



Budgeting for Success

College of Education

October 2019

Goals

- ❖ **Make budget strategic and realistic**
- ❖ **Budget at pre-award (proposal) stage for post-award success**



Know the Pieces
Know the Restrictions



Potential Restrictions

- ❖ Read the solicitation or Sponsor guidelines to determine what is required and what may not be supported.
- ❖ PI or Co-I salaries and/or benefits
- ❖ Equipment
- ❖ Travel
- ❖ Subwards
- ❖ Tuition

Major Line Items

- ❖ Personnel – effort, fringe benefits
- ❖ Equipment
- ❖ Travel
- ❖ Supplies
- ❖ Participant Support
- ❖ Subawards
- ❖ Other Direct Costs
 - ❖ Tuition
 - ❖ Human subject payments
 - ❖ Consultants

Personnel Benefits

- ❖ Effort should reflect the work required for the project
- ❖ Will you need to hire anyone? Post Doc, GA, student workers
- ❖ Escalate salaries at least 3% per year
- ❖ Fringe benefits must be included for everyone
- ❖ Funding restrictions regarding salary may mean cost share

Equipment

- ❖ Any singular piece of equipment with a value over \$5,000
- ❖ Must be able to soundly justify in the budget justification
- ❖ Not included in indirect cost calculation

Travel

- ❖ Base on reasonable costs for airfare, ground transportation, lodging, per diem and conference fees. CONUS rates for per diem
- ❖ Must identify both domestic and international
- ❖ Some Sponsors require budget for a PI meeting
- ❖ Consider costs for team meetings and dissemination

Supplies

- ❖ **Consumables**
- ❖ **Computer and printer**
- ❖ **Data management devices**

Participant Support

- ❖ **Stipends, tuition, subsistence or travel or registration fees paid on behalf of trainees**
- ❖ **Not human subject payments**
- ❖ **Most often associated with training or conference grants**

**Subaward
or
Consultant**

The difference is important
and centers on **scientific**
involvement.

Subaward

- ❖ Funding used to carry out program for a **specified** purpose
- ❖ Responsible for **programmatic** decisions
- ❖ Contributes to **scholarly or scientific** conduct
- ❖ Requires considerable **discretionary judgement**
- ❖ Investigator considered as **co-author** on publications
- ❖ Performs work that involves **human subjects or animal studies**
- ❖ Indirect costs only on the first \$25,000 of each Subaward

Consultants

- ❖ An **expert advisor** paid for their time at a fixed rate – usually hourly.
- ❖ Provides a **routine service** as part of its normal business operation and provides similar services to many others
- ❖ Not responsible for any specific aims
- ❖ Provides professional expertise on a very **limited** basis
- ❖ **Not involved** with publishing or intellectual property
- ❖ Example: Third-party evaluator – though sometimes there may be exceptions.

Other Direct Costs

- ❖ **Tuition – GA tuition must be included per University policy.**
- ❖ **Publications – include based on actual costs. Identify publications**
- ❖ **Fees – for processing samples**
- ❖ **Human subject payments**
- ❖ **Teacher incentives**
- ❖ **Animal care**
- ❖ **Advisory board**
- ❖ **Printing**

Indirect Costs

- ❖ **Rate that a Sponsor will pay to cover institutional costs. Set by UofM rate agreement unless....**
- ❖ **Sponsor has published rate.**
- ❖ **Must be included in all budgets unless unallowable by Sponsor.**
- ❖ **Lower or unallowability must be published/verified.**

Where can you be flexible?

- ❖ Budget travel or publications after year one. Depends on any required PI meetings.
- ❖ Start a Post Doc or a GA, if included, a semester into the project. It may take you time to hire.
- ❖ Adjust effort across years.
- ❖ Budget reduced by Sponsor? Reduce for Subawards, if included, as well.

What is Cost Share?

- ❖ **The University's contribution on a project, usually involving salary and fringe benefits**
- ❖ **Voluntary or agency mandated**
- ❖ **Examples**
 - ❖ NSF academic year
 - ❖ Required match (DoEd Rehabilitation)

Budget Justification

- ❖ **A detailed budget justification is required, and examples are available.**
- ❖ **Write the justification based on how the Sponsor orders their budget. This can vary.**
- ❖ **Some Sponsors require by year and not just overall.**

Post-award Management

- ❖ Budget adjustment at the time of award may be required.
- ❖ Manage throughout the project. Partner with your business officer.
- ❖ Rebudgeting - no vs. prior approval; allowable percentage
- ❖ No Cost Extensions

Remember..

It is easier to ask for funds at the proposal stage than to ask for a budget revision!

Questions?