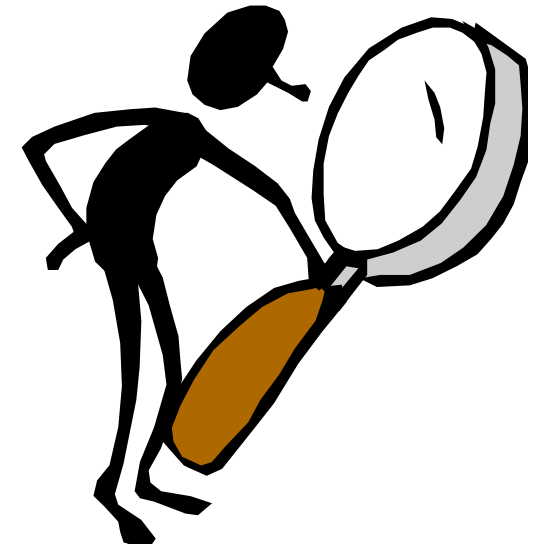# Proposal Budgeting

Summer 2021

Helping you solve the "Mystery"

Budget = restatement of the methods section in dollar terms

- Two components:
  - Direct (people, place or thing)
  - Facilities & Administrative (F&A) or indirect

Budget items to consider *(when allowable)*

- **Your time**
  - Summer salary (note allowable months)
  - Off-load (yes, even NSF will allow one if you teach 5/year)
  - Academic year funding (up to 20%, typically NIH allowable)
- **PEOPLE**
  - Project or Lab Manager
  - Post Doc
  - Grad Student
    - ***Salary and tuition***
  - Undergrad RAs
  - Consultants
  - External evaluator (~10%)
- **Advisory Board members**
  - Payments; travel; annual meeting

Budget items to consider *(when allowable)*

- **Professional development**
  - Stats camp
  - Webinars
  - Mini conferences
- **Supplies and materials**
  - Journals and books you need for the project
  - Transcription costs
  - Batteries, hard drives, locking file cabinets
  - Gift cards for human subject payments
  - Equipment for your team
  - Software you need (e.g., SPSS, ADOBE SIGN)
- **Dissemination products**
  - Toolkits
  - Travel to conferences
  - Open-source fees
  - Poster printing
  - Brochures
  - Website design

Budget items to consider *(when allowable)*

- **Other Types of Direct Costs**
  - PI team meetings
  - Equipment repair and maintenance
  - Computing time
  - Animal care
  - Leasing space
  - Patient costs (lots of rules on this!)

DETAILED BUDGET FOR INITIAL BUDGET PERIOD

	FROM	THROUGH

PERSONNEL COSTS

Enter Dollar Amount For Current Monthly Salary; Enter % Effort - see instruction sheet   Enter appropriate fringe rate - see side bar

Current Annual Salary	% Effort		NAME	ROLE ON PROJECT	Cal. Mnths	Acad. Mnths	Summer Mnths	ANNUAL SALARY	SALARY REQUESTED	Fringe Rate	FRINGE BENEFITS	TOTALS
				PI				$ -	$ -		$ -	$ -
				PI				$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
				TOTAL Personnel Costs					$0		$0	$0

Fringe Rates

Faculty - 30.7%

University Staff - 38.5%

Students - 0%

TRAVEL

Domestic	$ 0
International	$ 0
TOTAL Travel	**$ 0**

University of Colorado Colorado Springs

University of Colorado
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OTHER DIRECT COSTS (included in MTDC)

MATERIALS & SUPPLIES	$ 0
PUBLICATION COSTS	$ 0
CONSULTANTS	$ 0
SUBCONTRACT1 (Up to first $25,000)	$ 0
SUBCONTRACT 2 (Up to first $25,000)	$ 0
SUBCONTRACT 3 (Up to first $25,000)	$ 0
COMPUTER SOFTWARE	$ 0
HUMAN SUBJECT PAYMENTS	$ 0
OTHER	$ 0
OTHER	$ 0
TOTAL, Other Direct Costs (included in MTDC)	$ 0

