

2020-2021 Collaborative Grant Writing Workshop Series

Session 3 – Proposal Budgets 101



Welcome & Ground Rules

Poll #1

- Co-Presenters

- St. Cloud: Jodi Kuznia, Director of Research Development
Megan Robillard, Associate Director of Research Development
- Mankato: Kristel Seth, Director of Research and Sponsored Programs
- Winona: Brett Ayers, Director of Grants & Sponsored Projects
Katie Subra, Grants Specialist
- Bemidji: Jenna Trisko, Grants Specialist

- Add your institution to your display name in Zoom

- Interactive Format

- Ask questions as they arise. We will use breakout rooms for final Q/A.
- Authentic examples, Useful infographic, and polls

Learning Objectives

- Understand budget terminology
- Identify expenditures and link them to your project
- Write budget justifications
- Know University specific requirements



Terminology: Direct Costs

- Direct costs are specifically and easily identified with a particular project or activity **AND** are allowable under the funding agency guidelines
 - *Some examples include*
 - Salaries/wages and fringe for those working specifically on the objective of the project
 - Travel for the project (*watch for any/all federal travel restrictions*)
 - Materials, supplies and equipment required for direct use on project
 - Consultant services needed for the project
 - Graduate assistantships for those working on the project

Must specifically attribute costs to a particular sponsored project.

Terminology: Facilities and Administration Costs (*also referred to as F&A, indirect, overhead*)

- <https://www.youtube.com/watch?v=wOVliajSxZk&t=7s>



- Organization or institution that is eligible and willing to be an applicant/submit a proposal for consideration (*university, foundation/advancement office, non-profit, etc.*) and take on the risk & responsibility of administering an award
- Existing physical operations (*computers that will be used to implement the project, internet/networking you use, office/labs/buildings, etc.*)
- Services and personnel to help you (*library services, purchasing department, grants accountant, grants staff, etc.*)
- Utility and maintenance costs (heat, lights, etc.)

Supports the University's shared infrastructure required to successfully implement a project.

Terminology: Match Cost

(also referred to as cost-share, institutional commitment)

- Match is a portion of a grant-funded project that is not paid by the funding agency.
 - Forms of Match
 - Cash; new cash dedicated to a project
 - In-kind; non-cash donations of a good/service that can be given a value and are used for a project
 - Types of Match
 - Mandatory; required by the funding agency AND auditable
 - Voluntary Committed; not-required by the funding agency AND auditable

Match must be reviewed/approved PRIOR to proposal submission.

Match must be documented (for audit) and if unfulfilled, will negatively impact your grant award.

Check your institutional policy re: voluntary match.

Tips as you get started

1. Budget development has many steps and is generally submitted in at least 2 formats (*amount and written rationale of why items are essential to project and how the amount is calculated*)
2. Develop your budget alongside your narrative to ensure budget items are specifically related to activities described in the proposal
3. Organize your budget items in the same order and format as the funding agency (*this can vary funding agency to funding agency*)
4. Use the same language/terminology as the funding agency
5. Millions of grants are submitted every year, you can increase chances for success by including fully developed grant budgets that tell the story of your grant in numbers
6. Most campuses have folks to help with budgets, but you and your team are the experts who need to define the costs to implement the project

Ways to avoid common mistakes

1. Start early and don't develop the budget in a hurry.
2. Don't wait until the last minute to talk to your dept chair/Dean. Do this early in your project planning process.
3. Don't forget fringe and annual salary increases when calculating salaries.
4. Remember to outline the roles/responsibilities that personnel (*including students, staff and faculty*) will complete.
5. If partnering with another institution, engage them early.
6. Double-check your math and make sure budget amounts between your narrative and budget sections match.
7. Some reviewers will focus a lot of energy on the budget, so tell your implementation story and explain why items are necessary for the project. Remember - reviewers can "Google" your costs!

Common Budget Categories and Calculating Expenses

Category		Description Examples
<i>Salary and Wages</i>	<p>List each position that pertains to the proposal and explain role and calculations.</p> <p>Faculty Salary</p> <p><i>Base Salary/24 credits = per credit rate</i></p> <p><i>Base Salary/168 days = daily rate</i></p> <p>Undergrad and graduate students have different rates, consult your campus experts</p>	<p>International Affairs Director: \$50,000/year @ 20% = \$10,000. The Project Director currently oversees the program and will spend 20% of her time hiring, training, and supervising staff. This individual's time and efforts spent on the proposed program will be covered by grant funds for the 12 months of the grant period.</p>
<i>Fringe Benefits</i>	<p>Employer paid FICA/Medicare, retirement, health insurance, worker's comp, etc.</p> <p>During the summer, students may have fringe costs</p> <p>Faculty; for course buyout, fringe can range from 28%-60% depending on an employees elections and for extra duty pay, fringe is 22% since health insurance follows base.</p> <p>Students; summer pay include ~8% fringe</p>	<p>International Affairs Director: \$10,000 @ 40% to cover employer paid FICA/Medicare, retirement contributions, health insurance contributions, workers comp = \$4,000</p> <p>*Fringe rates can vary greatly by employee so consult your campus experts --- <i>we've seen 18%-50+%</i></p>

