

How to Fill Out the Open Window Budget Form in Excel

Important Notes:

- Only enter information in yellow shaded cells only. Do NOT enter or delete anything in blue shaded cells.
- Numbers entered into the Amount cell must be whole dollars (no cents).
- Enter dollars and justifications that will use State/Federal Funds only. (If your contract has legally mandated local match, do not enter any dollars contributed by until the very end of the form in the Grantee Match section.)
- Budget narratives must show calculations for all budget line items and clearly justify/explain the need for these items. Budget costs must be in accordance with State rates, reasonable, and justifiable. Budget must support the Scope of Work activities and objectives.
- All expenses that are shared across multiple programs (e.g., rent, utilities, insurance, etc.) must be prorated for this program and the narrative must include a detailed calculation which demonstrates how the agency prorates the items.
- If the grant contract allows for pre-award costs, the budget reflects both the contract period and the pre-award period. The pre-award period will be designated in the Reimbursement section of the Scope of Work.

Overview of Tabs:

Worksheet (Tab) 1: Grantee Budget Worksheet

Worksheet (Tab) 2: Salary and Fringe Worksheet

Worksheet (Tab) 3: Subcontract Budget Worksheet

Worksheet (Tab) 1: Grantee Budget Worksheet

The screenshot shows an Excel spreadsheet titled "OpenWindowBudgetWorksheet-ROWS-101816.xls" in "Read-Only" mode. The active tab is "ContractorBudget". The spreadsheet is organized into several sections:

- Contract Information:** Rows 1-4 for "Contract Number" and "Contractor".
- Instructions:** Row 5 contains a detailed instruction box: "Complete this form such that amounts for state funds are shown when entering line item detail. Add rows as needed. Enter information in yellow shaded cells only. Do NOT enter or delete anything in blue shaded cells. The aqua cells contain formulas that are NOT to be overridden. Be sure to complete the additional required worksheets by clicking on the word 'detail'."
- Human Resources:** Rows 8-14. Includes sub-sections for "Human Resources" with line items: "Salary/Wages", "Fringe Benefits", "Other", and "Total Human Resources".
- Operational Expenses/Capital Outlays:** Rows 16-31. Includes sub-sections for "Operational Expenses/Capital Outlays" with line items: "Supplies and Materials" (Furniture, Other), "Equipment" (Communication, Office, IT, Assistive Technology, Medical, Vehicles, Scientific, Other), and "Travel" (Contractor Staff, Board Members Expense).

The columns are: Category, Line Item, Amount (yellow), Detail (blue), and Narrative (pink). The bottom of the spreadsheet shows the tab names: "ContractorBudget", "SalaryandFringe", and "Subcontract..Budget". A black arrow points to the "ContractorBudget" tab name.

Contract Number: DPH Staff should enter the Open Window contract number assigned to the contract.

Grantee: Please insert the agency's full Legal Name.

Human Resources:

This section should be filled out for all employees of the agency, including full-time and part-time staff. Annual values must be used – do NOT prorate any of these items. The spreadsheet will prorate for you based on the number of months and percentage of time entered for each staff.

Salary/Wages: Do not enter anything into the shaded blue boxes. Click on word “detail” to complete the required Worksheet # 2: Salary and Fringe. The information you enter into Worksheet (Tab) #2: Salary and Fringe will carry over to the Worksheet (Tab) #1: Grantees Budget. Worksheet (Tab) #1 will show a Salary Subtotal of the personnel included on the grant. See page 7 of this document for detail.

Fringe Benefits: Do not enter anything into the shaded blue boxes. Click on word “detail” to complete the required Worksheet # 2: Salary and Fringe. The information you enter into Worksheet (Tab) #2: Salary and Fringe will carry over to the Worksheet (Tab) #1: Grantees Budget. Worksheet (Tab) #1 will show a Fringe Subtotal of the personnel included on the grant. See page 8 of this document for detail.

Other: Other would be used to document payments for human resources that are outside of the Grantee's staff but are not considered Subcs. For example: temporary workers.

Total Human Resources: This field will automatically calculate the totals from Salary/Wages, Fringe Benefits, and other to give you the total amount for the Human Resources Category.

Operational Expenses/Capital Outlays:

Note: For all expenses that fall under the Operational Expenses/Capital Outlays Category enter to the total amount in the yellow shaded box. Then include a detail narrative in the pink shaded box to justify the total amount declared in the yellow shaded box. Budget narratives must show calculations for all budget line items and must clearly justify/explain the need for these items. All expenses that are shared across multiple programs (e.g., rent, utilities, insurance, etc.) must be prorated for this program and the narrative must include a detailed calculation which shows how the amount is prorated.

