are consumed, worn out, or deteriorate through use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Consumables:** Category Description (brief but inclusive) for use by (beneficiary) for (purpose/program) = Total **Curricular Programs:** Category Description (brief but inclusive, including cost nature such as Site License or Per-Student License) for use by (end user or purpose for item) = Total **Fuel:** Program of Use (include cost nature such as per mile or bulk fuel) = Total *"Not to Exceed" may be used*
Program Area Notes:	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Must indicate the purchase is exclusive for students with disabilities or staff working with students with disabilities **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **School Improvement**: Off contract pay must use hourly examples; positions are limited to support personnel. **EHCY**: Verbiage satisfying comparability, exclusive use to HCY, and supplement requirements, dissemination and safeguards (i.e. internal controls), as well as benefit to HCY **MEP**: Verbiage satisfying comparability, exclusive use to MEP, and supplement requirements, dissemination and safeguards (i.e. internal controls), as well as benefit to MEP

1000	**2100, 2200, 2600, 2700**	**2300, 2400, 2500, 2900**
Consumables Example 1: Supplemental reading materials for use in the EL Lab only by EL students. Not to exceed = $250 **Curriculum Example 1:** Cactus Flower: Study Island (student license) for students in PI/PO reading support. Not to exceed $1,300. **Curriculum Example 2:** Math XL site license for math support at 5 elementary schools. = $1,250.	**Consumables Example 2:** Non-instructional supplies for Homeless Youth (clothing, hygiene kits, etc.) = $300. **Fuel Example 1:** Fuel reimbursement for transportation of homeless students to and from school @ $0.625/mile. (Not to exceed) = $200	**Consumables Example 3:** Set Aside #1: Office supplies (paper, pens, folders, post its, etc.) for use by the staff in the Federal Programs' office.

Object Code	**6731-6739 – Equipment**		
Purpose	*Expenditures for initial, additional, and replacement equipment in the categories below.* **Costs Less than $5,000 *10k**	**Costs $5,000 *10k or More**	**Equipment Categories**

Object Code	**6731-6739 – Equipment**
Purpose	*Expenditures for initial, additional, and replacement equipment in the categories below.* <table><tr><td>**Costs Less than $5,000 *10k**</td><td>**Costs $5,000 *10k or More**</td><td>**Equipment Categories**</td></tr><tr><td>6731/6732</td><td>6733</td><td>**Furniture & Equipment**</td></tr><tr><td>6737/6738</td><td>6739</td><td>**Technology Hardware/Software**</td></tr></table> ***Note: Charter Districts use 6600 & use 0190 if cost of equipment is $5,000 or more *($10,000)*** **Effective as of 7/01/2024*
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Equipment:** Item Name/Description, for use by (beneficiary) for (purpose or program) = Total
Program Area Notes:	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Must indicate the purchase is exclusive for students with disabilities or staff working with students with disabilities **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **School Improvement**: Description MUST indicate how equipment is directly supporting stated support intervention. **EHCY**: Verbiage satisfying comparability, exclusive use to HCY, and supplement requirements, dissemination and safeguards (i.e. internal controls), as well as benefit to HCY **MEP**: Verbiage satisfying comparability, exclusive use to MEP, and supplement requirements, dissemination and safeguards (i.e. internal controls), as well as benefit to MEP

1000	**2100, 2200, 2600, 2700**	**2300, 2400, 2500, 2900**
Technology Hardware Example 1: Chromebooks (Asus 3000) for use by students in Reading Lab. = $3,245.64 (Shipping+Tax). All items will be tagged as 21st CCLC property	**Furniture Example 1:** Horseshoe Tables and chairs for small group instruction in Support Lab. Tables = $3,234.54 (Shipping+Tax) Chairs = $1,200.32 (Shipping+Tax)	**Equipment Example 1:** Filing cabinet for record storage (Director of Student Support office). = $85.43

