

Building a Budget

RESEARCH WEEK 2022

Goals of Workshop

- Identify common budget elements
- Identify common proposal costs
- Introduce cost principles
- General strategies

Getting Started

Read and understand the solicitation

- Eligibility
- Due Date
- Awards to be Funded
- Know the limits, requirements and restrictions
 - funds available
 - personnel
 - construction
 - travel
 - cost-sharing or matching



Schedule time to review the solicitation with your Research Administrator

Developing a Proposal Budget

The Proposal Budget

- Projects and estimates *project expenses*
- Reflects the *scope of work*
- Demonstrates investigator's *capability to plan and manage* a project

Direct & Indirect Costs

COMMON PROPOSAL BUDGET CATEGORIES

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Indirect Costs (Facilities and Administration)

Necessary costs incurred by a recipient for a *common or joint purpose benefitting more than one cost objective*, and *not readily assignable* to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

Examples:

- Utilities
- Custodial services
- General administration
- Research administration
- Libraries
- Accounting
- Purchasing

Current Rate Agreement

On Campus 35%

Off Campus 8%

COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1741143128A1

DATE:11/24/2017

ORGANIZATION:

FILING REF.: The preceding agreement was dated

St. Mary's University of San Antonio

08/28/2014

One Camino Santa Maria

San Antonio, TX 78228-8513

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: Facilities And Administrative Cost Rates

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	06/01/2014	05/31/2018	35.00	On Campus	All Programs
PRED.	06/01/2014	05/31/2018	8.00	Off Campus	All Programs
PRED.	06/01/2018	05/31/2022	35.00	On Campus	All Programs
PRED.	06/01/2018	05/31/2022	8.00	Off Campus	All Programs
PROV.	06/01/2022	Until Amended			Use same rates and conditions as those cited for fiscal year ending May 31, 2022.

Direct Costs

Costs that can be identified **specifically** with:

a ***particular sponsored project***, an instructional activity, or any other institutional activity,

or

that can be ***directly assigned*** to such activities relatively easily with a high degree of accuracy.

Examples:

- Personnel (salary and fringe)
- Travel
- Materials & Supplies
- Equipment
- Subawards/Subcontracts
- Participant Support
- Other Cost – Publication Fees

How to Plan a Budget

Estimating and Planning

- Outline proposal activities
- Consider total budget amount allowed*
- Determine personnel costs – usually make up 60% or more of budget
- Negotiate costs for subawards/consultants early in budget planning
- Include evaluation costs (if applicable)

Personnel: Build Your Team

How much of ***your time*** will you need to devote to your proposed project?

Besides yourself, what ***faculty or staff are needed*** to implement your proposed project?

- Co-Principal Investigator
- Co-Project Director
- Assistant Director
- Project Coordinator
- Administrative Support
- Student Assistant
- Graduate Assistant
- Evaluator

Personnel: Level of Effort & Person Months

Faculty

- 9-month contract, paid over a 12-month period
- 4/4 teaching load

Level of Effort	3-hour Course Equivalent	Person Months 9-month contract
25%	1	2.25
50%	2	4.50
75%	3	6.75
100%	4	9.00

Staff

- 40-hour work week

Level of Effort	Hours per Week
5%	2
10%	4
20%	8
25%	10

Personnel: Buyouts, Overloads, Stipends & Summer Pay

	Course Buy-Out	Course Overload	Stipends	Summer Pay
AY Teaching Load	Reduced	Same	Same	Same
Compensation	Compensated within contract, at the equivalent of 25% FTE	Compensated above contract, at the established overload rate	Varies – there is not an established stipend scale, issued after work is completed	Compensated above contract during the summer months, at annualized salary
Work is completed	Academic Year	Academic Year	Varies	Summer Term

Personnel: Fringe Rates

Rate	Category
24%	Faculty – Academic Year Full-time Employees
14.65 %	Faculty – Summer Adjunct Faculty
7.65%	Part-time Employees Student Employees

Equipment

property that has an acquisition cost of \$5,000 or more and an expected service life of more than one year

Examples: lab equipment

Materials & Supplies

consumables to be used in the performance of the sponsored project

Examples: glassware, chemicals, reagents, clinical supplies, laboratory notebooks, and data processing supplies.

Travel

- in-state and out-of-state
- mileage
- airfare
- per diem*
- lodging
- ground transportation
- conference registration fees

Participant Support

- stipends
- subsistence allowances
- travel allowances
- registration fees

Subawards & Subcontracts

- Engaged in the research
- Work done by one or more other institutions
- Identify what percentage of the budget be allocated for the work
- Subawardee needs to provide the same budget forms and assurance as the lead institutions
- Put SPARC in contact with your proposed sub-awardee



Schedule time to review your subaward plans with your Research Administrator

Other Direct Costs

- Alterations and Renovations
- Animal costs
- Computer services
- Publication costs
- Other
- Consultant Services/ Contractors – goods or services, not engaging in research

Other Considerations

Cost Principles

Reasonable & Necessary

- Would a reasonable person pay ____ for ____?

