

Amendment Number 0001

BAA -08-007

"Basic Research Challenge"

The purpose of this Amendment is to answer a question received in response to BAA 08-007 entitled "Basic Research Challenge".

Question 1: Could you please confirm if the start date is July 1, 2008 or June 1, 2008 for the subject BAA? Page 10 indicates a June 1 start date, but please confirm.

Answer Number 1: The award start date is 07 July 2008. As a result of this correction, the paragraph entitled, "Cost Proposal" on page 10 of the BAA is hereby deleted in its entirety and revised to read as follows:

"Cost Proposal"

Provide a detailed 4-year budget proposal showing a cost breakdown of all costs by cost category and by the funding periods described below.

The budget should adhere to the following guidelines:  
Detailed breakdown of all costs, by cost category, by the calendar periods stated below. For budget purposes, use an award start date of **07 July 2008**. The cost should be broken down to reflect funding increment periods of:

- (1) **Three months (07 Jul 08 to 30 Sep 08),**
- (2) **Twelve months (01 Oct 08 to 30 Sep 09),**
- (3) **Twelve months (01 Oct 09 to 30 Sep 10),**
- (4) **Twelve months (01 Oct 10 to 30 Sep 11), and**
- (5) **Nine months (01 Oct 11 to 30 Jun 12).**

Note that the budget for each of the calendar periods (e.g., **07 July 08** to 30 Sep 08) should include only those costs to be expended during that calendar period.

Annual budget should be driven by program requirements. Elements of the budget should include:

- Direct Labor - Individual labor category or person, with associated labor hours and unburdened direct labor rates.
- Indirect Costs - Fringe benefits, overhead, G&A, Cost of Money (COM), etc. (must show base amount and rate).
- Travel - Number of trips, destination, duration, etc.
- Subcontract - A cost proposal as detailed as the proposer's cost proposal will be required to be submitted by the subcontractor prior to grant award.
- Consultant - Provide consultant agreement or other document that

verifies the proposed loaded daily/hourly rate.

- Materials - Specifically itemized with costs or estimated costs. An explanation of any estimating factors, including their derivation and application, shall be provided. Include a brief description of the proposer's procurement method to be used (competition, engineering estimate, market survey, etc.).
- Other Directs Costs - Particularly any proposed items of equipment or facilities. Equipment and facilities generally must be furnished by the contractor/recipient. Justifications must be provided when Government funding for such items is sought. Include a brief description of the proposer's procurement method to be used (competition, engineering estimate, market survey, etc.).
- Grant Specific Costs – Costs not normally associated with contracts, such as Graduate Assistant tuition, laboratory fees, report and publication costs

**The above information should be included in the proposal package. The entire proposal package including the technical and cost proposal should be scanned into a single pdf file and attached to the SF 424 (R&R) Form at Field number 20 entitled "Pre-Application"**