Object Code	**6800 - Miscellaneous**		
Purpose	*Other miscellaneous fees and expenses*		
Narrative Description Format Options	Narrative description to including cost break out details and an overall format with these main elements: **Purchased Service:** (Service Provider); (Type or Topic of Service) = Total **Miscellaneous Fees:** Nature of Fee (brief description) for use by (end user or purpose of fee) = Total *****Object Code 6885-Charges for District Services, will only be accepted for LEAs that have an accepted Cost Allocation Plan for their Internal Service Fund (GME Supplement)*** *"Not to Exceed" may be used*		
[Program Area Notes:](#)	**ESEA**: Site Names, Set Aside #, T4 Category labels required where appropriate. **IDEA**: Must indicate the purchase is exclusive for students with disabilities or staff working with students with disabilities **Title III**: Narrative should attest the request is *supplemental* and indicate the purchase is *only* for ELs, Teachers of ELs, or Families of ELs **EHCY**: Number of HCY served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required. **MEP**: Number of MEP served, grade level & content provided, verbiage satisfying comparability and supplement requirements, and vendor contract required.		
1000		**2100, 2200, 2600, 2700**	**2300, 2400, 2500, 2900**
Field Trip Entry Fee Example 1: 4th Grade trip to AZ Science Center for focus on Biology lesson. Approx 200 kids: = $1,650.		**Internal Service Fund Example 1:** Transportation for field trip to AZ Science Center provided by AJUHSD (CAP on file). $400.	**Membership Fee Example 1:** (SA #1) COP Membership fee for Federal Program Supervisor. $75.

Appendix A – Program Area Additional Formatting Details

Title I-A

Title I-A funds are distributed between the LEA and the sites they are operating programs at. As such, it is important that all budgeted items have clear identification of the entity responsible (Set Aside # if funded by the LEA or the school site's name if funded by them).

Title III (LEP/Consortium)

Title III funds are meant to meet the needs of English learners (Els) and immigrant children and youth. It is important for all LEAs applying to fully understand the rules and regulations associated with Title III. Please see the [Title III FAQ](#) document linked here for more grant specific information.

Title IV-A

Title IV-A funds require identification of the 3 subcategories under this funding source. All budgeted items must have clear identification labeled. These subcategories are Well-Rounded Education (WRE), Safe & Healthy Students (SHS) or Effective Use of Technology (EUT).

Title IV-B (21st CCLC)

The Nita M. Lowey 21st Century Community Learning Centers (21st CCLC) initiative provides the only federally funded source dedicated exclusively to out-of-school-time programs. It is important for all LEAs submitting an application to fully understand the rules and regulations associated with Title IV-B. Please use the following links for more grant specific information; [Title IV-B New Application](#) & [Title IV-B FAQ](#).

IDEA (Section 611/Section 619)

The IDEA requires all special education teachers to hold a current Arizona special education certificate. Educator IDs must be included to fund teacher salaries. They are also required for any instructional assistants/paraprofessionals supervised by a special education teacher. The supervising teacher's educator ID is required in that case, not the paraprofessional's ID.

The IDEA funds may only support students with disabilities through budgets that meet excess cost requirements. Justification for specific technology purchased, professional development, capital purchases, and travel may be required.

Coordinated Early Intervening Services (CEIS/CCEIS) must be specifically called out if being funded. Please separate these line items under each object/function code.

School Improvement (CSI-LA, TSI, CSI-LG, Systemic School improvement Grant)

School Improvement supports LEAs as they conduct reflective data analysis and implement change with evidence-based practices throughout a continuous improvement process. It is important for all LEAs applying to fully understand the rules and regulations associated with the various grants managed by The Office of School improvement.

Education for Homeless Children and Youth (EHCY)

Grants designated for use to address the needs of children and youth experiencing homelessness have special supplemental assurances. As such, it is important that all budgeted items explicitly state their supplemental nature, and their exclusive use by children and youth experiencing homelessness students and the staff interacting directly with those students.

Migrant Education Program (MEP)

Grants designated for use to address the needs of migratory students have special supplemental assurances. As such, it is important that all budgeted items explicitly state their supplemental nature, and their exclusive use by migratory students and the staff interacting directly with those students.

Office of Indian Education

For more information regarding the Johnson O'Malley program, see the [JOM Website](#). For more information regarding the OIE Raising Indigenous Success in Education (RISE) program, see the [OIE RISE Website](#).