

Preparing a Grant Budget

Prepared by University of Florida International Center



For questions, please contact:

Nargiza Ludgate

Office for Global Research Engagement

University of Florida International Center

RNARGIZA@UFL.EDU

Tel: (352) 273-1531

What is the budget?

- The budget is the translation of your work plan into dollars & cents
- Expenses are presented in two major categories:
 - Direct costs (personnel salaries & fringe, travel, consultants, supplies, equipment, etc.)
 - Indirect costs (a.k.a. Facilities and Administrative Costs)

As you develop your budget, consider the following....

- How much effort and expertise is required to accomplish your specific objectives
- Number of people, variety of expertise and their level of effort involved:
 - Will you be the principal investigator (PI) or co-PI?
 - Other faculty & staff, including support staff
 - Postdoctoral fellows
 - Graduate students
 - Undergraduates

Tip: Some sponsors may not allow budget provision for support staff

As you develop your budget, consider the following....

- Do you need to travel to implement your project, disseminate research progress and results, or network and stay current in the field?
- Are these domestic and or international travels? Be specific
- Are there conference registration fees?
- Do you need to send students for research?

Tip:

- *Federal grants and contracts require projects to comply with Fly America Act*
- *Check U.S. Department of State foreign per diem rates for your budget calculation*
https://aoprals.state.gov/web920/per_diem.asp

As you develop your budget, consider the following....

- Do you need equipment for the project?
 - Equipment – Check UF’s definition of equipment. Usually items that cost >\$5,000, with a useful life of more than one year
 - Does your equipment require special installation or renovation?
 - Does the sponsor allow you to purchase equipment?
- Do you need supplies/consumables?

Tip:

- *Office supplies are usually not allowed on grants and contracts unless they are essential for your project. Check with UF’s Division of Sponsored Programs (DSP)*

As you develop your budget, consider the following....

- What other expenses you may incur during your project?
 - Will you have subcontracts/sub-awards?
 - Consultant costs
 - Tuition for students
 - Participant support costs (if hosting a conference)
 - Publications/copying costs

Tip:

- *Read and follow budget specifics in the grant application instructions*

Preparing your Budget and Budget Justification

- Personnel - salaries
 - List all staff positions by categories and title: Academic Personnel (faculty and postdocs); TEAMS/USPS and OPS
 - Provide the annual salary rate and the percentage of time to be devoted to the project

Position/Title	Annual Salary	% of time assigned to project	Cost
Principal Investigator (PI)	\$XX	50%	\$XX
Co-PI	\$XX	20%	\$XX
Project Coordinator	\$XX	100%	\$XX
Program Assistant	\$XX	100%	\$XX
Graduate Student	\$XX	50%	\$XX

Preparing your Budget and Budget Justification

- Personnel – Fringe Benefits

- Fringe benefits vary with position and period (academic year or summer)
- Check UF's Fringe Benefits Pool for up-to-date rates

<http://www.hr.ufl.edu/benefits/fringepool/default.asp>

Tip:

- *In the budget justification, note the individual's effort dedicated to the grant (check grant application instructions), and describe their roles and responsibilities*

Preparing your Budget and Budget Justification

- Domestic or Foreign Travel:
 - Provide information used in estimating the cost such as: the destination if known, purpose, number of travelers, and estimated cost per trip.
 - Travel for trainees, members of work groups, or other individuals who are not UF employees may fall under participant support cost. (Check with DSP)

Purpose	Location	Item	Computation	Cost
Conference	Atlanta	Lodging	4 people x \$100 per night x 2 nights	\$800
		Airfare	4 tickets x \$500 round trip	\$2,000
		Per Diem	4 people x \$36 per day x 2 days	\$288
		Registration	4 people X \$250	\$1,000
Total Travel:				\$4,088

Preparing your Budget and Budget Justification

- Justification for domestic or foreign travel:
 - Describe travel (what and where the conference is, number of persons supported by travel allotment)
 - Foreign travel typically must be well justified. If it is a federal funded project, it may require a preliminary approval from the sponsor to travel. Some sponsors may limit per diem to government rates

Preparing your Budget and Budget Justification

- Equipment:
 - Details such as the type of equipment, cost, and a brief narrative on the intended use of the equipment for project objectives are required
 - Purchases of less than \$5,000 may be listed under “Supplies” or “Other”
 - In budget justification, describe consequences of not acquiring equipment. Some sponsors may want to see one or more quotes unless you must purchase from specific vendor (i.e., sole source required to assure compatibility with existing equipment)

