



PHMSA HMEP Grant Application Webinar

States & Territories

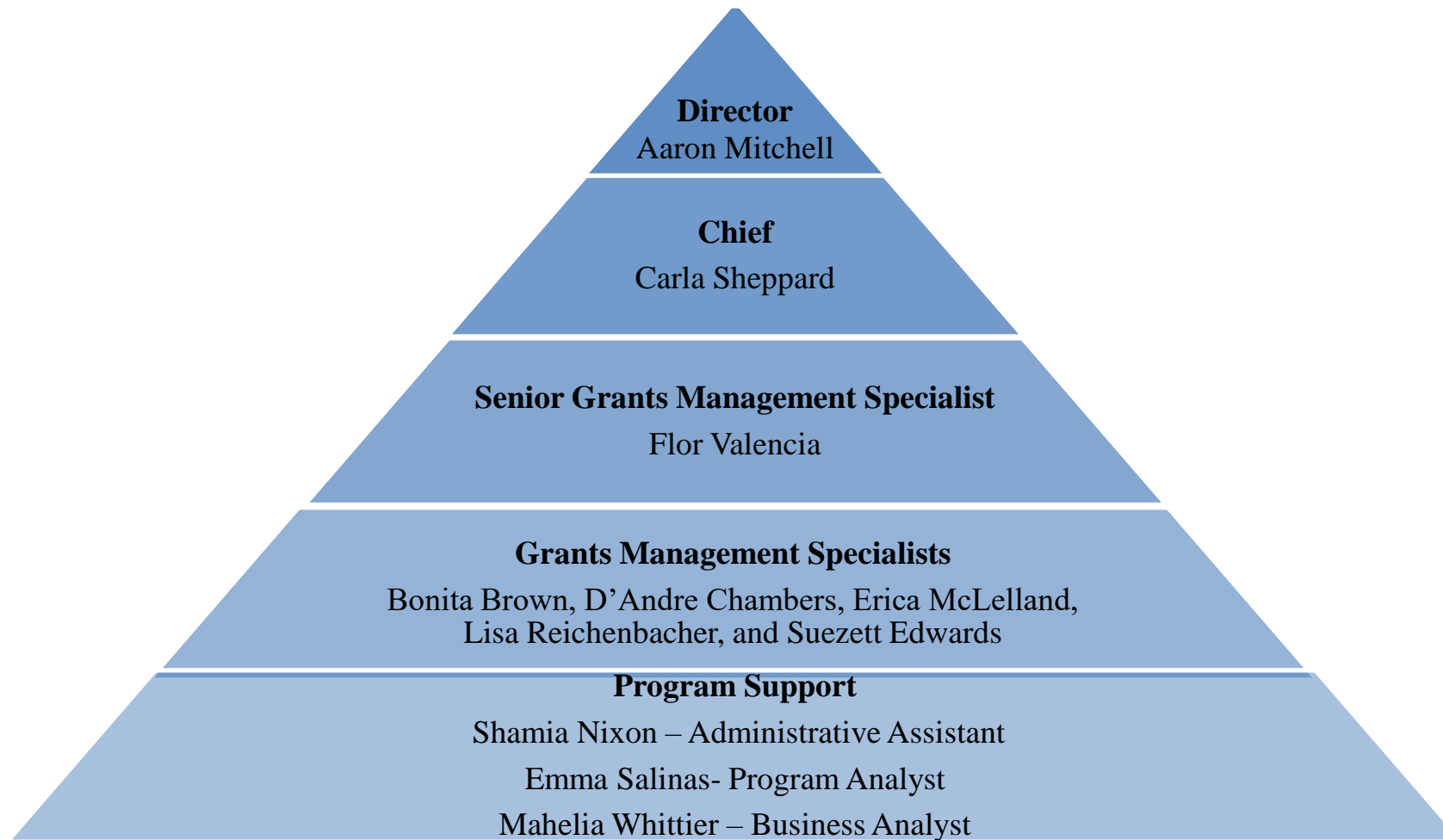
January 15, 2025



Agenda



PHMSA HAZMAT Grants Team



PHMSA's Priorities

Safety: PHMSA may consider how the proposed grant funded activities provide substantial safety benefits compared to existing conditions.