The next section will highlight, define and give examples for each line item. The examples listed below are to give you an idea of items that might be allowable per your grant. **The items below are not required; they are just listed as examples. If you need clarity, please contact your Contract Administrator for additional details.**

Note: Do NOT add new line items to the budget such as “Sponsored Meeting Expenses”. The line items included in the Budget reflect the budget categories in the NC DHHS online contracts system, NC DHHS Open Window. All budget expenses must fit in one of the line items listed. Please use the guidance below to place your expense in the proper budget line item.

Major Line Items are listed below in **BOLD**.

Subcategories of Major Line Items are listed below that item and UNDERLINED.

Supplies and Materials:

Furniture: Desks, Bookshelves, chairs, file cabinets, etc.

Other: Additional Supplies and Materials purchased such as Educational items, Curriculums, Videos, Books, Training manuals, Office supplies, Postage, Business cards, etc. Stand alone, purchased software, under \$500 (such as Peachtree Accounting or similar) is also considered a supply. Disposable (one-time-use) medical supplies are also considered a supply.

Justification Sample: Routine office supplies: \$50 per person per month (2 staff members @ \$50 x 12 = \$1,200).

2 cartridges for laser printer @ \$50 = \$100.

Equipment: Equipment is for items that are purchased outright – not rented or leased. Typically, an item considered “Equipment” is a depreciable asset.

Communication: Telephone System. Note: this is not monthly usage, but rather the initial purchase of these items. Monthly usage should be entered under Utilities.

Office: Copier Machine, Fax Machine.

IT: Personal Computers, laptops, iPads, scanners, desk printers, PC speakers.

Assistive Technology: Assistive, adaptive and rehabilitative devices for people with disabilities examples: hearing aids.

Medical: Wheelchairs, stethoscopes, blood pressure machines, EKG monitors. This is durable equipment purchased for long-term use.

Vehicles: A vehicle that is purchased for program use. Preapproval is required.

Scientific: Centrifuge, Microscope, Lab equipment.

Other: Use this for any equipment item that does not fit in one of the defined categories above.

Justification Sample for IT Equipment: Desktop Computer: 2 Computers @ \$500 each for the Program Manager and Coordinator to use for writing reports, capture data, and entering data into online database = \$1,000; 2 laser printers @ \$150 each for the Program Manager and Coordinator to print reports, materials, program policies, etc. = \$300.

Travel:

Grantee Staff: Include any travels, meals, mileage for staff members listed under the salary and fringe section.

Board Members Expense: Includes any travel, meals, mileage for board members or community partners.

Justification Sample for Grantee Staff Travel: Overnight accommodations for Program Coordinator and Program Assistant to attend required XYZ Training: 2 nights x \$107.00 = \$214.00. 418 miles round trip from Greensboro, NC to Wilmington, NC for training x \$0.67/mile = \$280.06. 2 staff x (1 breakfast at \$13.00 each + 2 lunches at \$15.00 each + 2 dinners at \$26.00 each) = \$190.00. Total travel: \$214.00 + \$280.06 + \$190.00 = \$684.06.

Travel Reimbursement Rates:

Mileage reimbursement rates must be based on rates determined by the North Carolina Office of State Budget and Management (OSBM). Because mileage rates fluctuate with the price of fuel, the OSBM will release the “Change in IRS Mileage Rate” memorandum to be found on OSBM’s website when there is a change in this rate. The current state mileage reimbursement rate is \$0.67 cents per mile (updated January 1, 2024).

For other travel related expenses, please refer to the current rates for travel and lodging reimbursement, presented in the chart below. However, please be advised that reimbursement rates periodically change. The Division of Public Health will only reimburse for rates authorized in North Carolina Department of Health and Human Services Travel Policy. Effective July 1, 2021, the Department of Health and Human Services (DHHS) shall utilize GSA State/City Standard Travel Per Diems as the maximum allowable statutory rate for meals and lodging (subsistence). **The following schedule (effective October 2023) shall be used for reporting allowable subsistence expenses incurred while traveling on official state business:**