Allocable

- Are these costs specific to this specific grant?

Consistent

- Are these costs applied consistently regardless of the source of funds?

Allowable

- Do these expense conform to the funder's policies?

Putting the Pieces Together

Writing a Budget Justification

Align the budget justification with your narrative

Justify requested spending

Follow agency budget justification **format**

Provide enough detail to convince reviewers that you

- have included the appropriate resources needed to perform the project
- can implement the project with requested resources

Calculating Indirect Costs

Included	Excluded
Salaries and Wages	Equipment
Fringe Benefits	Capital expenditures
Materials & Supplies	Tuition, scholarships & fellowships
Travel	Participant Support Costs
Subaward – first \$25,000 of subaward	Subaward – portion of subaward in excess of \$25,000

Calculating Direct & Indirect Costs

Example: Consider a solicitation with these instructions:

- The total award available is \$100,000
- The indirect cost rate is 35% of Modified Total direct Costs (MTDC)
- Project does not include equipment, subawards or participant expenses

- 1. Calculate the amount subject to indirect cost** \$100,000
- 2. Divide the modified total costs by 1.x% (where x = IDC percentage).** The result is the dollar amount of direct costs $\$100,000 \div 1.35 = \$74,074$
- 3. Subtract direct costs from the modified total costs amount.** $\$100,000 - \$74,074 = \$25,926$
The result is the dollar amount of indirect costs.
- 4. Allocate amounts and check your math.** All allocations should add up to the total award amount

\$74,074	Direct Costs
+ \$25,926	Indirect Costs
<hr/>	
\$100,000	Total Award

Calculating Direct & Indirect Costs

Example: Consider a solicitation with these instructions:

- The total award available is \$100,000
- The indirect cost rate is 35% of Modified Total direct Costs (MTDC)
- Project proposes to purchase \$8,000 in equipment

1. **Calculate the amount subject to indirect cost**

$$\begin{array}{r} \$100,000 \text{ Award Available} \\ - \underline{\$8,000 \text{ Equipment}} \\ \$92,000 \text{ MTDC} \end{array}$$

2. **Divide the modified total direct costs by 1.x% (where x = IDC percentage).** The result is the dollar amount of direct costs

$$\$92,000 \div 1.35 = \$68,148$$

3. **Subtract direct costs from the modified total costs amount.** The result is the dollar amount of indirect costs.

$$\$92,000 - \$68,148 = \$23,852$$

4. **Allocate amounts and check your math.** All allocations should add up to the total award amount

$$\begin{array}{r} \$ 8,000 \text{ Equipment} \\ \$ 68,148 \text{ Direct Costs} \\ + \underline{\$23,852 \text{ Indirect Costs}} \\ \$100,000 \text{ Total Award} \end{array}$$

RESEARCH & RELATED BUDGET - Budget Period 1 Delete Period OMB Number: 4040-0001
Expiration Date: 10/31/2019

ORGANIZATIONAL DUNS: Enter name of Organization:

Budget Type: Project Subaward/Consortium Budget Period: 1 Start Date: End Date:

A. Senior/Key Person

Prefix	First	Middle	Last	Suffix	Base Salary (\$)	Months Cal.	Months Acad.	Months Sum.	Requested Salary (\$)	Fringe Benefits (\$)	Funds Requested (\$)
X											

Project Role:

Add Additional Key Person

Additional Senior Key Persons: Add Attachment Delete Attachment View Attachment

Total Funds requested for all Senior Key Persons in the attached file

Total Senior/Key Person

B. Other Personnel

Number of Personnel	Project Role	Months			Requested Salary (\$)	Fringe Benefits (\$)	Funds Requested (\$)
		Cal.	Acad.	Sum.			
<input type="text"/>	Post Doctoral Associates	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Graduate Students	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Undergraduate Students	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Secretarial/Clerical	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Add Additional Other Personnel

Total Number Other Personnel

Total Other Personnel

Total Salary, Wages and Fringe Benefits (A+B)

C. Equipment Description

List items and dollar amount for each item exceeding \$5,000

Equipment Item	Funds Requested (\$)
<input type="text"/>	<input type="text"/>

Add Additional Equipment

Additional Equipment: Add Attachment Delete Attachment View Attachment

Total funds requested for all equipment listed in the attached file

Total Equipment

D. Travel

	Funds Requested (\$)
1. Domestic Travel Costs (Incl. Canada, Mexico and U.S. Possessions)	<input type="text"/>
2. Foreign Travel Costs	<input type="text"/>
Total Travel Cost	<input type="text"/>

E. Participant/Trainee Support Costs

	Funds Requested (\$)
1. Tuition/Fees/Health Insurance	<input type="text"/>
2. Stipends	<input type="text"/>
3. Travel	<input type="text"/>
4. Subsistence	<input type="text"/>
5. Other <input type="text"/>	<input type="text"/>
Number of Participants/Trainees	<input type="text"/>
Total Participant/Trainee Support Costs	<input type="text"/>