Equity: PHMSA may consider the application's ability to encourage equity by investing in activities that proactively mitigate safety risks in disadvantaged communities.

This priority is directed towards ensuring that underserved communities are prepared and trained to respond to hazmat transportation emergencies.



PHMSA's Priorities

Underserved communities refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied the full opportunity to participate in aspects of economic, social, and civic life. This includes community response planning and training for fire, law-enforcement, and public safety access point personnel.

To identify **underserved communities**, the following resources are available:

- DOT's ETC Explorer: [USDOT Equitable Transportation Community \(ETC\) Explorer](#)
- EPA's EJScreen Tool: [EJScreen](#)



HMEP Grant Program Overview

The HMEP Grant Program is codified at 49 U.S.C. § 5116 and provides federal financial and technical assistance to states, territories, and federally recognized tribes to increase local effectiveness in safely and efficiently handling hazardous materials (HAZMAT) in accidents and incidents.

The HMEP Grant is funded by registration fees collected from HAZMAT shippers and carriers who offer for transportation, or transport certain HAZMAT in intrastate, interstate, or foreign commerce, in accordance with 49 CFR Part 107, Subpart G.



HMEP Grant Program Overview

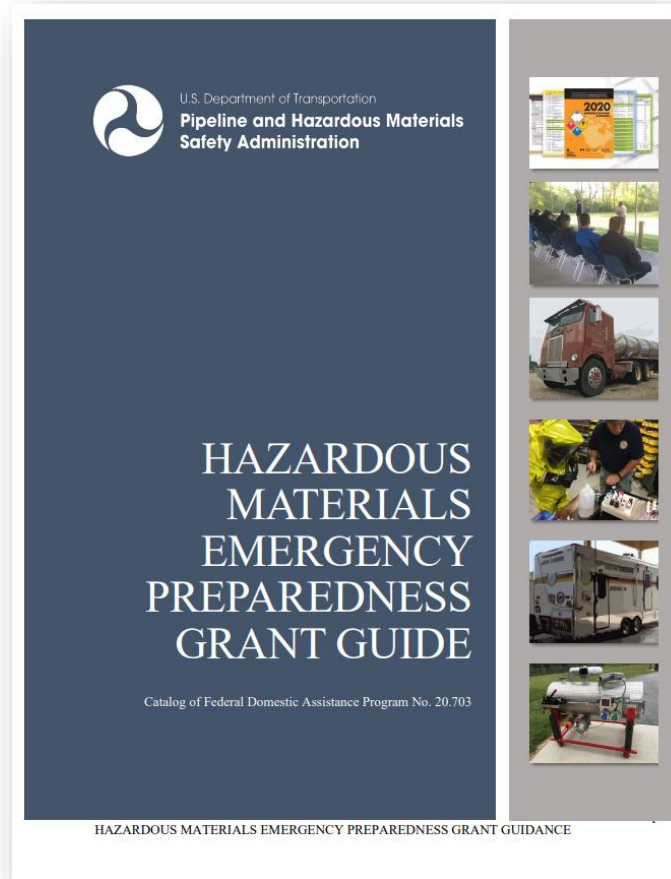
Eligible activities include (but are not limited to):

- Commodity Flow Studies
- HAZMAT Training (awareness, technician, operations, specialist)
- Development and Update of Emergency Response Plans
- HAZMAT Conference Attendance
- Tabletop Exercises
- Training Equipment
- Backfill/Overtime/Stipends for volunteer firefighters
- Hazardous Waste Operations and Emergency Response (HAZWOPER) Training



HMEP Grant Program Overview

For more information about the HMEP Grant Program, refer to the [Hazardous Material Emergency Preparedness Grant Guide](#).



HMEP Formula Allocations

FY 2025-2027 Formula Allocations are based on 2022-2024 risk-based data from PHMSA's Incident Statistics Database. Grantees will receive allocation for Year 1.

Formula Allocation factors include

- Incident frequency
- Average cost of incidents by transport mode
- 2020 US Census state-level population density data.

Learn more about PHMSA's Incident Statistics Database: [Incident Statistics | PHMSA](#)



2025 Application Timeline

Jan. 15 – Mar. 16

- Application submissions

March – May

- Application review by PHMSA

August – Sept.