Common Budget Categories *and Calculating Expenses (con't 1)*

Category		Description Examples
<i>Travel</i>	Explain the reason for the travel and who will be traveling; include transportation, lodging, per diem (<i>in alignment with collective bargaining contracts</i>), and associated travel expenses.	Faculty: 1 faculty x \$500 airfare from US to Mexico = \$500 1 faculty x 10 nights x \$75.00 single lodging = \$750
<i>Equipment</i>	Includes itemized and justified non-expendable item and most funding agencies on the University's definition of "capital equipment" to differentiate between equipment and supply categories.	Universal VLS 3.60 Versa Laser, \$48,170 <i>Materials-based print driver, print preview, job time estimator, red dot pointer, motion system protection, precision sealed bearings, positive pressure optics protection, over-temperature alarm, laser interface print driver, interchangeable focusing optics</i>
<i>Supplies & Materials</i>	Identifiable consumable materials that are justified and required to complete the project.	Meeting Supplies: For administrative meetings, workshops, etc. \$75 x 3 months = \$225 Orientation costs of \$50 x 6 students - \$300 Versa Laser materials = \$500

Common Budget Categories *and Calculating Expenses (con't 2)*

Category		Description Examples
<i>Contracts/ Subawards</i>	Consultant/Contractor; provides goods or services to the project Subawardee; carries out an intellectually significant portion of the project	Consultant Services: \$2,000 Dr. Janie Brown, an educational psychologist, who is an expert in international integration experience for college students.
<i>Participant Support Costs</i>	Direct costs for items such as stipends or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees in connection with conferences or training projects. <i>Typically specifically defined by the funding agency/grant program.</i>	Student Exchange: 6 students x \$1,000 for program tuition/fees = \$6,000 6 students x \$550 airfare from US to Mexico = \$3,300 6 students x 10 nights x \$50.00 double-occupancy lodging = \$3,000

Common Budget Categories *and Calculating Expenses (con't 3)*

Category		Description Examples
<i>Other Direct Costs</i>	Identifiable items that are not covered in other categories the funding agency offers; some examples include tuition remission for graduate assistantships, special activities for the project, etc.	Marketing and Recruitment: \$1,000 for a comprehensive recruiting initiative facilitated through multi-mediums (direct mail, social media and general advertising).
<i>F&A (or indirects)</i>	<p>Indirect costs represent the expenses of doing business that are not directly tied to a particular project function or activity. Indirect cost rates distribute those costs among all the work that the institution engages in.</p> <p><i>Every institution has their own operational rate as negotiated with a federal agency – consult your campus experts.</i></p>	The modified total indirect cost rate approved by the Department of Health and Human Services is 33.4%, effective 7/1/2018 and applied to the base of 18,775 = \$6,270.85.

That's a lot of detail and examples....

- Questions/Thoughts/Comments?

Budget Justifications

- Short narrative that provides explanations about line item costs; what they do and how they relate to the research plan or statement of work
- Follow the funding agency's required format; *could be paragraphs or pages as this varies among funding agencies*
- Detail should be sufficiently detailed to make clear connections to the project's goals and objectives
- When written well, build your creditability with the reviewers
- If you are leveraging other resources, the Budget Justification may be the appropriate place to outline those resources

Budget Justifications (con't)

- Explanations should be clearly connected to the project and provide additional context (*you don't want reviewer to make assumptions*):
 - Personnel – include roles/responsibilities and how much time/effort will be dedicated to the project with specifics of how salary and fringe amount is calculated
 - Travel - explain what the travel is for and why its required for the and break it into number of persons traveling, airfare, lodging, per diem, etc.
 - Other direct costs - define items and articulate how expenses were derived for supplies, analyses and/or equipment (*i.e., from past experience, quotes, etc.*).