OTHER DIRECT COSTS (not included in MTDC)

PERMANENT EQUIPMENT (over $5,000 per unit)	$ 0
SUBCONTRACT 1 (Amount over $25,000)	$ 0
SUBCONTRACT 2 (Amount over $25,000)	$ 0
SUBCONTRACT 3 (Amount over $25,000)	$ 0
OFF-SITE FACILITY RENTAL COSTS	$ 0
TUITION	$ 0
STIPENDS	$ 0
PARTICIPANT SUPPORT COSTS - conferences or training projects only	
STIPENDS	$ 0
SUBSISTENCE	$ 0
TRAVEL	$ 0
OTHER	$ 0
TOTAL, Other Direct Costs (not included in MTDC)	$ 0

Modified Total Direct Costs (MTDC)	$ 0
Total Direct Costs	$ 0
On-Campus Facilities and Administrative (F&A) Costs 46%	$ 0
TOTAL COSTS FOR INITIAL BUDGET PERIOD	$ 0

Direct Cost Items
sponsors may have a different outline/different directions - these are the most common:

- **Personnel (salaries & fringe benefits)**
- **Consultants**
- **Subcontracts**
- **Travel**
- **Equipment**
- **Supplies and Expenses**
- **Tuition**
- **Participant Support Costs (training grants)**

Salaries

- Include ALL UCCS employee salaries in the personnel section.

- Include all individuals who will work on the proposed project as an employee (individuals being supervised or trained, or those who will supervise or train UCCS employees.

- All salaries need to be at the individual's <u>actual current </u>rate of pay. (sorry, you can't give yourself a raise)

- Effort from ALL sources cannot exceed 100%

How to Calculate Salaries

- **Faculty:** Institutional salary x % effort (include all permanent positions, e.g. chair stipend, director stipend, IRB stipend)
- **Appointed personnel**: Institutional salary x % effort.
- **Professional Research Assistants:** use the standard college/unit rate x % effort.
- **Graduate Students:** use the standard dept./college/unit rate per month x number of months.
- **Undergraduate research assistants:** usually hired at hourly rate x # of hours/week/month/year.
- **Non-appointed personnel:** Hourly rate x # of hours per week/month/year.

Notes for GRA Salaries

Typically, a full-time graduate student = 20 hours per week during the academic year. They may work more during the summer when they are not pursuing their graduate studies full-time. In addition, if allowed by the sponsor, tuition remission may be requested for graduate students who are employed on a project. In order to provide tuition support, GRA's must be hired at a monthly rate (not hourly) at 50% effort or less.

Tuition for GRAs

If GRAs are included under personnel, tuition remission may typically be requested. Include budget requests at the actual rate/semester. See the tuition calculator here: https://bursar.uccs.edu/bill-estimator-2021-2022. For a GRA to receive tuition remission, they must also be receiving salary for <u>the same time period that tuition remission is received.</u> Tuition remission must be proportional to salary. (e.g. - if you hire a student at 50% effort, considered full-time for a GRA, you can pay full tuition)

Important note: If you pay tuition for a GRA on your sponsored program, your college must also offer tuition support for GRAs that are paid with institutional funds. UCCS only applies this to Graduate RESEARCH Assistants, not teaching assistants (GTAs).

Student Salaries

- Affordable Care Act implication

  - Limit on number of hours students can work while enrolled full-time. 25 hours/wk during the AY, 40 hrs/wk during summer. (monthly GRA's should be hired at 50% effort or less)

  - Includes work on all CU campuses

Notes on Administrative and Clerical Salaries

In accordance with federal rules and regulations, administrative and clerical salaries are normally **not treated as a direct cost.** However, direct charging of these costs may be appropriate where the nature of the work performed under a particular project requires an extensive amount of administrative or clerical support which is significantly greater than the routine level of such services provided by academic departments.