Current Rates for Travel and Lodging

Meals	In State	Out of State
Breakfast	\$13.00	\$13.00
Lunch	\$15.00	\$15.00
Dinner	\$26.00	\$26.00
<i>Total Meals Per Diem Per Day</i>	<i>\$54.00</i>	<i>\$54.00</i>
Lodging (Maximum rate per person, plus taxes and fees)	\$107.00 + taxes/fees	\$107.00 + taxes/fees
Total Travel Allowance Per Day	\$161.00	\$161.00
Mileage	\$0.67 per mile/regardless of distance	

Utilities: (If not included in the rent)

Gas: Monthly Gas bill prorated for program share

Electric: Monthly Electricity bill prorated for program share

Telephone: Monthly Phone or Cell service prorated for program share

Water: Monthly Water bill prorated for program share

Other: Use this for any utility item that does not fit in one of the defined categories above, such as internet service (unless combines with telephone), security monthly monitoring cost, etc.

Justification Sample: Prorated share of electric bill: 25% of \$100 monthly cost; 12 months x \$25 = \$300.

Repair and Maintenance: Custodial Services or basic Repairs and Maintenance not billed in the Professional Service area.

Justification Sample: Custodial Services for services and maintenance of space used by programs and Program Coordinator's office @ 12 months x \$65 = \$780.

Staff Development: Conference, Workshops, Continuing Education for Grantee staff.

Justification Sample: Quarterly training costs for staff: 2 staff x \$75 per class x 4 classes = \$600.

Media/Communications:

Advertising: Newspaper, Billboard, etc. Can be ads for program or staff recruitment.

Audiovisual Presentations, Multimedia, TV, Radio Presentations: Development of PowerPoint presentations, YouTube video productions, TV and/or Radio spots.

Logos: Cost associated to create a program logo.

Promotional Items: Any giveaway items used to promote program to the general public, e.g.: keychains, t-shirts, mugs. (Items purchased as incentives for program participants belong in the Incentives & Participants category, under Other.)

Publications: Items that the Grantee is responsible for designing and producing or printing such as brochures, posters, fact sheets, etc.

PSAs and Ads: Placement costs for Public Service Announcements or Ads for television and/or radio.

Reprints: Duplication of an existing publication; photocopies.

Text Translation: Cost associated with translation of documents into another language.

Websites and Web Materials: Costs to create website, maintain website, etc.

Justification Sample for Reprints: Program flyers for community program (1000 @ \$.10 = \$100); photocopies for use in program sessions (400/month @ \$.05 = \$240).

Rent:

Office Space: Office Space, Program Meeting Space – must include square footage. Calculations must define totals and prorated amounts for the program.

Equipment: This category is for equipment that is rented or leased, such as a Copier Machine or Phone System.

Furniture: Rented or Leased office furniture.

Vehicles: Long-term leases of Cars, Vans or Buses. (Vehicles rented for short-term *staff* travel belong under Grantee Staff travel. Vehicles rented for short-term *participant* travel belong under Incentives and Participants.)

Other: Use this for any rented or leased item that does not fit in one of the defined categories above that is necessary per the grant deliverables.

Justification Sample for Office Space Rent: Example 1: Prorated rent: 25% of \$1,600 monthly rent (1200 sq.ft.): 12 months @ \$400 = \$4,800.

Sample 2: Square feet rented: 3,000 @ \$10/sq ft. = \$30,000. Prorated share: 25% = \$7,500).

Professional Services: These are services that are purchased to support the overhead of the agency.

Legal: Legal services retained by the Grantee.

IT: Information Technology or IT-related technical services retained by the Grantee.

Accounting: Accounting, bookkeeping services retained by the Grantee.

Payroll: Payroll services retained by the Grantee.

Security: Security services, in the form of personnel such as a security guard, retained by the Grantee. (Purchase of a security system belongs under Equipment - Other. Monthly security monitoring belongs under Utilities – Other.)

Justification Sample for Accounting: 8 hours per month at \$40/hour budgeted for program accounting work such as generating financial reports, reimbursement requests, accounts payable, etc. 8 hours x \$40 x 12 months = \$3,840.

Dues and Subscriptions: Dues for professional associations/affiliations; Subscriptions to related or required periodicals; Subscriptions to web-based applications such as Survey Monkey or Constant Contact that are leased at a rate per month.

Justification Sample for Dues and Subscriptions: 1 Organizational Membership to Healthy Teen Network x \$250 = \$250.

Other:

Audit Services: Prorated cost associated with required annual financial audits.

