Grant Proposal
Budgeting Workshop:
Developing a Successful
Compliant Budget

OFFICE OF SPONSORED PROGRAMS &
OFFICE OF RESEARCH DEVELOPMENT

Course Overview

- Grant Basics
- Solicitations and Institutional Support
- Budget Categories Overview
- Day Parts on Budget Development
- Open Q&A

Who We Are
- Muriel Industrious, Associate Director, Office of Sponsored Programs
- Jeanne Viviani, Director, Office of Research Development

Where do I Start?
- Grant Forward search tool (it's FREE!)
  - www.grantforward.com
- Discuss research interests with your research mentor
- Talk to your colleagues (inside and outside of FAU)
Funding Opportunities: Basics

- Overview / Summary
- Synopsis of the Research Program
- Proposal Requirements including Eligibility
- Budget Requirements
- Scientific Review Criteria

Brainstorming Your Budget Details
- Check sponsor guidance first before developing!
- Write a short summary of what you plan on doing and WHY it is important.
- After the Why (your research idea) then the Who, What, When, Where, and How?

Budget Basics

Budget Formats & Templates
- Categories are usually “standard”
- Formats are NOT (yet)
- Federal Forms: R&R and SF424A
- Non-profit, State of Florida, etc. are all unique
- FAU OSP Excel Spreadsheet is your BEST option!
https://www.fau.edu/research-admin/sponsored-programs/agreements-and-forms/
The Anatomy of a Typical Budget

- Personnel (Senior/Key Personnel)*
- Other Personnel (grad students, techs etc.)
- Equipment
- Travel
- Participant/Trainee Support
- Other Direct Costs (e.g., Supplies, Consultants, etc.)
- Facilities & Administrative Costs (F&A)
- Cost Share

*As a Postdoc, you require an FAU eligible staff or faculty member to be the lead PI.

The Anatomy of a Budget Expanded

A. Senior/Key Person
- Program director/principal investigator (PD/PI)
- Other individuals who contribute to the scientific development or execution of project in a substantial and measurable way
- Common senior/key personnel include: PD/PI, Multi-PD/PI, and co-investigator (Co-I). NIH does not recognize Co-PI but rather Co-I
- Per FAU policy, senior/key individuals must commit a minimum of 1% effort on the project (salary including fringe benefits)

B. Other Personnel
- Includes other significant contributors to the project but not considered senior/key
- Post-doctoral associates, graduate students, and undergraduate students
- Also includes secretarial, clerical, lab and research technicians
- In most cases, these individuals will also commit effort/salary

C. Equipment Description
- Defined as an item of property that cost $5,000 or more and a service life of more than one year
- Equipment costs are excluded from the facilities and administration (F&A or indirect costs or overhead)
- Must be justified and including a price quote will aid reviewers

The Anatomy of a Budget Expanded (cont.)

D. Travel
- In most cases domestic and international travel is an allowable expense
- Travel must follow Uniform Guidance and the U.S. federal government travel regulations (FTR)
- Example of FTR includes, but not limited to: must fly U.S. flag carriers, per diem rates, and transportation expenses
- Travel expenses must be clearly justified
- Expenses must relate to the specific aims and be clearly justified
- Must include destination, number of travelers, and dates or duration

E. Participant/Trainee Support
- Under Uniform Guidance: Participant support costs are direct costs for expenses or subsistence, travel allowance, and registration fees paid or on behalf of participants in connection with a conference or training project
- Are not: incentives or gift cards paid to individuals as participation in a study/project
- Certain sponsors do not allow participant costs unless prior approval is provided or identified in a specific RFP or announcement

F. Other Direct Costs
- Material and supplies
- Publication costs
- Consultant services
- ADP/Computer services
- Laptops or computers
- Subawards/Consortium/Contractual costs
- Equipment or facility rental/user fees
- Alterations and renovations
- Animal care
- Tuition
- Other direct costs,___________
Allowable and Unallowable Cost

### Allowable Costs
- Necessary
- Reasonable
- Allocable
- Consistently Applied

### Unallowable Costs
- Does not support the project directly (example: food for students working in the lab)
- Unreasonable cost or amount (example, $1,000 for 10,000 Petrie dishes)

Unallowable cost are not eligible for reimbursement by the sponsor. Below is a list of costs normally considered unallowable. However, depending on the nature of the award and the sponsor specific agreement, some cost that are generally unallowable may be allowable for a specific award. Please refer to FAU’s Direct Cost Policy (see link below) for further details on allowable and unallowable costs.