Fringe Benefits
(FICA, Health, Retirement, etc.)

Fringe benefits are charged on any salaries paid through payroll; To calculate, put the appropriate rate in column M on the OSPRI budget template (or take the total salary x the applicable rate).

Proposal Rates:

30.7% Faculty

38.5% University Staff

20.7% Faculty or Staff < 50% FTE

0% Students (note: campus has agreed to cover this cost for students on external sponsored projects)

Travel

When to include travel in your budget

- Are there any travel requirements associated with the project?

- Will the principal investigator/project director or others attend a conference to present results/collaborate with colleagues?

- Will the PI or graduate students travel to interview subjects?

- Does the granting agency require the principal investigator/project director to attend any meetings?

    All employee travel costs are to be included. Consultants and subcontractors should claim travel as part of their total costs. Consultants must make their own travel arrangements, as this is a use of UCCS resources, which could negate their classification as a consultant.

Travel (con't)

- Current mileage reimbursement rate is 50 cents per mile.
- Budget for airfare, meals, lodging, and registration fees.
- Use federally approved rates for domestic travel at https://www.gsa.gov/travel/plan-book/per-diem-rates
- Federally approved international travel rates are available here: https://aoprals.state.gov/web920/per_diem.asp
- Per University travel policy, first and last meal rates should be budgeted and will be reimbursed at 75% of the stated rate
- Any meals provided at a conference needs to be deducted from the per diem amount.

Consultants

If you need expertise that is not available at <u>UCCS</u>, identify specialty and include on consultant line. Show the consultant's rate x # of hours/days needed on the budget justification. Include any necessary travel costs for them in this section.

Notes:

- If this individual is being supervised or trained, or is supervising a UCCS employee, they would need to be hired as an employee and cannot be a paid as a consultant.

- If they are a current UCCS employee, include them under personnel at their actual rate and include fringe.

- Some agencies have a maximum allowable rate for consultants; check the sponsor guidelines.

Subcontracts

When collaborating with faculty from other institutions, if the faculty member will be using their institutional resources, identify the organization as a subcontract in the main budget. Note: the subcontractor will prepare their budget to be included in the main proposal. Their total costs (direct and indirect) will go in the subcontract lines of the budget template. Subcontractors must complete our Subrecipient Commitment form available on the OSPRI Forms page: https://www.uccs.edu/osp/resources/forms and include all required attachments.

Consultant or Subcontract?

- **_Subcontract:_** Subcontracted work is generally conducted at another institution or company and usually has a budget for salary/fringe, supplies, etc. The prime sponsor requirements/terms and conditions must be passed down to the subcontractor via a written agreement. Compliance also has to be monitored.

- **_Consultant:_** Consultants are experts outside the University hired to perform a service on the project for a short period of time. Consultants are not supervised by a university employee, they do not supervise any university employees, they do not have use of university facilities and resources, and they take on their own profit/loss risk.

Consultant or Subcontract (con't)

- ***Subcontract vs Consultant:*** A "subcontract" may also be referred to as a subaward or subgrant. A "subcontractor" may also be referred to as a subrecipient, subawardee, or subgrantee. A consulting agreement is generally to an individual who is not using any institutional or organizational facilities and is acting as a direct agent. Their rate includes expenses, usually bills by the hour, and is paid directly.

- **For assistance in determining if expenses are considered a subcontract, consultant or vendor, see the decision matrix (Subrecipient Classification) on the OSPRI website under 'Resources':**

  Subcontract_vs_contractor.02.19.2016.pdf (uccs.edu)

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Equipment

Equipment to be included in this category is defined as an item costing $5,000 or more per unit with a useful life of 1 or more, OR multiples components (each less than $5,000) totaling more than $5,000 necessary to build a fabricated piece. If an item costs less than $5,000, it should be included under materials and supplies.