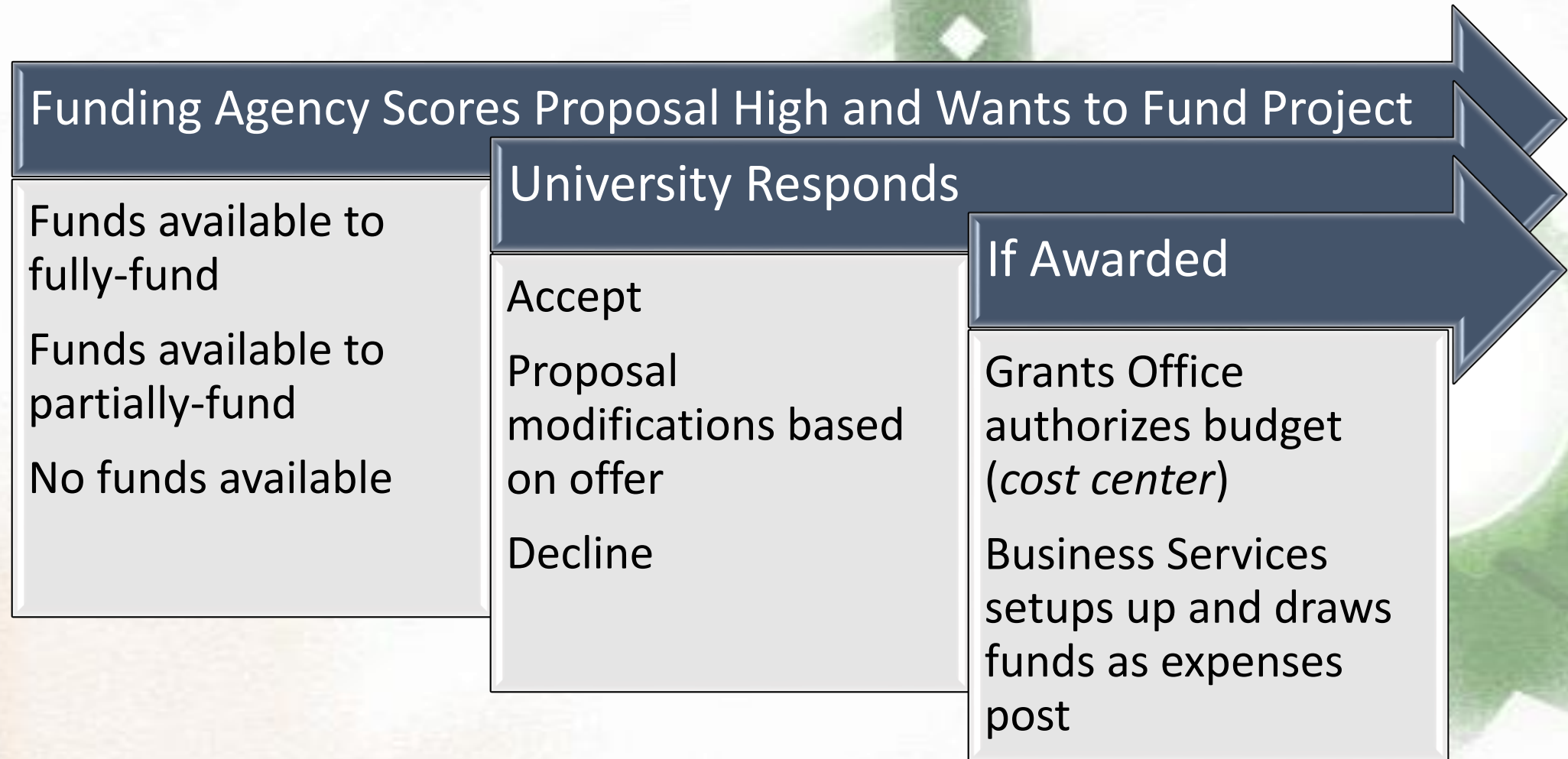
Successful submission!

- Wait for funding agency's response.....



Award Negotiations

Funders may request budget changes for your project.



Soon heading to breakout rooms: Get to know your campus' specifics

- How your grants office/experts can help
- Parameters of personnel assignments
- Parameters of match (mandatory vs. voluntary)
- What's our F&A rate?
- Other thoughts/questions

Wrap-up / Closing Thoughts & Questions / Survey

Contact us as soon as you start thinking about external funding.

- BSU Grants Office
jenna.trisko@bemidjistate.edu
- MSU Research & Sponsored Programs
507-389-5275 or RASP@mnsu.edu
- SCSU Research & Sponsored Programs
320-308-4932 or
ResearchNow@stcloudstate.edu
- WSU Grants & Sponsored Projects
507-457-5519 or grants@winona.edu

Pop-up 3.1 - Feb 26 @ 11:45 am

- Panel discussion for Proposal Budgets 101 –
What should I be thinking about?

Pop-up 3.2 - Feb 26 @ 12:30 pm

- Build a Project Budget

*SAVE THE DATE! Session 4 coming March 19,
with associated Pop-ups on March 26*

