**Instructions for Applicants Subcontracting Student Services**

Applicants proposing to subcontract to classes or other direct student services will submit separate budget narratives for subcontractors. In addition to completing the additional workbook, applicants need to:

1. Enter all subcontracted classes into the class plan worksheets and identify the subcontractor by name in the Notes column.
2. In Line 5 of the budget, enter the total amount allocated to subcontractors; one row for each subcontractor. Because Line 5 was originally created for individuals, you will have to:
	1. Enter the total subcontract amount under the Hourly Rate
	2. Enter 1 under Total Hours.
3. Complete a separate *Subcontractor Budget Narrative Workbook* for each subcontractor proposed to provide direct student services*.*
4. Note that the 25% Administrative Cost cap will be applied to the administrative cost of all subcontractors and lead agency combined.
5. Check that the *Subcontractor Budget Narrative Workbook* of all subcontractors combined should equal the total of Line 5 on the lead agency’s budget.
6. Add any subcontractor match to the lead agency Match Narrative with a detailed description of the match and source. The total match from the lead agency and subcontractors must be equal to or exceed 20% of the total proposed budget or the Maintenance of Effort, whichever is larger.
7. Submit the *Subcontractor Budget Narrative Workbook* via the online portal will be updated to accept additional subcontractor budget narratives.