Preparing your Budget and Budget Justification

- Supplies:
 - Supplies are tangible personal property other than equipment. This includes things such as laboratory supplies (e.g. chemicals, reagents, glassware, etc.). For those items that are not typical materials and supplies, a brief narrative or justification of how the item fits the program should be included

Preparing your Budget and Budget Justification

- Contractual Costs:
 - Contractual costs are those services carried out by an individual or organization, other than UF, in the form of a procurement relationship
 - Include the costs of a contractor, including an individual consultant (though some sponsors cap the cost/day). The consultant's travel is included in the contractual line item of the budget
 - Budget justification should list the proposed contract activities along with a brief description of the scope of work or services to be provided, proposed duration, and proposed procurement method (competitive or non-competitive), if known

A note on monitoring and evaluation

- Many sponsors now require an evaluation plan which may be handled by an external consultant(s)
- 5-10% of your budget is not an unreasonable amount to spend on evaluation and may be required by the sponsor
- When calculating and adding the evaluation costs within the consultant budget category or a sub-award category remember to budget travel costs if evaluation involves international and or domestic travel for consultant(s)

Preparing your Budget and Budget Justification

- Subcontracts/Sub-awards:
 - If collaborators at another institution will perform work on the grant, notify DSP as soon as possible. That institution must provide DSP with an authorized budget (signed by their sponsored research) and a letter of intent to enter into an agreement in the event of an award. In your budget justification, convey why they were selected
 - Note: when calculating indirect costs, only the first \$25,000 of the subcontract or subaward amount will be subject to indirect cost recovery

Preparing your Budget and Budget Justification

- Graduate Student Tuition:
 - When allowed by the sponsor, graduate student tuition may be charged on a grant
 - Check grant application instructions if tuition is not subject to indirect costs
 - Work with your department's fiscal office to determine what the appropriate graduate student salary and tuition should be in your academic unit
 - For Tuition and Fees information check:

<http://www.fa.ufl.edu/bursar/current-students/>

Preparing your Budget and Budget Justification

- Participant Support Costs:
 - Includes the costs to support participation in the project by individuals who are not UF employees. Examples include stipends for trainees and registration fees for training conferences
 - Check with DSP and grant application instructions on how to budget for participant support

Preparing your Budget and Budget Justification

- Other Direct Costs – are those anticipated direct project charges not included in other budget categories. A description and cost must be included in the budget narrative for each item
 - Publication Costs
 - This line is associated with the publishing of an article in a scientific or technical journal or other type of field/program related publication or for commercial printing of brochures and program materials. Photocopying costs should be included under the “other” category
 - Communication Costs
 - Includes mailings, postage, express mail, faxes and telephone long distance charges. Can be presented in the budget as a cumulative cost

Preparing your Budget and Budget Justification

- Indirect Costs (a.k.a. Facilities and Administrative Costs)
 - Applied to all sponsored projects unless sponsor policy/program limits indirect cost recovery
 - Check sponsor's policy on indirect costs (IDC). Some foundations cap the chargeable IDC rate
 - Also check UF's policy on indirect costs and apply the appropriate rate in your budget

<http://research.ufl.edu/research/handbook/policies/facilities-administrative-indirect-cost-policy.html>

- DSP has exclusions to IDC charge including equipment, patient care, rental costs of off-site facilities, scholarships, fellowships, and the portion of each subaward in excess of \$25,000. Check with DSP

Budget Example

	Budget Category	Total
A.	Personnel	\$ XX
B.	Fringe Benefits	\$ XX
C.	Travel	\$ XX
D.	Equipment	\$ XX
E.	Supplies	\$ XX
F.	Contractual	\$ XX
G.	Other	\$ XX
I.	Total Direct Costs	Sum of adding costs from A to G
J.	Indirect Costs	% IDC x Total cost in I (minus exceptions)
K.	Total	Sum of I + J

Preparing your Budget and Budget Justification

- Cost Sharing
 - Some sponsors require (mandatory) or encourage (voluntary) cost share contribution
 - You should consider cost-share contribution only if it is required by the sponsor
 - The most common cost share at UF is faculty/staff's salaries and fringe
 - Work with your department fiscal office to determine the appropriate amount of cost share and establish a sound cost-share reporting procedure. Remember: The sponsor requires a timely cost-share reporting with adequate support documentation
 - Also remember to regularly check with the UF Cost Sharing Policy