

**Edward Byrne Memorial Justice Assistance Grant (JAG) Program  
State Drug Crime Enforcement and Prosecution Program (SDCEP)**

**BUDGET INSTRUCTIONS 2017-18**

**Applicants must submit a detailed budget and budget narratives including match items that outlines any proposed uses of the JAG/DCF grant funds. Due to funding limitations, the total amount of funds requested cannot exceed the previous Drug Task Force (DTF) awarded amounts.**

*Allowable Cost* - include costs that are reasonable and necessary for the successful completion of the project. These may include: salaries, mandated benefits, employer benefits, maintenance and operation, training and travel, etc.

*Non-Allowable Cost* - Any cost incurred either before the start of the project period or after the expiration of the project period are not allowable. Costs that are not reasonable and/or necessary for successful completion of the projects are not allowable. Other unallowable costs include, but are not limited to: land acquisition, bonuses or commissions, lobbying, fund raising, corporate formation, entertainment, sports events, credit card fees, tips, bar charges/alcoholic beverages, laundry charges, etc.

The budget request is divided into seven (7) categories: personnel (salary), mandated benefits, employer benefits, maintenance and operation, professional/contract services, training and travel, and equipment. The following is a description of what to include in each category:

**1. PERSONNEL (SALARY):**

List each job position associated with the project; those to be funded by federal dollars as well as those to be used as match. Include a brief description of the job duties to be performed by each position. Include the total amount of salary and the percent of federal funds being requested. **To calculate salary include the position title, rate of pay, number of hours devoted to project and total number of hours worked. Be sure to include an explanation of the calculations.**

**NOTE:** Independent contractors should be shown as Professional Services, not Personnel.

**2. MANDATED BENEFITS:**

**The program is not required to request mandated benefits.** If requested, the amount of federal funds requested may not exceed the percentage of salary paid by federal funds. Mandated benefits include FICA, Worker's Compensation and State Unemployment. For most applicants, FICA is calculated at 7.65% of total salary.

The rate used for worker's compensation is unique to each organization and/or employee within the organization. Rates are determined by the Arkansas Department of Workforce Services. To calculate worker's compensation, use the established rate times the total salary. (The maximum percentage rate to be reimbursed is 5% which is the state's maximum rate.)

An organization's State Unemployment rate is also unique to each organization. The unemployment rate is established by the Arkansas Department of Labor. The maximum percentage paid by federal funds is 3% of the first \$12,000 of salary. Applicants should indicate their established rates. The remaining rate over 3% may be used as match.

**3. EMPLOYER BENEFITS:**

**The Project is not required to request employer benefits.** The amount of federal funds requested may not exceed the percentage of salary paid by federal funds. Employer benefits include all other benefits offered to

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employees through group policies held by the applicant such as health insurance, retirement, life insurance, etc.

**Payments made directly to employees for any costs incurred are not allowable costs. Arrangements made between the applicant and the employee to provide reimbursement for the cost of a policy held personally by the employee or a relative of the employee cannot be supported.**

The maximum monthly health insurance premium paid allowed is \$425 (the amount permitted for Arkansas State employees). Applicants should indicate the actual premium rates; however the funds requested may not exceed \$425, and the remaining percentage may be used as match.

Retirement benefits are normally calculated as a percentage of total salary. Applicants should indicate the actual percentage paid; however the Federal funds requested may not exceed 14.5% (the current retirement percentage for Arkansas State employees), and the remaining percentage may be used as match.

**4. MAINTENANCE AND OPERATIONS:**

Include items essential to the effective implementation of activities identified within the application. All requests must be specific, itemized costs related to the project. List items by major type (e.g., telephone, office rental, office supplies, program materials, etc.)

The maximum mileage reimbursement rate paid is \$0.42 per mile. If the applicant pays more than this amount, the excess may be used as match, however if the applicant's organizational reimbursement is less, the amount requested must reflect the true rate of reimbursement.

**Payments made directly to employees for any maintenance and operation costs incurred are not allowable costs. Arrangements made between the applicant and the employee to provide reimbursement for the cost of maintenance & operations items cannot be supported.**

**5. PROFESSIONAL/CONTRACT SERVICES:**

Include any professional/contract services needed to ensure success of the project. For each consultant enter the name, service to be provided and hourly fee. **If Contract Services are used for Personnel, use the Personnel/Salary Category.** Please be sure to submit RFP if contract award requires. Review State requirements in this regard. **(Note: Vehicle leasing agreements \$600/vehicle maximum)**

**6. TRAINING AND TRAVEL:**

Itemize travel expenses of project personnel by purpose. In state training for personnel is allowable. **OUT OF STATE TRAVEL MUST BE APPROVED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION, OFFICE OF INTERGOVERNMENTAL SERVICES PRIOR TO TRAVEL TAKING PLACE. TRAVEL OUTSIDE OF THE UNITED STATES IS NOT REIMBURSEABLE BY THE FEDERAL GRANT.**

**7. OTHER COSTS:**

Use this category for expenses that do not fit into any of the above categories.