

Budget Justification Narrative Guidelines

(Use for Single and Multiple Year Budgets)

A. PERSONNEL: SALARIES, WAGES & FRINGE BENEFITS

A job title must be provided for all known or potential personnel that will be associated with the project, either federally funded or cost-shared. Levels of effort (FTE) and costs associated with these positions must also be shown. All project proposals must budget salaries at the current rates of the current fiscal year, if the first funding year begins and ends within the current fiscal year. However, if the first funding year will begin in the next fiscal year and beyond, then the salary for each subsequent year must be increased within the range of a minimum 3% and a maximum of 5%. There is no wage increments required for either graduate or undergraduate students.

Each individual's role in the project must be explained: What particular project-related duties will be performed by each of the listed research associates, research graduate assistants, student workers, and other professionals? How will the lead Principal Investigator contribute to the project? It is important to note that showing other faculty as a way to generate cost-sharing is not an option as these other faculty must actually contribute towards the attainment of the project's objectives.

FRINGE BENEFITS

- Fringe benefits for faculty and staff positions must be calculated at a rate of 32%.
- Fringe benefits for graduate students must be calculated at a rate of 18% + 172 per month for insurance
- Fringe benefits for undergraduate students must be calculated at a rate of 10%. Insurance is not required.

B. TRAVEL

List each planned trip and cite a reason for each trip by identifying each traveler and destination to the best of your ability. If travel is to a conference, then indicate how the conference is related to the project. If travel is to an unknown destination then you would need to explain how you arrived at the proposed charges. List all field travel (meaning travel for the purpose of collecting data and information pursuant to the research objectives) and indicate the general types of data to be collected, destinations, the number of travelers, number of trips, mileage, and other pertinent factors that might affect the costs. Never list any travel expenses as "miscellaneous." Any planned foreign travel must be identified with descriptions of its purpose and the name of the traveler.

C. CAPITAL EQUIPMENT \geq \$5,000

Identify and list the estimated cost of each piece of permanent equipment that will be purchased at a cost equal to or greater than \$5,000. Indicate how the equipment will be used to accomplish the project. For equipment that will cost more than \$5,000 indicate whether it will be leased or purchased.

Matching Fund Items: If using previously purchased equipment as a matching fund item, provide the current depreciated value of the permanent equipment. A single piece of permanent equipment can only be used once as a matching fund item.

D. SUPPLIES

All large supply requests that will cost more than \$1,500.00 should be further divided into smaller categories. Each category should be defined and indicate how that class of supplies will be used to advance the project. These categories should not include general office supplies, postage, magazine subscriptions, or other categories of expense that are not allowable as direct costs to sponsored agreements. No group of supplies should ever be identified as miscellaneous or contingent costs.

E. OTHER COSTS

Briefly identify each group of costs, e.g., “stipends, participant costs, printing, maintenance, furniture and equipment under \$5,000” An explanation of purpose is not required for small cost groupings of less than a few hundred dollars. All the larger items such as consultants/professional services and associated travel, tuition and fees should show the cost basis and cite the reason.

F. SUBCONTRACTS

When subcontracting to other institutions the budget should briefly indicate how the subcontracts will relate to the parent project. All subcontractors should also provide the same types of justification data and a detailed budget just as the primary recipient. All consultants should be identified with a description of their costs and an explanation of why consultant services are needed for the project.

I. INDIRECT COSTS

The federally negotiated rate is 39% of Salary, wages and fringe benefits. If this rate is not permitted then the budget should state the allowable rate and basis for indirect costs, e.g., (17% of Modified Total Direct Costs, MTDC). Attach the portion of the agency guidelines which specify the allowed indirect costs rate or whether no indirect costs are allowed. This documentation is required. The off-campus indirect cost rate is 17%.