Materials and Supplies

Include supplies and expenses that are <u>beyond the routine</u> that are needed to carry out the project. Incidental expenses (routine office supplies for example) are typically not included as direct costs. **All costs must be directly associated with the specific project.**

Notes on Unallowable Costs

- Be sure to include a detailed description in your narrative of any costs that would normally be considered unallowable, such as food (for a workshop, reception, after-school snacks, etc.), monthly telephone charges, cell phones, copying, paper, mailing costs, etc.

Typical Annual Increases

- Salaries: our current annual increase is 2% for year 2 and 3% for subsequent years, based on our current financial situation. This is subject to revision. (NOTE: your year 1 salary must be budgeted at your current rate even if the project start date will occur after an annual raise is effective)

- Travel increases: 2 – 4% per year as your budget allows (year 1 budget must be based on current federal rates)

- Tuition: 3 – 5% increase per year, based on institutional history

- Other categories: 3 – 5% per year as needed or as budget allows.

Indirect (Facilities and Administrative or F&A) Costs

Also known as Indirect Costs or Overhead, F&A costs are those that are **incurred for common or joint objectives** and therefore cannot be identified readily and specifically with a particular sponsored project but **contribute to the ability of the University to support research project and programs.**

F&A costs stem from providing research space and administering the activities, not from the actual performance of the activities under the sponsored agreement. These are **REAL** costs.

UCCS F&A Rate

- UCCS F&A Rates
  - **On-campus:** 46% x Modified Total Direct Costs (MTDC)
  - **Off-campus:** 24% x Modified Total Direct Costs (MTDC)
    - Definition of off-campus:
    - A) 100% of the work, including data analysis & report writing, takes place off-campus, or
    - B) Space is rented and paid for by the sponsored program and at least 50% of the salaries are for work conducted at the off-campus site.

- UCCS' F&A rate is negotiated by the U.S. Department of Health and Human Services and is currently good through 6/30/24.

F&A – A Couple More Comments

- What if the sponsor won't pay full or any F&A?
  - University policy: if the sponsor has written documentation, uniformly applied, their stated rate (or no rate) is accepted
- How is F&A distributed?
  - UCCS distributes the collected F&A as follows:
    - *30% to the VCAF*
    - *20% to the VCAA*
    - *10% to the Library*
    - *40% to YOUR college*

Program Director/Principal Investigator (Last, First):

DETAILED BUDGET FOR INITIAL BUDGET PERIOD

FROM	THROUGH

PERSONNEL COSTS

Enter appropriate fringe rate - see side bar

Current Annual Salary	% Effort		NAME	ROLE ON PROJECT	Cal. Mnths	Acad. Mnths	Summer Mnths	ANNUAL SALARY	SALARY REQUESTED	Fringe Rate	FRINGE BENEFITS	TOTALS
				PI				$ -	$ -		$ -	$ -
				PI				$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
								$ -	$ -		$ -	$ -
				TOTAL Personnel Costs →					$0		$0	$0

Fringe Rates

Faculty - 30.7%

University Staff - 38.5%

Students - 0%

TRAVEL

Domestic	$ 0
International	$ 0
TOTAL Travel	**$ 0**

University of Colorado
Colorado Springs

University of Colorado
Boulder | Colorado Springs | Denver | Anschutz Medical Campus

OTHER DIRECT COSTS (included in MTDC)

MATERIALS & SUPPLIES	$ 0
PUBLICATION COSTS	$ 0
CONSULTANTS	$ 0
SUBCONTRACT1 (Up to first $25,000)	$ 0
SUBCONTRACT 2 (Up to first $25,000)	$ 0
SUBCONTRACT 3 (Up to first $25,000)	$ 0
COMPUTER SOFTWARE	$ 0
HUMAN SUBJECT PAYMENTS	$ 0
OTHER	$ 0
OTHER	$ 0
TOTAL, Other Direct Costs (included in MTDC)	**$ 0**