F. Other Direct Costs

	Funds Requested (\$)
1. Materials and Supplies	<input type="text"/>
2. Publication Costs	<input type="text"/>
3. Consultant Services	<input type="text"/>
4. ADP/Computer Services	<input type="text"/>
5. Subawards/Consortium/Contractual Costs	<input type="text"/>
6. Equipment or Facility Rental/User Fees	<input type="text"/>
7. Alterations and Renovations	<input type="text"/>
8. <input type="text"/>	<input type="text"/>
9. <input type="text"/>	<input type="text"/>
10. <input type="text"/>	<input type="text"/>
Total Other Direct Costs	<input type="text"/>

G. Direct Costs

Total Direct Costs (A thru F)

H. Indirect Costs

Indirect Cost Type	Indirect Cost Rate (%)	Indirect Cost Base (\$)	Funds Requested (\$)
X	<input type="text"/>	<input type="text"/>	<input type="text"/>

Add Additional Indirect Cost

Total Indirect Costs

Cognizant Federal Agency (Agency Name, POC Name, and POC Phone Number)

I. Total Direct and Indirect Costs

Total Direct and Indirect Institutional Costs (G + H)

Funds Requested (\$)

J. Fee

Funds Requested (\$)

K. Total Costs and Fee

Total Costs and Fee (I + J)

Funds Requested (\$)

L. Budget Justification

(Only attach one file.) Add Attachment Delete Attachment View Attachment

Add Period

RESEARCH & RELATED BUDGET - Cumulative Budget

	Totals (\$)
Section A, Senior/Key Person	<input type="text"/>
Section B, Other Personnel	<input type="text"/>
Total Number Other Personnel	<input type="text"/>
Total Salary, Wages and Fringe Benefits (A+B)	<input type="text"/>
Section C, Equipment	<input type="text"/>
Section D, Travel	<input type="text"/>
1. Domestic	<input type="text"/>
2. Foreign	<input type="text"/>
Section E, Participant/Trainee Support Costs	<input type="text"/>
1. Tuition/Fees/Health Insurance	<input type="text"/>
2. Stipends	<input type="text"/>
3. Travel	<input type="text"/>
4. Subsistence	<input type="text"/>
5. Other	<input type="text"/>
6. Number of Participants/Trainees	<input type="text"/>
Section F, Other Direct Costs	<input type="text"/>
1. Materials and Supplies	<input type="text"/>
2. Publication Costs	<input type="text"/>
3. Consultant Services	<input type="text"/>
4. ADP/Computer Services	<input type="text"/>
5. Subawards/Consortium/Contractual Costs	<input type="text"/>
6. Equipment or Facility Rental/User Fees	<input type="text"/>
7. Alterations and Renovations	<input type="text"/>
8. Other 1	<input type="text"/>
9. Other 2	<input type="text"/>
10. Other 3	<input type="text"/>
Section G, Direct Costs (A thru F)	<input type="text"/>
Section H, Indirect Costs	<input type="text"/>
Section I, Total Direct and Indirect Costs (G + H)	<input type="text"/>
Section J, Fee	<input type="text"/>
Section K, Total Costs and Fee (I + J)	<input type="text"/>

ACLS Digital Justice Seed Grant

Sample Budget**

Category	Description	Time Period	Rate	Cost			
	Final Cut Pro X Video/Audio Editing Software			\$300			
Total: Software Licensing & Fees				\$1,350			
Equipment							
	HD Camera			\$750			
	External Microphone			\$1,500			
	Ring Lights			\$350			
	External Hard Drive			\$150			
	Tripod			\$100			
Total: Equipment				\$2,850			
Direct Costs							
	Interview Space Rental at API Community Archive	15 hours: October 2022; February 2023	\$75/hour	\$1,125			
	Interviewee Participation Gift Cards	October 2022; February 2023	\$50/ participant for 25 participants	\$1,250			
	Research Carrels for Graduate Assistants	12 months	\$100/month	\$1,200			
	Social Media ads for YouTube Channel	12 months		\$500			
Total: Direct Costs				\$4,075			
Travel & Lodging							
	Train tickets to interview site for PI and Graduate Assistants	October 2022; February 2023: 4 interview/recording sessions	\$35/roundtrip ticket	\$280			
	PI and Graduate Assistants travel to Digital Humanities Symposium April 2023	April 17, 2023	\$200/ roundtrip ticket	\$600			
	PI and Graduate Assistants accomodation for Digital Humanities Symposium April 2023	April 17-April 19, 2023	\$125/night	\$750			
Total: Travel & Lodging				\$1,630			
Base Project Costs				\$22,675			
Total Budget Request				\$22,675			
**Please note that this is only a sample budget. Actual research project categories and budgeted amounts will vary by project.							

General Strategies

- Develop or find a budget spreadsheet that works for you
- Use formulas (Excel)
- Round to whole dollars
- Request a reasonable amount of funds to do the work, not more and not less



Contact your Research Administrator for assistance.

Closing Points

- Start early
- Ask questions
- Read the solicitation
- Communicate with the agency contact
- Participate in the proposal webinar
- Schedule time to meet your SPARC Research Administrator

Building a Budget

RESEARCH WEEK 2022

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