NOTE: 09 NCAC 03M .0205 was amended effective July 1, 2024. There are now only two (2) reporting levels for Grantees. Level II Grantees are required to submit a “Yellow Book” audit and may charge for prorated audit expenses. Audit costs are NOT allowable at all in grant contracts with Level I Grantees or in Purchase of Service (POS) contracts. The chart below details the Level II audit threshold amounts from all grants disbursed through the State of North Carolina during the Grantee’s fiscal year:

If the Grantee’s (subrecipient’s) Fiscal Year End (FYE) Date is:	The following audit thresholds apply for that fiscal year end:		
	Federal	State Local Government	State Non-Government (includes nonprofits)
Any 2024 FYEs through May 31, 2025	\$750,000	\$500,000	\$500,000
June 30, 2025 through August 31, 2025	\$750,000	\$500,000	\$750,000
September 30, 2025 and after	\$1,000,000	\$750,000 or \$1,000,000*	\$1,000,000

*Local government remains \$500,000 but is expected to change for fiscal years beginning on or after October 1. Amount to be determined.

Service Payments: Costs associated with a retained service, or medical activity such as the processing of blood work by a lab, physical examination, or the monitoring of a person's blood pressure where the practitioner is paid for the particular service rendered, rather than receiving a salary or hourly rate.

Incentives and Participants: Costs associated with: Incentives given to participants or comparison group members (e.g., gift cards, meals, diaper bags, etc.); Participant Costs (field trips, enrichment activities, etc.); Open Houses; Parents’ Nights, etc.

Insurance and Bonding: Liability Insurance to cover staff and participants while field trip or daily activities.

Other: Use this for any item that does not fit in any other category.

Note: Per NC DHHS Master Agreement with UNC System Schools, Tuition for Graduate Students in the UNC network belongs in this category.

Justification Sample for Incentives & Participants: Backpacks for 100 participants at \$8.00 each = \$800.

Total Operational Expenses/Capital Outlays: This field will automatically calculate the totals from everything included under the Operational Expenses/Capital Outlays to give you the total amount for the Operational Expenses/Capital Outlays Category.

Reminder: Only enter information in yellow shaded cells only. Do NOT enter or delete anything in blue shaded cells.

Subcontract Budget: Use this tab When the Grantee is contracting out work to another entity. The entity will be classified as either a SubContractor (vendor) or a SubGrantee (receiving a pass-through grant in contract form). Note: do not include any Professional Services (legal, accounting) as they are captured in the “Professional Services” category listed above.

Examples:

The Grantee is passing through a portion of the funds via a grant to a community-based agency who will carry out programmatic functions of the grant such as providing services to participants such as education. They are also required to submit programmatic and financial reporting. In this case, the entity is a SubGrantee. The SubGrantee is subject to all the terms and conditions of the Grantee's grant contract with the State and may have to apply to the Grantee for funding.

The Grantee procures a contract to build a database to track recipients of service, number of services received, etc. The Grantee hires an IT company through a procurement solicitation through which a price is bid or quoted. The company provides the Grantee with specific deliverables, and invoices for services rendered. In this instance, the IT company is a SubContractor (vendor) because the work performed is purchased.

The information you enter into Worksheet (Tab) #3: Subcontract Budget will carry over to the Worksheet (Tab) #1: Grantees Budget.

Each entity receiving funding as a SubContractor or SubGrantee must be named in the budget narrative of each corresponding line item. If the Applicant plans to have SubContractors or SubGrantees but they are unknown at the time of Budget submission, use "TBD" as the place holder for the name. When they are known, the names shall be submitted to the Division using the SubContractor/ SubGrantee Information Form for review and written approval prior to contracting with the entity.

Indirect Cost: If allowable, enter the total amount of Indirect Cost requested in the yellow box. Indirect cost must follow Federal Grant guidelines and 2 CFR 200 Federal Uniform Guidance when funds are financial assistance grant dollars. Indirect Cost may only be taken on the Modified Total Direct Cost (MTDC) outlined in the entity's indirect cost rate letter or in 2 CFR 200.68 if using the de minimis rate. In the pink area, explain the indirect cost rate and calculation. If using an Indirect Cost Rate Letter as the basis, the letter needs to be included in your submission. If using the de minimis, or a portion thereof, no additional documentation is required.


For assistance determining the allowable indirect cost rate, work with the DPH Program and use the Indirect Cost Decision Trees and the DPH FA Indirect Cost Worksheet. These are available to DPH Programs on the DPH Contracts SharePoint. A copy of each document is attached for reference.