OTHER DIRECT COSTS (not included in MTDC)

PERMANENT EQUIPMENT (over $5,000 per unit)	$ 0
SUBCONTRACT 1 (Amount over $25,000)	$ 0
SUBCONTRACT 2 (Amount over $25,000)	$ 0
SUBCONTRACT 3 (Amount over $25,000)	$ 0
OFF-SITE FACILITY RENTAL COSTS	$ 0
TUITION	$ 0
STIPENDS	$ 0
PARTICIPANT SUPPORT COSTS - conferences or training projects only	
STIPENDS	$ 0
SUBSISTENCE	$ 0
TRAVEL	$ 0
OTHER	$ 0
TOTAL, Other Direct Costs (not included in MTDC)	**$ 0**

Modified Total Direct Costs (MTDC)	$ 0
Total Direct Costs	$ 0
On-Campus Facilities and Administrative (F&A) Costs 46%	$ 0
TOTAL COSTS FOR INITIAL BUDGET PERIOD	$ 0

Budget Justification

- A **restatement** of the budget figures in a narrative format.

- An **explanation of why** the costs identified are needed.

- A more detailed description of the requested expenses.

If the sponsor has a budget template that must be completed as part of the proposal, follow the order of their cost categories when formatting your budget justification. For example:

Budget Justification Template

- A. Senior Personnel
  - <u>PI</u>
  - <u>Co-PI</u>
  - <u>Other Senior Personnel</u>

- B. Other Personnel
  - Post Doctoral Fellows
  - Other Professionals
  - Graduate Students
  - Undergraduate Students

- C. Fringe Benefits
  - Fringe benefits are calculated at our federally negotiated rate of 30.7% for faculty and 38.5% for university staff

- D. Equipment – items costing $5,000 or more each)

- E. Travel
  - Domestic travel: itemize by location and duration, justify need
  - International travel: itemize by location and duration, justify need

Budget Justification Template (con't)

- F. Participant Support Costs
  - Stipends: amount per participant
  - Travel: reason and itemization
  - Subsistence: meal allowance while in training
  - Other: tuition, supplies, etc.

- G. Other Direct Costs
  - G.1. Materials and Supplies:
  - G.2. Publication Costs:
  - G.3. Consultant Service:
  - G.4. Human Subject Payments:
  - G.5. Subawards:
  - G.6. Other: (GRA tuition, user fees, etc)

- I. Indirect Costs:

     Facilities and Administrative (F&A) costs are calculated at our federally negotiated rate of 46% of Modified Total Direct Costs (MTDC) which excludes *(list any exclusions that are included in your budget)*

Cost Sharing

- Some sponsors require a match/cost share. If so, are there costs that are being absorbed by the University? Others?

- Match/cost-share is comprised of both cash and in-kind contributions.

- **WARNING!!!**

  If you aren't required to match, don't show any contributions not funded by the sponsor (including your time)

  If you say it, you have to do it and <u>document it</u>.

  Contact OSPRI with questions about cost share.

Contact Info

- Gwen Gennaro – Executive Director, ggennaro@uccs.edu or via Teams
- Patricia (Trish) Rea – Senior Sponsored Programs Specialist, prea@uccs.edu or via Teams
- OSPRI website: https://www.uccs.edu/osp
- Templates and Forms: https://www.uccs.edu/osp/resources/forms
- Frequently Needed Information for Proposals: https://www.uccs.edu/osp/resources/frequently-needed-information-for-proposals

Proposal Timelines for OSPRI

- Notify OSPRI as soon as you decide to submit a proposal (the sooner the better)

- Submit your draft budget at least 10 business days (2 weeks) prior to submission deadline

- Submit or enter (in sponsor portal) your full proposal at least 5 business days (1 week) prior to the submission deadline

- Don't forget the routing form – you can distribute the routing form for signatures with a draft budget. Make sure the completed signed form is received by OSPRI by the 5-day deadline.

Questions?

We're here to help