

## ***BUDGET Instructions and Formulae for Estimating Costs***

Since Humanities Tennessee takes seriously its duties as steward of public funds and takes care that every dollar is well spent, the budget is a very important part of your application and will be examined carefully according to the **Economy of the project**: determined by the extent to which the project budget demonstrates an economical use of public funds and by the amount and quality of the project's cost-sharing.

**Matching requirements:** Projects must provide cost-sharing support at least equal to the amount of the grant. Projects that are free to the public may meet this requirement entirely through in-kind support. At least 50% of the cost-sharing support must be in cash when the project is not free-of-charge to its audience.

**Cost-Sharing:** Cost-Sharing support is the time, materials, and equipment necessary to the project which are contributed by the sponsor or by someone besides Humanities Tennessee and the National Endowment for the Humanities. Every project sponsor is required to provide cost-sharing support at least equal to the amount of grant funds requested. **There are two kinds of cost-sharing:**

**1) Cash Cost-Sharing** is that support which represents an actual outlay of cash to the project from the sponsor's cash revenues or additional funding sources. So long as the source of the funds is neither Humanities Tennessee nor the National Endowment for the Humanities, you need not report the source. (*Please note* that you cannot use these same funds to satisfy cost-sharing requirements of other grants.) Our grant will be made contingent upon the availability of any support that appears in your budget. Therefore, if you are depending upon significant cash support from other unawarded grants of any less-than-certain sources, you should make that clear in a note in your budget.

Examples of Cash Cost-Sharing include: salaries and benefits paid to the sponsor's employees who work on the project (you may only include the percentage equal to the total time these employees spend working on the project); costs of materials and supplies which the sponsor provides to the project, etc.

**2) In-Kind Cost-Sharing** is that support which does not represent an actual outlay of the sponsor's cash revenues or from other funding sources. For example, all services donated to the sponsor for the purposes of the project and for which no compensation is paid by the sponsor can be counted as in-kind cost sharing. Equipment or materials, radio or television time, the use of facilities, volunteer hours, etc., donated to the project are in-kind support if the cash outlay for such is not made by the sponsor but by a third party.

## ***ESTIMATING COSTS***

The following guidelines may be helpful in determining costs for those persons who do not have an established hourly rate for services. These are only guidelines and represent figures we believe can be easily justified.

**Scholars/Consultants/Advisors Honoraria:** \$65 per hour, typically no more than \$500 per day

**Non-Professional or Clerical Services:** \$20 per hour

**Supplies:** Some project costs, such as office supplies, can only be rough estimates, but you should explain the basis for your estimate. When you can be exact, be exact. When you cannot be exact, be reasonable and prudent.

**Travel Expenses/Reimbursement:** Aside from honoraria for guest speakers, project scholars, and professional consultants, the sponsor may also need to request grant funding to pay for travel expenses such as mileage, lodging, and per diem (also known as M&IE—Meals and Incidentals). Formulae for calculating those expenses may be found at the following links to the General Services Administration (GSA).

- [Mileage reimbursement rate for personally owned vehicle](#)
- [Lodging and Per Diem \(M&IE\) rates approved by location](#)

**Indirect Costs (primarily applies to Universities):** If you choose to include indirect costs in your budget and your organization has a current federally negotiated indirect cost rate (NICRA), please include as an attachment to the grant a document verifying the rate, the base, the name of the agency with which you negotiated, and the date of the agreement. Organizations that wish to include indirect costs in the budget but have never had a NICRA may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC—direct salaries, applicable fringe benefits, materials and supplies, services, travel).

### **Use of Grant Funding and Prohibited Expenses**

**ELIGIBLE Grant Expenses** typically include, but are not limited to:

- Project Specific Services & Products
- Equipment deemed vital to the project and solely in support of the project's public humanities activities (costs may not exceed 20% of the total grant request)
- Scholar honoraria for public lectures, facilitating discussions or workshops
- Meetings with scholars and other content advisors, program partners, and audience representatives
- Development and production of curriculum guides and other materials for K-12 teachers and students
- Development and production of program materials including discussion guides, catalogs, exhibition text, brochures, digital assets, publications, or other interpretive material
- Exhibition design and fabrication, as well as crating and shipping
- Design of the interpretive formats to be used
- Development and fabrication of interactive program components
- Some consultant fees

- Project Specific Implementation Planning
- Planning and conducting project-specific training for docents, discussion coordinators, or other interpretive leaders

**INELIGIBLE Grant Expenses** typically include, but are not limited to:

- Advocacy or social action
- Direct services (e.g., social, legal, health services, training, or counseling)
- Projects for fundraising purposes
- Building, construction, restoration, preservation, or archival projects
- The purchase of equipment not vital to the project and solely in support of the project's public humanities activities
- Library or museum acquisitions
- Individuals, fellowships, scholarships
- Research or conferences for scholarly or professional audiences
- Academic courses for credit
- Art activities or performances without examination of their social, historical, or aesthetic context
- Food and beverage costs for audiences or alcoholic beverages
- Expenses incurred or paid before an application is approved by Humanities Tennessee
- Ongoing, routine activities, including operational support, or annual events