Grantee Match: This is the only entry in the budget that should account for mandated local match dollars. Currently, the only mandated local match contracts in DPH are Teen Pregnancy Prevention Initiatives (TPPI) APP and APPP programs and the NC DHHS Competitive Grant Program for State-wide Health and Human Services Initiatives (NPRFA).

Enter the total amount of local match required per grant (e.g., Adolescent Parenting Program = \$14,000, Adolescent Pregnancy Prevention Program = \$25,000, NPRFA = 15% of grant total) in the yellow box. Then detail the complete cost narrative and calculations for all local match funds in the pink justification area.

Total Budget Expenditures: The field will automatically tabulate the subtotals and register the total amount.

Worksheet (Tab) 2: Salary and Fringe

Salary & Fringe Worksheet		Contract Number: 0						
Contractor: 0								
DPH updated 112320 for SStax010121								
Complete this form such that amounts for state funds are shown when entering line item detail. Add rows as needed.								
Enter information in yellow shaded cells only. Do NOT enter anything in blue shaded cells. The blue cells contain formulas that are NOT to be overridden.								
Use the Salary Section to fill out the Salary Detail Worksheet (located in the Contractor Budget in Open Window).								
PERSONNEL - SALARY (Provide the total annual amounts for each person listed (all should be employees of organization). The formula in the last column will calculate the prorated amount attributed to the contract.)	Hourly Rate (dollars per hour)	Annual Rate	OR	Annual Salary <small>if using hourly rate, do NOT enter a salary</small>	Months Worked on this Contract	Percent of Time Worked on this Contract %	Do not use this column	Budgeted Amount (Prorated)
Enter title in this cell		\$ -	or					\$ -
Enter title in this cell		\$ -	or					\$ -
Enter title in this cell		\$ -	or					\$ -
Enter title in this cell		\$ -	or					\$ -
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Enter title in this cell		\$ -	or					\$ -
Enter title in this cell		\$ -	or					\$ -
Enter title in this cell		\$ -	or					\$ -
(For more staff, copy a row above, then insert the copied cell.)								
Salary Subtotal								
Narrative - enter in pink area brief description name and duties for each staff listed above.								
<div style="text-align: center; margin-top: 50px;">  </div>								

Note: Only enter information in yellow, pink or white shaded cells box. Do NOT enter or delete anything in blue shaded cells – these cells contain formulas.

Contract Number: This information will carry over from Worksheet (tab) 1: Grantee Budget

Grantee: This information will carry over from Worksheet (tab) 1: Grantee Budget

Personnel-Salary

Personnel Salary: Provide the Name and Position Title for each staff.

Personnel salary may be entered as an Hourly Rate or Annual Salary – depending on how the position is designated by the Grantee.

- Option A: Hourly Rate: Dollars per hour
 Months Worked on this Contract: Enter Number of months covered under contract example: 12
 Percent of Time Worked on this Contract: Enter a percentage of time example: 50%
 Annual Rate: Will calculate for you. Do not enter anything into this box.

OR

- Option B: Annual Salary: Enter the full annual salary of each staff person.
 Months Worked on this Contract: Enter Number of months covered under contract example: 12
 Percent of Time Worked on this Contract: Enter a percentage of time example: 50%

Budgeted Amounts State Funds: This blue field will automatically calculate for you.

Salary Subtotal: This blue field will automatically calculate for you.

If the grant contract allows for pre-award costs, ensure the Months and Percent of Time Worked reflect both the contract period and the pre-award period.

Pink Narrative Box: Provide justification of all personnel including staff names, titles and descriptions of job duties as they relate to the program. Note: Narratives for staff in contracts with any State (UNC) Universities MUST include the staff person's university employment status as SPA, EPA, EPA Physician, etc.

Narrative Sample for Staff: Mary Jones, Program Manager – Supervises the Program Coordinators, provides oversight to program activities, generates activity reports and contributes to financial reports.

Personnel-Fringe Benefits

Personnel Name and Titles: Will carry down from the Salary/Hourly Rate field, above.

Enter the percent of salary or method of calculating each fringe benefit in the following cells: Retirement/401K, Health/Medical, Unemployment Insurance, Worker's Comp Insurance, and other. List each benefit and include percentage for each.

FICA is calculated automatically with a formula embedded in the spreadsheet. Current FICA calculations are 6.2% in Social Security up to \$147,000 in salary (effective 1/1/22) and 1.45% in Medicare with no limit.

In each yellow cell, enter the total ANNUAL fringe rates for each staff. Do NOT prorate the fringe amounts in the yellow cells. The final column (in blue) will prorate these amounts based on the number of months and percent of time worked on this contract.