- Notice of Grant Agreement (NGA) issued
- Period of performance is 10/01/2025 – 09/30/2027



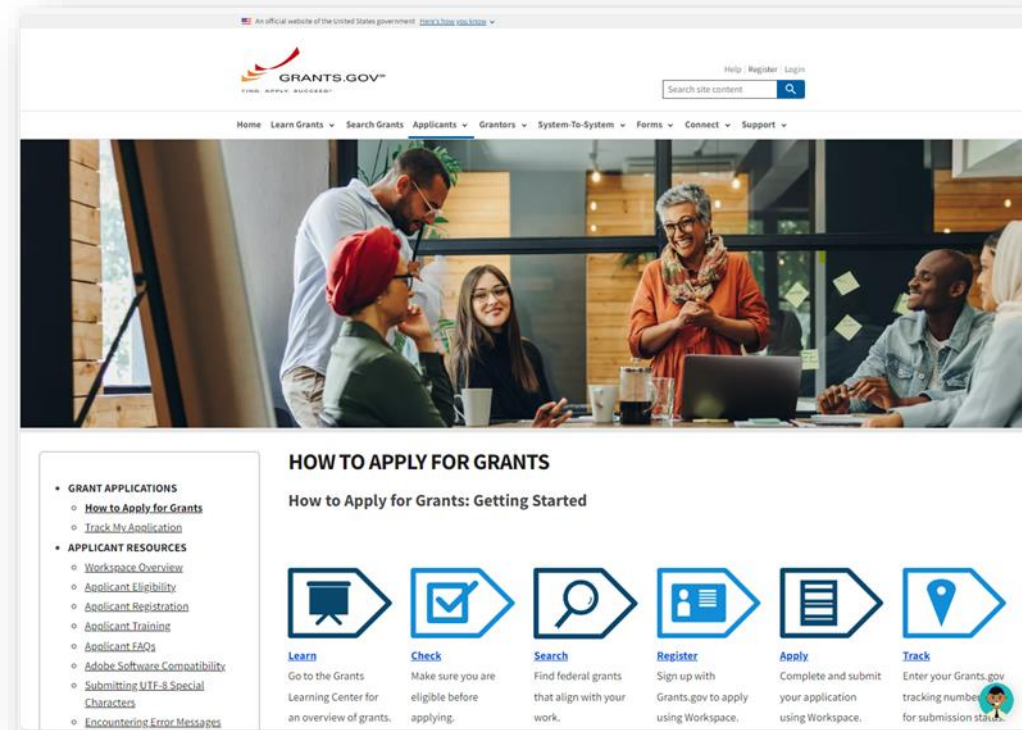
HMEP Grant Application



Accessing the HMEP Application

HMEP Applicants must apply electronically through [Grants.gov](https://www.grants.gov)

Applicants must download, complete and submit the ***Application Package*** associated with this funding opportunity by following the directions provided on grants.gov.



Application Package

Standard Forms:

- *Standard Form SF-424* - Application for Federal Assistance
- *Standard Form SF-424A* - Budget Information for Non-Construction Programs
- *Lobbying* - Certification Regarding Lobbying
- *Standard Title VI/Non-Discrimination Assurances* - Civil Rights Assurances

Application Attachments:

- HMEP Grant Application (Project and Budget Narratives)
- Indirect Cost (IDC) Agreement OR IDC Renewal Letter (if applicable)
- Agency Designation Letter from Governor (if applicable)



Application Package

Standard Forms are required when submitting the Application Package.

View Burden Statement

OMB Number: 4540-0004
Expiration Date: 11/30/2025

Application for Federal Assistance SF-424

* 1. Type of Submission: Preapplication, Application, Changed/Corrected Application
* 2. Type of Application: New, Continuation, Revision
* If Revision, select appropriate letter(s):

* 3. Date Received:
* 4. Applicant Identifier:

5a. Federal Entity Identifier:
5b. Federal / State Use Only:
6. Date Received by State:
7. State Application Identifier:

8. APPLICANT INFORMATION:
* a. Legal Name:
* b. Employer/Employee Identification Number (EIN/TIN):
* c. UEI:
d. Address:
* Street1:
* Street2:
* City:
* County/Parish:
* State:
* Province:
* Country:
* Zip / Postal Code:
e. Organizational Unit:
Department Name:
Division Name:
f. Name and contact information of person to be contacted on matters involving:
Prefix:
Middle Name:
* Last Name:
Suffix:
Title:
Organizational Affiliation:
* Telephone Number:
* Email:

