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)
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?