- Advertising, alcohol, alumni or fund-raising activities, antiques, audit costs and related services, bad debt write-offs, commencement expenses, conferences (some exceptions), contributions, cost overruns, decorative objects, entertainment (meals, food or refreshments), faculty and exempt staff salary in excess of base rates paid by the institution.

FAU’s Research Accounting Policies
[https://www.fau.edu/research-admin/research-accounting/policies-and-procedures/](https://www.fau.edu/research-admin/research-accounting/policies-and-procedures/)

Calculating Salaries and Effort

**What is Effort and how does it tie to Salaries?**

Effort is the time devoted to a particular activity, usually expressed as a percentage or person months of the total time spent on the activity. Effort can also be represented by the individual's salary as effort and salary go hand-in-hand. Generally, compensation for personnel services is the largest expense charged to a sponsored award.

- Institutional base salary (IBS) – compensation paid by the university for an individual's appointment.
- Full time equivalent (FTE) – a unit that indicates the workload the individual's appointment. 1.0 FTE = full time and 0.5 FTE = half-time.
- Salary Cap – sponsor may have a cap or limit in the amount of IBS an individual can charge to a sponsored project. The current Executive Level I Salary cap is $203,700.
Converting Salaries and Effort

Converting Salaries to Percent Effort to Person Months

- Person months is defined as a metric expressing effort (amount of time) an individual devotes on a specific project in the form of a whole or partial month.
- Effort is based on the appointment type of the individual, either calendar year (CY), academic year (AY), and/or summer term (SM).
- Conversion of percent effort to person months: Multiply the % effort x number of months of the individual’s appointment.

\[
\begin{align*}
25\% \text{ of a 9 month (AY)} &= 2.25 \text{ (AY) person months (9 \times 0.25 = 2.25)} \\
10\% \text{ of a 12 month (CY)} &= 1.20 \text{ (CM) person months (12 \times 0.10 = 1.20)} \\
35\% \text{ of a 3 month (SM)} &= 1.05 \text{ (SM) person months (3 \times 0.35 = 1.05)}
\end{align*}
\]

https://www.fau.edu/research-admin/sponsored-programs/time-and-effort-calculator

Facilities & Administrative Costs

- Costs incurred in conducting or supporting research but cannot be identified readily and specifically with a particular sponsored project.
- Example: We can’t charge the sponsor for electricity used in the lab.
- “Facilities” are the costs for certain buildings, equipment and capital improvements, operation & maintenance, and library expenses.
- “Administration” is defined as general administration and expenses, sponsored projects administration, student administration & services.

Calculating Indirect Cost on Modified Total Direct Costs

- The current on-campus Research & Administration (R&A) rate at FAU is 52.5%. In almost all cases, the full rate will be applied to all proposals unless restricted by the sponsor guidelines.
- On federal proposals, the following items are excluded in the calculation of R&A costs: equipment, capital expenditures, student tuition remission, research subject care costs, rental of off-site facilities, non-conference type participant costs, and sub-recipient (consortium or subcontract) charge after the initial $25,000.
- Budgets that are not charged FAU’s full R&A rate are calculated based on Total Direct Cost (TDC) of sponsored approved rate.
### What is Cost-Share?

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<th>Mandatory</th>
<th>Voluntary</th>
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<td>Cost-share is specified in the FOA/RFP and required by the sponsor as a condition of obtaining an award. Must be included for consideration of funding.</td>
<td>Cost-share not required by the sponsor for obtaining an award (generally prohibited under FAU policy). Certain announcements may include suggested language such as “cost-share is encouraged or recommended” which may make the proposal more favorable or increase the funding potential (competitive). In this instance, voluntary cost-share is permissible.</td>
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Cost-share may be provided by FAU, subrecipients, and other third-parties. Some common costs that are cost-shared include effort (salary support), tuition, and unrecovered F&A.

- Mandatory – cost-share is defined as the portion of the project or program costs that are not paid by the funding agency.
- Voluntary – cost-share is referred to as "match".