View Burden Statement

BUDGET INFORMATION - Non-Construction Programs

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity	Catalog of Federal Domestic Assistance Number	Estimated Unobligated Funds			No
		Federal (c)	Non-Federal (d)	Federal (e)	
1.					
2.					
3.					
4.					
5. Totals					

CERTIFICATION REGARDING LOBBYING

OMB / Expiration

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION:
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE:
Prefix:
* First Name:
Middle Name:
* Last Name:
Suffix:
* Title:
* SIGNATURE:
* DATE:

The United States Department of Transportation (USDOT)

Standard Title VI/Non-Discrimination Assurances

DOT Order No. 1050.2A

The (herein referred to as the "Recipient"), HEREBY AGREES THAT, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the Pipeline and Hazardous Materials Safety Administration, is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation - Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964. The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 - 12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, national origin, gender, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from DOT, including the Pipeline and Hazardous Materials Safety Administration

1



Application Package

Application Attachments

- The HMEP Grant Application (Project and Budget Narratives) is required.
- IDC Agreements are only required if indirect funds will be incurred.
- Agency Designation Letter is only required for New Agencies



Completing HMEP Grant Application



HMEP Grant Application

The HMEP Grant Application has been revised for consistency and convenience.

The application now consists of two separate documents:

- the Project Narrative
- the Budget Narrative

Standardized tables and word count limits have been put in place to reduce the burden on applicants and on PHMSA staff during application review.



HMEP Grant Application

The HMEP Grant Application Updates

Enter any additional comments (Limit to 200 words)

Personnel Title	Salary/Wage	Dedicated Time %	Total Cost
HMEP Program Manager (w.o.)	\$75,000 (w.o.)	50% (w.o.)	\$37,500 (w.o.)
Personnel Title	Salary/Wage	Time %	Total Cost
Personnel Title	Salary/Wage	Time %	Total Cost
Personnel Title	Salary/Wage	Time %	Total Cost
Personnel Title	Salary/Wage	Time %	Total Cost
Personnel Title	Salary/Wage	Time %	Total Cost

Applicant entry fields have been revised.

Word limits have been added to reduce the burden of completing the application.

Tables have been added to standardize the data that PHMSA is requesting.



HMEP Grant Application

The HMEP Grant Application Updates

Adding additional rows to a table

(Hover over image and click play)

Personnel Title	Salary/Wage	Dedicated Time %	Total Cost
<i>HMEP Program Manager (e.g.)</i>	<i>\$75,000 (e.g.)</i>	<i>50% (e.g.)</i>	<i>\$37,500 (e.g.)</i>
<i>Personnel Title</i>	<i>Salary/Wage</i>	<i>Time %</i>	<i>Total Cost</i>
<i>Personnel Title</i>	<i>Salary/Wage</i>	<i>Time %</i>	<i>Total Cost</i>
<i>Personnel Title</i>	<i>Salary/Wage</i>	<i>Time %</i>	<i>Total Cost</i>
<i>Personnel Title</i>	<i>Salary/Wage</i>	<i>Time %</i>	<i>Total Cost</i>
<i>Personnel Title</i>	<i>Salary/Wage</i>	<i>Time %</i>	<i>Total Cost</i>

Total Personnel Costs:

Total Personnel Costs



HMEP Grant Application (Project Narrative)



Project Narrative

Part A: Applicant Contact Information

1. **Designated Agency:** (Name, address, UEI Number, and web page)
2. **Contact Information:**
 - *Authorized Representative* signs your agency Notice of Grant Award.
 - *Program Manager* is responsible for completing your agency Performance progress reports, submits activity request and provides programmatic activities status for your agency.
 - *Finance Program Manager or Equivalent* is responsible for completing your agency SF425 form (Federal Financial Report), SF424A form, submits DELPHI drawdown and provides financial update status for your agency.
 - *Other Point of Contact for Grant* (Anyone else who works on the HMEP grant you deem necessary to be included in HMEP distribution emails).



