

# Wood Innovations Grant (WIG) Budgeting Guidelines

*Forest Business Alliance*

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The Forest Business Alliance (FBA) created the templates and guidelines in this workbook to help grant seekers prepare budgets that meet the requirements of the U.S. Department of Agriculture (USDA) – Forest Service’s 2026 Wood Innovations Funding Opportunity Request for Proposals.

*This document is intended to supplement and clarify guidance provided by USDA Forest Service. Should any conflict exist between this document and [USDA Forest Service’s Instructions and Guidelines](#), the guidelines provided by USDA Forest Service supersede any guidance or suggestions provided herein.*

*For more information and templates go to [forestbusinessalliance.org](http://forestbusinessalliance.org) or get in touch with us at [forestbusinessalliance@gmail.com](mailto:forestbusinessalliance@gmail.com).*

The guidance presented below describes each of the six worksheets in the accompanying Excel workbook. Please follow them in order, completing or reviewing each worksheet as you go.

## **Step 1. Instructions**

The Instructions worksheet contains the document you are presently reading. It is included in the workbook to ensure it is easily accessible as you prepare your budget.

## **Step 2. NOFO Overview**

This worksheet provides an overview of key budget related aspects of USDA Forest Service’s Notice of Funding Opportunity (NOFO). Nevertheless, grant seekers should read the entire NOFO before proceeding.

## **Step 3. Detailed Budget**

The budget template provided in Step 3 is intended to help grant seekers develop a detailed budget that will be useful for project planning and implementation, while also generating the information needed to allow you to complete *Section G. Budget Tables and Justification in Support of SF-424A* of the Application Form FS-1500-0050.

The template was designed for projects lasting up to three years, which is the typical duration of Forest Service projects. If you plan to request funding for more than three years, you will need to modify the template or use your own.

When completing Step 3, please remember to only input information into green and yellow cells. White cells calculate automatically. All cells except for yellow and green cells have been locked to prevent unintentional changes to formulas. If you need to unlock cells, simply go to the Protection window in the Format Cells menu and uncheck the “Locked” box. If you unlock cells or worksheets, please avoid deleting any rows as this may cause the entire workbook to stop working or to generate errors.

***Finally, please note that the Detailed Budget worksheet includes illustrative costs to help you visualize how to complete the worksheet and how the worksheet automatically populates Steps 4, 5 and 6. Be sure to replace these costs with your own or zero out costs in rows that you will not use. When zeroing out costs, do not eliminate rows. This may result in errors across the template.***

### *Annual Cost Increases*

The box below the heading will allow you to set cost increases for Years 2 and 3. By default it is set to calculate a 3% annual increase over Year 1 costs for both salaries and other recurring costs. The Base Salaries rate applies only to the Personnel and Fringe Benefits budget categories, while the Other Recurring Costs rate applies to all other categories. If you want to use different annual cost increases, simply change the figures in cells B7 and B8. For the formulas to work properly, input the percentage using the number format as it is currently done in the default setting. For example, a 5% annual increase would be written as “1.0500” and a 5.5% annual increase would be written as “1.0550”.

### *Donor-Funded Costs and Matching (Cost Share)*

For this opportunity, applicants must contribute matching funds equal to at least 100% of the Forest Service requested funds. This means for every \$1 of Federal funding requested applicants must provide at least \$1 in match. For example, if the requested Federal amount is \$100,000, the applicant match must be at least \$100,000 or more. Applicant match must come from non-Federal sources. The match may include cash or in-kind contributions. All matching funds must be directly related to the proposed project.

The Detailed Budget template includes columns for costs that you will request the Forest Service to cover and columns where you can include costs that you will cover. Inputting your matching costs in the budget template will help you ensure that you are meeting the cost matching requirement. Additionally, by including your costs in the Detailed Budget worksheet, Step 5 will automatically generate the Budget Table 1 which is required for the application.

### *Year 1 Costs by Quarter*

On the Detailed Budget worksheet, Year 1 is broken out by quarter while Years 2 and 3 are budgeted for the entire year. The template was created this way to provide the Year 1 quarterly breakdown needed for the SF-424A.