Fringe Subtotal: This blue field will automatically calculate for you.

Pink Narrative Box: Provide justification narrative for fringe (i.e., explaining what "Other" is and how it is calculated).

UNC System Schools must follow the current UNC Fringe rates negotiated between UNC and NC DHHS. A copy of the current rate sheet is posted to the DPH Contracts Forms website.

Narrative Sample for Fringe:* FICA at 7.65%; Retirement at 5% (only applies to Program Manager); Unemployment at 2% and Other at 3% (includes life insurance, AD&D and liability insurance). Health insurance is calculated based on the individual.

*Note: Some programs are required to show individual calculations per staff.

Worksheet (Tab) 3: Subcontract Budget

Note: Only enter information in yellow, pink or white shaded cells box. Do NOT enter or delete anything in blue shaded cells.

Each entity receiving funding as a SubContractor or SubGrantee must be named in the budget narrative of each corresponding line item. If the Applicant plans to have SubContractors or SubGrantees but they are unknown at the time of Budget submission, use “TBD” as the place holder for the name. When they are known, the names shall be submitted to the Division using the SubContractor/ SubGrantee Information Form for review and written approval prior to contracting with the entity.

Enter all budget information for SubContractors and SubGrantees used by the Grantee.

Do not enter items such as Bookkeeper, Auditing, Legal Services, etc. under “Subcontract”. These items should be entered under the “Professional Services” section of Tab 1.

All budget items must follow the same guidelines for each line item as previously outlined. The Justification for each line item must identify the name of the entity and describe exactly how much funding is going to which SubContractor or Subgrantee, at what rate, and for what purpose.

Example narrative below:

Subgrantee Salary Justification Samples:

Sally Jones will serve as the Peer Youth Trainer, she will prepare materials and deliver the curriculum: \$40 per hour for 2 hours a week for 32 weeks = \$2,560.

ABC Babysitting Services will provide licensed, insured childcare workers for these sessions: \$15 per hour x 2 childcare workers x 2 hours x 32 weeks = \$1,920. Total = \$4,480.

There is only one tab for all the SubContractors and SubGrantees. Where more than one exists, each line item must be subtotaled by the entity.

For example, where there are three (3) SubGrantees and they all require supplies, the Supplies Other line should read as:

ABC Health Department: office supplies for 1 staff at \$20/mo. x 12 months = \$240.

XYZ Community Agency: Two (2) copies of "Ready to Learn" curriculum at \$135 each = \$170.


LMN Department of Social Services: 1 toner cartridge at \$70, 2 reams of copy paper at \$12 each = 24. Subtotal = \$94.

Total Subgrantee Supplies \$240 + \$170 + \$94 = \$504.

The total of \$504 should be entered in the yellow box for Supplies and Materials Other line.

BEFORE YOU SUBMIT:

Make sure to print a sample to proofread prior to submitting your budget. It is advisable to run a spell check on all tabs and proofread each worksheet to eliminate spelling and grammatical errors. It will also be helpful to have a staff member (who is not involved with creating the budget) look it over for clarity and use an adding machine or calculator to verify the arithmetic in the budget – especially in the justification narratives. Errors in the budget document WILL create delays in contract approval and execution.

Some rows may need to be expanded if a lot of text has been entered (e.g. the rows that contain justification narrative). Be sure to proof carefully and go back and expand the row as needed to ensure that all the text entered in the cell is visible. To expand the row, click the row so it's highlighted, then move your cursor toward the bottom of the row until you see this boundary symbol , then drag the boundary down until the row is the height that you want.

For long justification narratives, you may need to do more than expand the cells. After a certain character limit, Excel will not auto-wrap cell contents and you may need to manually enter a hard carriage return. To do this in Excel, press the keys Alt + Enter at the end of each line. Excel moves to the next line—but not the next cell. You will likely then need to expand the height of your cell to include all the text entered.

Expanding the cells and entering manual returns where needed allows the reviewers to view all the details included in the pink justification field. Neither the Contract Administrator nor NC DPH staff will be held responsible for any information hidden within the cells.

Be sure to save your edits.