Project Narrative

Part A: Applicant Contact Information

3. ***Organization Information:*** Provide information about your organization. This should include:
 - Organization Mission
 - Organizational Structure
 - Organization's top accomplishments over the past three years.
 - Organization experience and capacity to manage Federal grant programs
4. ***LEPCs:*** Provide the number of active and inactive LEPCs in your state or territory, and how many will receive HMEP Grant funds as sub-recipients.
5. ***Transportation Fees:*** Provide information on whether your state or territory collects transportation fees.



Project Narrative

Part B: Statement of Work

Provide information on your Organization's **Needs**, Goals, Activities, and Monitoring process.

1. *Needs Assessment* indicates the HMEP planning and training needs.

Needs Assessments play an active role in the accomplishment of organizational goals. They are used to identify strategic priorities, define results to be accomplished, guide decisions related to appropriate actions to be taken, establish evaluation criteria for making judgments of success, and inform the continual improvement of activities within organizations.

DESIRED PROGRAM - ACTUAL PROGRAM = PROGRAM NEED

It's important to differentiate between program *needs* and program *wants*



Project Narrative

Part B: Statement of Work

Provide information on your Organization's **Needs**, Goals, Activities, and Monitoring process.

1. *Needs Assessment* example:

***1. NEEDS ASSESSMENT**

* In the space below, include a brief statement outlining the HMEP planning and training needs of the jurisdiction. (Limit word count to 300 words)

Each of the Local Emergency Response Committees (LEPCs) conducts a training need's assessment of their region approximately three to six (3-6) months prior to the new grant cycle. The data collected from their needs assessment will determine which areas in their region are lacking specific skills, what courses and at what training levels are needed to increase training levels to better respond to hazardous materials transportation incidents. The data will be prioritized so that those lacking the 'high' priority skills sets will receive training during immediately. Once the capability gap has been identified, the LEPC submits a three (3) year 'schedule' of training to the State.



Project Narrative

Part B: Statement of Work

Provide information on your Organization's Needs, **Goals**, Activities, and Monitoring process.

2. **Program Goals** – List up to ten overarching goals that your organization aims to achieve with HMEP funds. These goals must align with PHMSA's mission and top priorities.



Project Narrative

Part B: Statement of Work

Provide information on your Organization's Needs, **Goals**, Activities, and Monitoring process.

2. Program Goals – examples:

*2. PROGRAM GOALS

*In the table below, **list up to ten** overarching goals that your organization aims to achieve with the HMEP grant funds being requested. The Program Goals must align with PHMSA's mission and top priorities as outlined in the *Notice of Opportunity for Funds*.

Goal	Planning and Training Grant Goals
Ex.	Increase First Responder attendance rate in HAZMAT training courses by 5% by September 2025.



Project Narrative

Part B: Statement of Work

Provide information on your Organization's Needs, Goals, **Activities**, and Monitoring process.

- 3. Activities Supporting Program Goals** - List the activities expected to be performed to achieve the Program Goals.

Planning activities fall under section 303 of the Emergency Planning and Community Right-To-Know Act (EPCRA), e.g., commodity flow studies, hazard risk analyses, emergency plans to be written, emergency plans to be updated, and emergency plans to be exercised.

Training activities fall under the NFPA 472 core competencies or OSHA 29 CFR § 1910.120(q). Provide training type, training activity description, number of courses to be held, and the projected number of individuals to be trained.



Project Narrative

Part B: Statement of Work

Provide information on your Organization's Needs, Goals, **Activities**, and Monitoring process.

3. Activities Supporting Program Goals - example

*3. ACTIVITIES SUPPORTING PROGRAM GOALS

*List the activities expected to be performed to achieve the Program Goals recorded above. For training, please record training activities that fall under the NFPA 472 core competencies or OSHA 29 CFR § 1910.120(q) that you plan to carry out with HMEP funds. For planning, please record planning activities that fall under section 303 of the Emergency Planning and Community Right-To-Know Act (EPCRA) (e.g., commodity flow studies, hazard risk analyses, writing or updating emergency plans, and conducting exercises). These activities must be allowable, allocable, and reasonable.

Activity Type	Activity Description	Object Class	Cost	Completion Date	Number to be Trained
Planning	HAZMAT Response Conference	Travel	\$1,500	September 2025	N/A
Training	HAZMAT Technician Level Training	Contractual	\$21,800	July 2025	100
Training	Cargo Tanker emergency Response Training	Contractual	\$10,000	December 2025	50



Project Narrative

Part B: Statement of Work

Provide information on your Organization's Needs, Goals, Activities, and **Monitoring process**.