### *General Budgeting Procedure*

1. Title of Line Item (Column A): Use column A to provide descriptions that clearly communicate what you are budgeting. Be as specific as possible while also being concise. You will be able to provide additional details in the budget narrative.
2. Description - Unit of Measure (Column B): In Column B, input the unit that best describes the cost. The template contains pulldown menus for common units of measure for each budget category. If none of the units contained in the pulldown menu adequately describe the item you have budgeted, choose “Other Unit”.
3. Unit Cost (Column C): Column C is used to input the cost of the unit used in column B. For multi-year projects, cost increases will automatically be applied to Years 2 and 3.
4. # Units (Columns D, F, H, J, L, N, P, R, U, W, Z, AB): These columns are used to input the number of units required for each line item. Columns titled “USFS” should be used for the number of units that will be covered by Forest Service grant funds, and columns titled “Cost Share” should be used to input any unit that will be covered as cost share (matching funds).
5. Budget Narrative (Column AH): This column should be used to describe each line item. For example, if you plan to hire a full-time Project Manager who will be funded 50% by the Forest Service and 50% by you, you might write: “A full-time Project Manager will coordinate and lead all activities. Full-time positions are calculated at 260 working days per year, though as per organizational policy, employees receive PTO as part of their benefits packages. The position will be covered 50% by USFS funds and 50% by matching funds from the applicant. We have budgeted 3% salary increases for staff starting in Year 2.” Including this level of detail will help you complete the budget narrative in the application, while also ensuring that your finance and administrative team has the information it needs when it comes time to implement the project.

### *Personnel*

The instructions on the application template read: “This is the actual estimated salary cost paid and may or may not include fringe benefits. Show job titles or positions and estimated days or hours and the estimated cost per day or hour.”

List the position titles for all the staff who will dedicate time to the proposed project. Please note that consultants should not be included here. You will include them under the Contractual category of the budget template.

Additionally, as indicated in the application instructions, you may choose to include fringe benefits in the hourly or daily rate used in the Personnel category, or you may use the daily/hourly rate minus fringe here and include fringe in the Fringe Benefit budget category.

## *Fringe Benefits*

The instructions on the application template read: “Fringe is generally expressed as a percentage of the salary cost. Provide the rate and total estimated cost.”

Many organizations have an established fringe benefit rate for their employees. This benefit rate typically includes Social Security, Medicare, Health Insurance, Pension Plan costs, Paid Time Off (PTO), etc. If your organization has an established fringe benefit rate, include it in cell C33. Once you do so, the template will automatically populate the lines in this budget category using this rate and the information you provided in the Personnel section of the template.

If you included fringe in the daily or hourly rate used in the Personnel category, you should set cell C33 to zero to avoid double counting.

If your organization’s fringe rate varies by employee, you will need to manually adjust the fringe rate in column C. To do so, you will need to unprotect the worksheet. You could also calculate a daily or hourly rate using their individual fringe rates and leave this category blank.

## *Travel*

The instructions on the application template read: “Show anticipated trips, number of travelers, locations, and an estimated cost per trip.”

Keep in mind that reimbursement rates must be consistent with your organization’s written travel policy. Absent a written policy, you should use per diem rates set by the [U.S. General Services Administration](#). Additionally, mileage rates should not exceed the [rates allowable by IRS](#).

## *Equipment*

The instructions on the application template read: “Identify all equipment being funded. Provide any documentation of equipment costs in Appendices. Forest Service Share can only be for stationary not mobile equipment.”

Before budgeting equipment, you should review NOFO Section D. Unallowable Costs (page 5), which, among other things, states:

- “Construction or improvements of buildings (facilities), land improvements, or site preparation are not allowed with federal or match funds.”
- “Equipment leasing or the purchase of mobile equipment and attachments for mobile equipment will not be funded in this program or allowed as match.”

