VCU

School of Engineering
Office of Sponsored Programs

Budgeting Basics Workshop
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WHAT IS MOST IMPORTANT?

- LEADTIME, LEADTIME, LEADTIME

- COMMUNICATION

- READ THE PROGRAM ANNOUNCEMENT OR SPONSOR PROVIDED GUIDELINES

- COMMUNICATION THROUGHOUT THE PROCESS

PI LEADTIME & COMMUNICATION TIPS

- PI provides adequate leadtime to admin staff to assist in preparation
- Provide a link to program announcement (PA) as soon as you are considering a submission
- We would rather spend time reviewing a PA and drafting a budget with the PI than have inadequate time to prepare an accurate proposal package

PI & Admin Budget Tasks

- Before you begin writing think about the budget & how it relates to your research plan
- Review the PA for budget information specific to the sponsor
- Know the limits & specific forms
- Maximum funding amounts
- Budget restrictions, spending caps such as limited F&A rates, unallowable costs, no fringe, travel limits, personnel categories, etc
- Cost share requirements

Budget Drafting-Initial Questions to Answer (PI)/Ask(Admin)

- Who are the key personnel involved (PI, Co-Investigators, Internal or External)
- External Collaborators-this requires additional leadtime to receive a mini-proposal package from the external organization
- How much effort does each key person need to devote to the project to complete the proposed activities

Budget Draft- Initial Questions

- Other Personnel – who else needs to be budgeted on the project to complete proposed activites: Graduate Student(s), PostDoc(s), Technicians, etc –
- Provide % effort for each person or TBD position and if a TBD position provide an estimated starting salary based on similar position
- Personnel is usually the largest portion of the grant budget
- Use current fringe rates

Budget Draft- Initial Questions

- Nonpersonel Costs – provide a list of types and estimated costs to draft budget –
- Amounts are revised with PI input to finalize the budget
- specific details can be completed later in the justification

Budget Drafting

- All costs necessary & reasonable to complete the work proposed
- Not more, not less – remember reviewers are experts and will know and understand required costs
- Over or under budgeting shows lack of understanding of the scope of work

Budget Drafting-Nonpersonnel Items

- Travel – specific to the project, i.e., dissemination activities at conferences, travel to meet with collaborators, use current travel rates to estimate costs and provide details of estimate when required by sponsor guidelines
- Consultants – normally cannot be internal VCU employees, if a known person obtain letter stating rate otherwise estimate based on average costs for type of expertise

Budget Drafting-Nonpersonnel

- Equipment – cost $5k more or multiple items procured to create one item w/cost total $5k or more
- Although not normally required quotes can help accuracy of budgeting and may aid evaluation of the budget to justify the cost
- Include Shipping Costs
- General Purpose Equipment, i.e., computers not normally allowable on grants unless primarily or exclusively for the research project

Budget Drafting-Nonpersonnel

- Materials & Supplies – general categories, lab supplies, chemicals, glassware, etc. Cost usually based on prior experience or catalog list prices
- Publication Costs – allowed for dissemination of research findings
- Tuition – based on School/Dept policy & current tuition rates
- Post Doc Health Insurance-required if PD included in personnel

Budget Drafting-Nonpersonnel

- Contractual Services
- Internal VCU Services
- Examples are Pathology, Radiology & Division of Animal Resources, SERL
- Contact the department/ division for most current costs estimates
- Indirect/F&A Costs – use current rates, Research, Instruction, On or Off Campus as applicable

Budget Drafting

- Subawardees – negotiate an amount then request mini-package
- Other costs specific to project-animal costs, patient payments, etc
- Be Realistic-the work proposed should be able to be accomplished within the budget and project period proposed
- If your budget is over a limit you may need to revise your scope of work to meet the funding limitation

Budget Drafting

- Remember most sponsors do not expect an exact budget
- Most sponsors allow rebudgeting within and between categories to meet unanticipated requirements of the research being conducted within the published guidelines of the sponsor

Subawardee Mini-Packet Minimum Requirements

- Signed Cover Page or Commitment Letter signed by Authorized Official
- Statement of Work
- Detailed Budget for each year
- Budget Justification
- Rate Agreement of NIH Checklist form
- Subawardee PI Biosketch/CV
- Sponsor Specific forms – read the PA; ask for all documents in one request; set a deadline for receipt; request and advance copy to be able to finalize your own budget

Other Significant Contributor

- Title introduced by NIH to account for unpaid "advisors" to a project
- Applicable to individuals who will contribute to the scientific development or execution of the project, but are not committing any specified measurable effort (i.e., person months) or drawing salary from the project
- Described in budget justification "zero person months" or "as needed"
- Requires biosketch with the application

Other Tips for a Successful Proposal Budget

- Keep in mind OBM Circular A-21 Allowable Costs – use as a resource, read and access often make it it your best friend
- http://www.whitehouse.gov/omb/circulars_a021_2004/
- Assess other funded projects by sponsor to determine if total requested costs are reasonable
- Base project budget on previous actual experience with a similar project
- PI's Talk to the Program Managers
- Admins - Develop Templates – revise to meet needs of each proposal – saves time, don't recreate the wheel each time

Post Award Budget Admin Tips

- Communication with PI as soon as an award is received
- Confirm effort of PI and process PAF timely
- Other Personnel effort – discuss with PI & have PAFs processed timely
- Arrange Setup of Subaccounts for VCU Co-PI's in a timely manner with G&C Accounting
- Timely Reconciliation reviewing all charges montly
- Resolve discrepancies as soon as discovered remembering the 60 day rule
- Communication through the life of the grant
- Track commitments to project balances and prevent deficits

End of Sponsored Programs Training

Budget Basics Workshop

Questions/Comments

Thank you.