- 4. HMEP Grant Monitoring** – Describe your organization's monitoring and evaluation process to track progress, assess outcomes, and ensure compliance with grant requirements.

*4. HMEP GRANT MONITORING

Grant staff will conduct a review of the subrecipients' financial and programmatic management procedures and policies to determine sub-grant program compliance. Grant staff use checklists to record findings and obtain copies of any missing documentation that is not in their official grant folder, such as applicable monthly reports or purchasing procedures. Staff will answer any questions the sub-recipient has regarding subgrant program administration and management.

Contracted entities will be required to provide quarterly budget updates on expenditures and expected drawdown. Grant staff will collect and verify expenses invoiced by contracted vendors monthly. The supervisor will audit select contractor-delivered courses to ensure quality of instruction and materials.



Project Narrative Reminders

- The HMEP Grant Guide provides direct examples of allowable, generally unallowable, and conditionally allowable activities. **These examples are for reference only.** [HMEP Grant Guide](#)
- **No more than 25%** of the grant can fund maintenance and administration costs (M&A).
- Grantees are highly encouraged to include sub-grantee and contactor information in the grant application. This information may not be available when completing the application. But grantees will be required to submit it when available.
- Ensure all requested information is complete. If a section is not applicable, please indicate N/A.
- If there are multiple activity requests post-award, an updated application may be required.

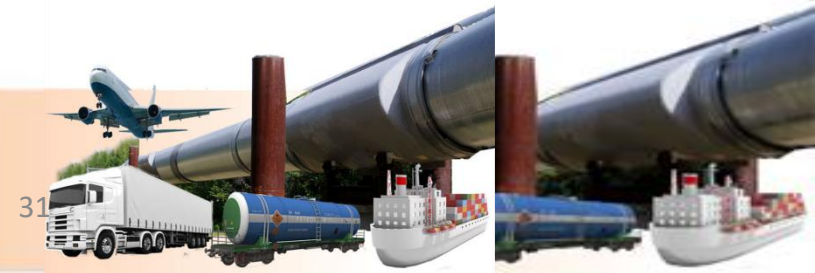


HMEP Grant Application and Budget (Budget Narrative & SF-424A)



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

PHMSA: Your Safety is Our Mission



Budget & Budget Narrative Overview

Applicants must include a **Budget (SF-424A)** and **Budget Narrative** as a part of the Application Package. The Budget and Budget Narrative provide cost detail on activities and projected purchases listed in the project narrative.

- The **Budget (SF-424A)** provides an overview of costs by object class category.
- The **Budget Narrative** explains costs in detail and how they are calculated.

Together, the **Budget** and **Budget Narrative** provide a forecast of expenditures to measure against the applicant's actual financial operations.



Cost Principles (2 CFR 200)

Costs charged to awards must be:

Allowable (2 CFR § 200.403)

Refers to items of cost, that in general, are costs that can be funded with federal grant dollars if the cost fits within a framework of responsible stewardship of public funds.

Costs must be necessary and **reasonable** for the performance of the Federal award and be **allocable** thereto under these principles.



Cost Principles (2 CFR 200)

Costs charged to awards must be:

Reasonable (2 CFR § 200.404)

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

This following are considered:

1. Is the cost generally recognized as ordinary and necessary for the operation?
2. Factors such as sound business practices, arm's-length bargaining, Federal, state, local, tribal, and other laws and regulations, and terms and conditions of the Federal award.
3. Market prices for comparable goods or services for the geographic area.
4. Significant deviations from established practices and policies regarding the incurrence of costs.



Cost Principles (2 CFR 200)

Costs charged to awards must be:

Allocable (2 CFR § 200.405)

A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.

This standard is met if the cost:

1. Is incurred specifically for the Federal award;
2. Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and
3. Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.



Components of the Budget (SF-424A)

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 01/31/2019

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. HMEP Grant	20.703	\$	\$	\$	\$	\$

SECTION A

Enter “HMEP Grant” in (a) and “20.703” in (b). Next, enter the Federal and Non-Federal match amounts in their respective columns under New or Revised Budget. Column G should auto-populate.