Additionally, as noted in NOFO Section B Additional Details (page 6):

- “Applicants should be aware that the purchase of equipment greater than \$10,000 with federal funds creates a federal interest in the equipment until the fair market value of the equipment falls below \$10,000.”
- “Applicants are encouraged to use non-federal funding to purchase equipment and use federal financial assistance to cover other relevant project costs, which include but not limited to the engineering, design, transportation, and installation of the equipment.”
- “The successful applicant will be required to complete additional paperwork before and after receiving Forest Service funds for the equipment purchase and is subject to the regulations at 2 CFR § 200.310, 2 CFR § 200.313, and 2 CFR §200.316.”

### *Supplies/Materials*

The instructions on the application template read: “Provide an estimate of the supplies and materials that may be purchased for the project.” Please note that NOFO Section D. Unallowable Costs (page 5) indicates:

- “Purchasing ecosystem restoration byproducts or raw material feedstock are not allowed with federal or match funds.”

### *Contractual*

The instructions on the application template read: “List out any estimated costs with a description of work for each anticipated contract or subaward.”

For consultants, in the # Units columns, grantees typically input the number of days they will dedicate to the project per year. However, it is also possible to use the cost of a negotiated, fixed-term contract. The same is true for service providers.

If you include subawards, consider developing a budget for each to ensure you have a clear picture of how the sub awardee plans to spend the funds. This will allow you to confirm the costs are reasonable and it also provides you with the information you need for the budget narrative.

### *Construction*

Construction is not allowed under this NOFO. The instructions on the application template read: “Construction will not be funded or considered as eligible match under this funding opportunity.” Furthermore, the NOFO (Section D. Unallowable Costs, page 5) reads: “Construction or improvements of buildings (facilities), land improvements, or site preparation are not allowed with federal or match funds.”

## *Other*

The instructions on the application template read: “Any costs under this category must be itemized with a description and an estimated cost.”

This section captures costs that do not fit in any of the other budget categories. Here, grant seekers often include costs required to implement specific activities, such as workshops and training. Other project costs, such as personnel, equipment and supplies, will be included in other sections of the template.

## *Indirect Cost Exclusions*

Certain agencies require grant recipients to exclude certain costs from their indirect cost calculation. The template does not by default exclude any costs. Should you need to exclude any costs, add the cells to be excluded in row 162 in the column that corresponds to the time period where the cost exists.

## *Indirect Costs*

Include your indirect cost rate in cell C166. The budget template default rate is set to 15.00%, which is the federal de minimis rate.

If your organization has a Negotiated Indirect Cost Rate Agreement (NICRA), use that rate here. The menu in cell C166 includes whole numbers between 0.00% and 20.00%. To apply any rate other than the 15.00% that appears by default, unlock the worksheet (it is not password protected) and select the applicable rate.

Additionally, if your organization’s NICRA is not a whole number, you will need to unlock and adjust the menu that populates cell C166.

Learn more about [Indirect Cost Rates Applicable to USDA Federal Awards](#).

## *Budget Narrative*

The Detailed Budget worksheet includes a column where you can write budget narrative. Completing this is not required for the template to function properly, yet it is recommended because writing up the budget narrative line by line will aid you in preparing the budget narrative required in Section G of the application.

## **Step 4. Budget Summary**

The Budget Summary will calculate automatically as you complete the Detailed Budget. It shows you a picture of the costs by category over the life of the proposed project. The budget summary is for your information only. It will not be used to complete the Forest Service application.

## **Step 5. Application Budget Tables**

Application Section G. "Budget Tables and Justification in Support of SF-424A" contains two tables - 1. *Budget Table* and 2. *Cooperator (Matching) Contributions Table* - as well as budget narrative fields that must be completed before you can submit your proposal.

The Budget Table on worksheet 5 will be automatically filled in as you complete the Detailed Budget worksheet. However, you will need to complete the Matching Contributions Table manually.

Finally, you will need to move this information to tables on the Forest Service's application and complete the budget narrative fields there using information from the Detailed Budget worksheet.

## **Step 6. SF-424A**

Lines 1 through 20 of the SF-424A worksheet will be filled in automatically as you complete the Detailed Budget worksheet. You will need to complete lines 21 through 23 manually because they require text descriptions. Once you have completed the SF-424A, you should check it carefully and then use it to complete the Forest Service's PDF of the SF-424A form. Do not submit the Excel version of the form included in this workbook.