ATTACHMENTS FOR REFERENCE FOLLOW:

- Indirect Cost Rate Worksheet
- Indirect Cost Decision Tree

NC Division of Public Health Indirect Cost Worksheet¹ for Grantees receiving Financial Assistance (FA) Funds

Pursuant to the [Federal Uniform Guidance \[2 CFR 200\]](#) and [NC Session Law 2023-65](#), Grantees of NCDHHS and its Divisions are authorized to claim indirect cost rates on Financial Assistance contracts based on their Federally Negotiated Indirect Cost Rate, or, alternatively, the approved de minimis rate. OMB Memo M-24-11 updates the de minimis rates funded by awards issued on or after October 1, 2024:

- For funding sources issued prior to October 1, 2024, the de minimis rate is 10% on the Modified Total Direct Cost (MTDC) where the de minimis can be applied to up to the first \$25,000 of each sub-award.
- For funding sources issued on or after October 1, 2024, the de minimis rate is 15% on the Modified Total Direct Cost (MTDC) where the de minimis can be applied to up to the first \$30,000 of each sub-award. The de minimis cannot be applied to any cost-reimbursement procurement contracts.

Grantees may elect to claim a lower rate or waive indirect cost. This decision must be made by the Grantee independent of and without influence from the Division. The total not-to-exceed amount remains the same irrespective of the Grantee's indirect cost claim.

Some funding sources may have limitations on indirect cost which supersede the rate. Limitations will be noted below, if applicable:

Indirect Cost Limits (this portion is filled out by DPH Program & checked by Contracts prior to distribution) OW Contract# _____	
Program: _____	Program Manager: _____
Date Program Received Funding Award: _____	<input type="checkbox"/> Prior to 10/1/24 (10% d.m.) <input type="checkbox"/> On or After 10/1/24 (15% d.m.)
Total funds in this Contract subject to the Federal Uniform Guidance and NC SL 2023-65: \$_____	
<input type="checkbox"/> The funding source does NOT limit the indirect cost rate.	
<input type="checkbox"/> The funding source LIMITS the indirect rate. Up to _____% may be claimed.	

This portion shall be completed electronically by the Grantee.

The Grantee must sign & submit a completed document to the DPH Program Manager via email before a contract can be developed.

Grantee Legal Name: _____

- We, the Grantee, have a Federally Negotiated Indirect Cost Rate (complete Section A).
- We, the Grantee, do not have a Federally Negotiated Indirect Cost Rate (complete Section B).

Section A – for entities <u>WITH</u> a Federally Negotiated Indirect Cost Rate (FNICR)
Grantee's maximum allowable Federally Negotiated Indirect Cost Rate is: _____%.
<u>Colleges and Universities must select on- or off-campus and type of services performed from drop down menus:</u>
→ Work performed on this contract is: Select One and is considered Select One
Grantee must choose <u>one</u> of the options below and complete in full:
<input type="checkbox"/> We, the Grantee, elect to <u>claim</u> indirect cost or a portion thereof. The indirect cost rate claimed on this Contract, in accordance with our FNICR, and the grant limits as identified above, is: _____%.
<input type="checkbox"/> We, the Grantee, elect to <u>decline</u> to take any portion of the FNICR. No indirect cost shall be applied to this Contract.

Section B – for entities <u>WITHOUT</u> a Federally Negotiated Indirect Cost Rate
Grantee must choose <u>one</u> of the options below and complete in full:
<input type="checkbox"/> We, the Grantee, elect to <u>claim</u> the allowable de minimis indirect cost rate, or a portion thereof. The rate claimed on this contract, in accordance the grant limits as identified above, is: _____%.
The de minimis indirect cost rate is applied only to the Modified Total Direct Cost (MTDC) ² as defined in 2 C.F.R. § 200.68
<input type="checkbox"/> We, the Grantee, elect to <u>decline</u> the allowable de minimis rate. No indirect cost shall be applied to this contract.