SECTION B

Enter “Federal Costs” in 6(1) and “Match/Cost Share” in 6(2). Next enter the federal and non-federal match/cost share amounts in their respective columns, separated and categorized by the **line items** in 6a through 6k

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	(1)	(2)	GRANT PROGRAM, FUNCTION OR ACTIVITY		Total (5)
	Federal Costs	Match/Cost share			
a. Personnel	\$	\$	\$	\$	\$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					\$
j. Indirect Charges					\$
k. TOTALS (sum of 6i and 6j)	\$	\$	\$	\$	\$



Components of the Budget (SF-424A)

SECTION C

Enter "HMEP Grant" in 8(a). Next enter the **match/cost share only** in 8(b), 8(c), and/or 8(d).

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8. HMEP Grant	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
9. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12. TOTAL (sum of lines 8-11)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 0.00	\$	\$	\$	\$
14. Non-Federal	0.00				
15. TOTAL (sum of lines 13 and 14)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16. <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
17. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19. <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20. TOTAL (sum of lines 16-19)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Sections D & E
Encourage to complete



Components of the Budget (SF-424A)

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges: <input type="text"/>	22. Indirect Charges: <input type="text"/>
23. Remarks: <input type="text"/>	

Section F
Only required if requesting indirect costs.



Components of the Budget Narrative

Budget Line Items Explained

Personnel (2 CFR § 200.430)

Employee salaries working directly on the grant project. Include the number, type of personnel, the percentage of time dedicated to the project, hourly wage, and total cost.

- This category is limited to **ONLY** persons employed by your organization. Contractual and consultant costs should not be listed in the Personnel line item.

Fringe Benefits (2 CFR § 200.431)

The allowances and services provided to employees as compensation in addition to regular salaries and wages. Include how the fringe benefit amount is calculated, a description of specific benefits charged to a project, and the benefit percentage.

- Personnel and Fringe costs must be separated into their respective line-item categories. **Do not combine these costs together.**



Components of the Budget Narrative

Budget Line Items Explained

Travel (2 CFR § 200.474)

Those costs requested for field work or for travel to professional meetings. Provide the purpose, method of travel, number of persons traveling, number of days, and estimated cost for each trip.

- If details of each trip are not known at the time of application submission, provide the basis for determining the amount requested.
- Be sure not to exceed your government or organization's standard for rates of travel. Exceptions will be considered by PHMSA grant staff on the basis reasonableness and necessity. Federal rates of travel can be found on <https://www.gsa.gov/travel/plan-book/per-diem-rates>



Components of the Budget Narrative

Budget Line Items Explained

Equipment (2 CFR § 200.439)

Includes those items which are tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit (unless the state threshold is lower).

- Include a description, quantity and unit price for all equipment.
- If the expense is under the usual threshold of \$5,000 per item, it belongs under “Supplies.” However, if your equipment threshold is below \$5,000, provide an explanation and state policy citation.
- Applicants should have a plan in place to track and dispose equipment items acquired using HMEP grant funding in accordance with § 200.313 (d)(e).



Components of the Budget Narrative

Budget Line Items Explained

Supplies (2 CFR § 200.453)

Tangible property other than equipment. Include the type of supply item in general terms.

- It is not necessary to document office supplies in great detail (for example: reams of paper, boxes of paperclips, etc.). A good way to document office supplies is to indicate the approximate expenditure of the unit as a whole.
- However, applicants *should* include a quantity and unit cost for larger cost supply items such as computers and printers.



Components of the Budget Narrative

Budget Line Items Explained

Contractual (2 CFR § 200.22)

Contractual costs are those services carried out by an individual or organization, other than the applicant, in the form of a procurement relationship. There are two ways to capture costs in this category: **subgrants** and **contracts**.

What is a subgrant? (2 CFR § 200.92; 2 CFR § 200.330)

An award provided by a pass-through entity to a subrecipient to carry out part of a Federal award received by the pass-through entity.

- 1. Has its performance measured in relation to whether objectives of a Federal program were met.
- 2. Responsibility for programmatic decision-making.

What is a contract? (2 CFR § 200.22)

A contract is a legal instrument by which a Prime Grantee Recipient purchases property or services needed to carry out the project or program under an award.

Sub-awards and Contracts **must** be listed in the Contractual line-item category. In the budget narrative, they must be correctly identified as a sub-award or a contract.



Components of the Budget Narrative

Budget Line Items Explained

Contractual (2 CFR § 200.22)

EXAMPLE

Contractual Type	Activity Description	Estimated Cost
Contract	<p>CEMA Training Academy. HAZMAT Awareness Courses</p> <p>Will be funded from 10/1/2025 to 9/30/2026 to train 2,000 Emergency responders for HAZMAT Awareness (20 classes with 2,000 students x \$40.00 = \$80,000.00). These costs are derived from previous year's cost totals per student, per training type.</p> <p>Training courses are scheduled to occur throughout the HMEP grant year. The CEMA Training Academy provides the large majority of CEMA's core HAZMAT training for public sector responders. It is the central location for training responders in HAZMAT response, including those related to tanker trucks and railcars. This influx of qualified responders contributes to the safety of people, supports the mission of LEPCs, and helps to ensure that HAZMAT incidents, especially those involving transportation, are effectively managed.</p>	\$80,000
Contract	<p>CEMA Training Academy. HAZMAT Technician courses</p> <p>Will be funded from 10/1/2025 to 9/30/2026 to train 2,000 Emergency responders for HAZMAT Awareness (10 classes with 250 students x \$200.00 = \$50,000.00). These costs are derived from previous year's cost totals per student, per training type.</p> <p>Training courses are scheduled to occur throughout the HMEP grant year. The CEMA Training Academy provides the large majority of CEMA's core HAZMAT training for public sector responders. It is the central location for training responders in HAZMAT response, including those related to tanker trucks and railcars.</p>	\$50,000



Components of the Budget Narrative

Budget Line Items Explained

Other

“Other” direct costs do not fit any of the aforementioned categories, such as rent for buildings used to conduct project activities, printing, utilities and/or leased equipment, employee training, tuition, etc.

- “Other” direct costs should be itemized, and the methodology explained in the budget narrative.

Indirect Costs (2 CFR § 200.416)

Are incurred for common or joint objectives that benefit more than one project. The applicant must include a current and fully executed agreement in the application if claiming indirect costs.

- Make sure the rate is applied to the appropriate base in the approved agreement.
- If the rate will not be approved by the application due date, attach the letter of renewal or letter of request that you sent to your cognizant agency to your application.
- Applicant may use the 15% de minimis



Components of the Budget Narrative

Budget Line Items Explained

Match (Cost Share) (2 CFR § 200.306)

The Match or Cost Share is the portion of project costs not paid by Federal funds. For the HMEP Grant Program, this amount is 20% of the total cost of the project (federal share + non-federal share).

- Match must be fully described in the Budget Narrative. Explain the amount and how it will be met in the same manner you would for a federal share cost item.

Match is 20% of the Total Cost of Project

Federal Award:		\$100,000	(80%)
Match (Cost Share):	+	\$25,000	(20%)
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Total Cost of Project:	=	\$125,000	(100%)

Multiply Federal Award by 25% to obtain Match

Federal Award:		\$100,000
	x	0.25
<hr/>		
Match (Cost Share):	=	\$25,000



Common Errors

- **SF-424A Section B:** Federal and Non-Federal are listed and often combined. Remember to identify Federal funds in column (1) and nonfederal in column (2) in this section of the SF-424A.
- Applicant will identify indirect cost on SF-424A and budget narrative but does not submit a valid indirect cost rate agreement.
- No detail information provided on how the applicant will meet the match requirement. Remember to identify how the match will be met (in-kind, soft match, cash/hard match) and where the match will come from. (i.e. personnel, participant time spent in training).



Budget & Budget Narrative Reminders

- SF-424A line items should have a corresponding explanation in the budget narrative as to how it was calculated.
- The applicant must explain how they will meet the 20% matching contribution in the budget narrative.
- The applicant must submit an Indirect Cost Rate Agreement (ICRA) if claiming indirect costs. If the ICRA has expired, please reach out to your cognizant agency to establish an updated rate.



Hazmat Grant Program Contact Information:

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- Hazardous Materials Grants Program Website: <http://www.phmsa.dot.gov/hazmat/grants>
- HMEP Resources: <https://www.phmsa.dot.gov/grants/hazmat/hmep-resources>