Completed by: _____ Title: _____ Phone #: _____

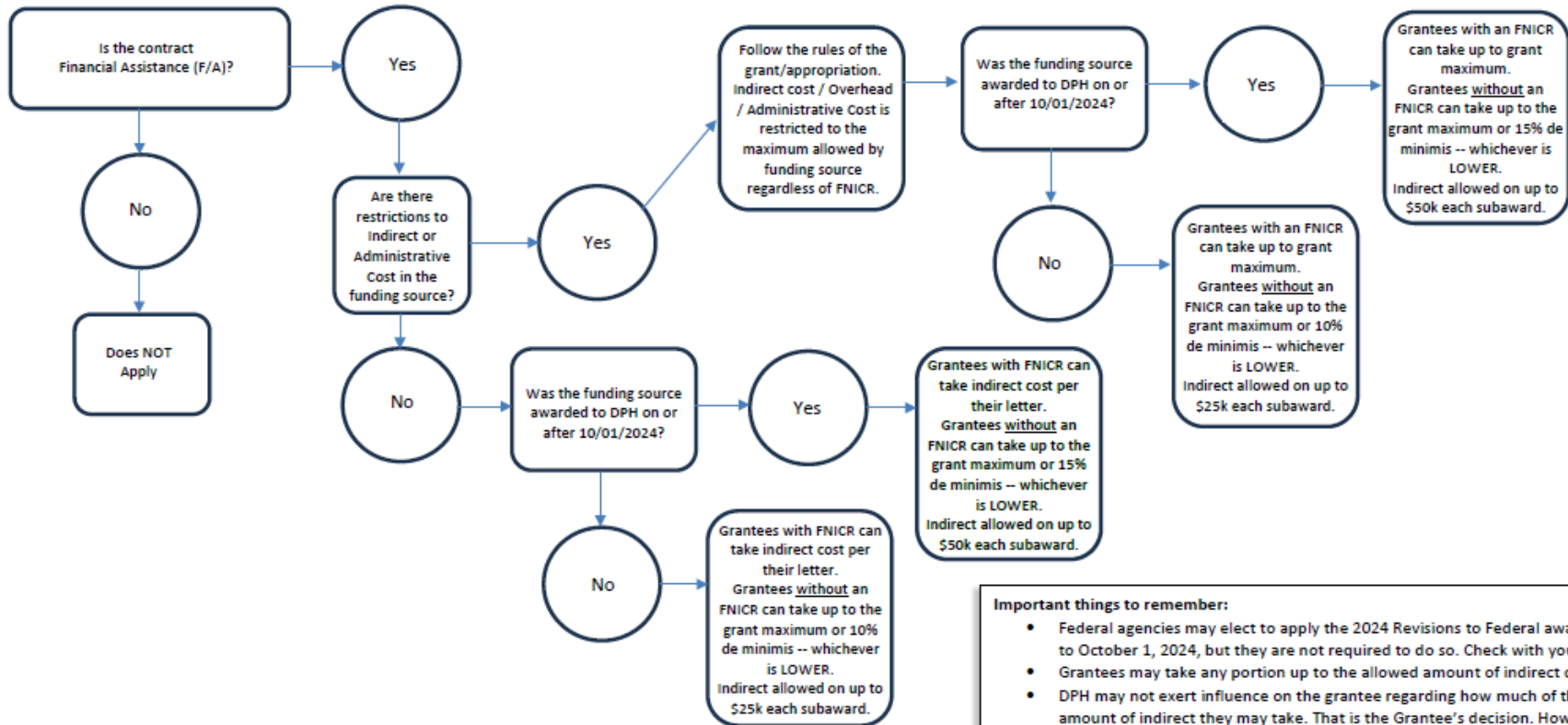
Grantee Signature: _____ Date: _____

¹ This is not a legally binding document.

² MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first allowable portion of each sub-award (regardless of the period of performance of the sub-awards 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 in excess of the allowable amount. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

DPHnw2024-09-23

This form is available to DPH Program Staff on the DPH Contracts SharePoint.



Important things to remember:

- Federal agencies may elect to apply the 2024 Revisions to Federal awards issued prior to October 1, 2024, but they are not required to do so. Check with your Project Officer.
- Grantees may take any portion up to the allowed amount of indirect cost.
- DPH may not exert influence on the grantee regarding how much of the allowed amount of indirect they may take. That is the Grantee's decision. However, it is also the Grantee's responsibility to meet the terms of the scope of work regardless of the amount if indirect taken.
- DPH has no obligation to increase the amount of the subaward in order to account for the Grantee's indirect cost.

Notes on Modified Total Direct Cost (MTDC)

Where Indirect Cost is allowed, send the Grantee the DPH FA Indirect Cost Rate Worksheet.

Where Indirect Cost is allowed and applied, it may only be taken on the amount known as the Modified Total Direct Cost (MTDC).

Grantees with a Federally Negotiated Indirect Cost Rate (FNICR) may only take indirect cost on the MTDC as defined in their federal indirect cost rate letter.

Grantees without an FNICR may only take the de minimis rate on the MTDC as defined in 2 CFR 200.68 - Modified Total Direct Cost (MTDC):

[2 CFR § 200.68 Modified Total Direct Cost \(MTDC\)](#)

MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the allowed amount of each subaward (regardless of the period of performance of the subawards 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 in excess of the allowed amount. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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