

Checklist to Determine Subrecipient or Contractor Classification

OBJECTIVE: Generally, the determination of the relationship with an entity is verified through the institutional review of the proposal narrative, budget justification, and other related proposal documents, as well as through discussions with key personnel prior to proposal submission. When the relationship remains unclear, this form may provide assistance in making an accurate determination.

DEFINITIONS FROM UNIFORM GUIDANCE (2 CFR, PART 200):

Subrecipient:

§200.93 Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding

Contractor:

§200.23 Contractor means an entity that receives a contract as defined in §200.22 Contract.

§200.22 Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award.

INSTRUCTIONS: Complete sections one and two of the checklist by marking all characteristics that apply to the outside entity. The section with the greatest number of marked characteristics indicates the likely type of relationship the entity will have with the University. On occasion there may be exceptions to the type of relationship indicated by the completed checklist. In these situations, the substance of the relationship should be given greater consideration than the form of agreement between the University and the outside entity. Section 3 should be used to provide documentation on the use of judgment in determining the proper relationship classification.

NAME OF OUTSIDE ENTITY: _____

SECTION 1 - SUBRECIPIENT

Description: A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

- ☐ 1. Determines who is eligible to receive what Federal assistance;
- ☐ 2. Has its performance measured in relation to whether objectives of a Federal program were met;
- ☐ 3. Has responsibility for programmatic decision making;
- ☐ 4. In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

Entities that include these characteristics are responsible for adherence to applicable Federal program requirements specified in the Federal award.

SECTION 2 - CONTRACTOR

Description: A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:

- ☐ 1. Provides the goods and services within normal business operations;
- ☐ 2. Provides similar goods or services to many different purchasers;
- ☐ 3. Normally operates in a competitive environment;
- ☐ 4. Provides goods or services that are ancillary to the operation of the Federal program.

Entities that include these characteristics are not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

FINAL DETERMINATION:

☐

SUBRECIPIENT

☐

CONTRACTOR

OPTIONAL - SECTION 3 - USE OF JUDGMENT (use only when the determination cannot clearly be made using the above criteria)

Description: In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

Explanation of Use of Judgment Determination:

Prepared By: _____

Date: _____

INDEPENDENT CONSULTANT AGREEMENT

The University of Texas at San Antonio
(hereinafter referred to as UTSA)

operating the

Southwest Trade Adjustment Assistance Center
(hereinafter referred to as Southwest TAAC)

and

It Straps On, Inc.
(hereinafter called Firm)

and

Quality Metal Products, Inc.
(hereinafter called Consultant)

agree as follows:

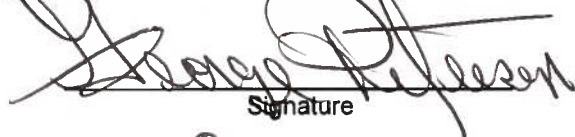
1. Consultant will perform the services set forth in Exhibit A.
2. Consultant will be paid on the basis set forth in Exhibit B.¹ The total project cost is not to exceed \$7,440.00. Southwest TAAC will pay 50%, which is not to exceed \$3,720.00 of Consultant expenses, and Firm will pay 50%, which is not to exceed \$3,720.00. Progress payments may be allowed in accordance with Exhibit B, as applicable. Payments will be due upon receipt of billings, except that 10% of the Southwest TAAC's share will be withheld out of payments due from UTSA until approval of Consultant's final product by Southwest TAAC per Exhibit B.
3. Consultant shall assure that Firm is current in its payments and shall advise UTSA promptly (but in no event later than ten (10) days after monies from Firm are due and owing) if some or all of the payment due has not been received by Consultant by that date. In addition, UTSA, in its monitoring of this agreement, in order to verify that the Firm is current in its payments to the Consultant, may require proof satisfactory to UTSA that payment has actually been made and will only pay Consultant under this agreement after UTSA is satisfied the Firm has made payments due.
4. The period of service shall be from April 26, 2013 to June 30, 2013 unless terminated sooner under the provisions of Section 13. This agreement will be extended or renewed by letter contingent upon extension or renewal of the cooperative agreement between UTSA and the U.S. Department of Commerce, Economic Development Administration (hereinafter referred to as EDA).

¹ Exhibit will show the fee for personal services by appropriate period with a maximum, an estimate to travel, subsistence, and any other expenses, with a cap. Subsistence might be billed on an actual cost basis or at per diem.


5. Southwest TAAC and EDA shall have the right to use all project results and reports prepared by Consultant hereunder or any other project information obtained during Consultant's work under this agreement. The Consultant shall submit to Southwest TAAC a written report upon completion of the project on or before June 30, 2013.
6. Consultant may not assign or transfer this agreement, or any interest hereunder, without prior written approval of Southwest TAAC and Firm.
7. EDA, the Comptroller General and/or other authorized representatives of the U.S. Department of Commerce shall have access to, and the right to examine, all records for a period of three years from the final payment. Consultant will comply with Executive Order 11246 of the President of the United States, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemental in Department of Labor Regulations (41 CFR, Part 60), and the requirements of OMB Circular No. A-110, for cooperative agreements to nonprofit organizations and all higher educational institutions.
8. Any information obtained by, or contained in reports developed by Southwest TAAC or Consultant that concerns or relates to trade secrets, business operations, and commercial or financial information, including but not limited to the amount or source of income, profits, losses or expenditures, which is obtained from Firm and which is exempted from public disclosure, shall be considered business confidential and will not be released to anyone except Southwest TAAC and staff of EDA that is directly involved in assisting Firm, or as required for right of examination or evaluation under the agreement between UTSA and EDA, without prior authorization from Firm.
9. Consultant affirms that, to the best of his knowledge, there exists no actual or potential conflict between Consultant's family, business or financial interest and his services under this Agreement, and in the event of change in either his private interest or service under this Agreement, the Consultant will raise with Southwest TAAC and Firm any question regarding possible conflicts of interest which may arise as a result of such change.
10. Consultant will indemnify and hold harmless UTSA, Southwest TAAC, Firm, and EDA against any and all claims, damages and expenses of whatsoever nature arising from, growing out of, or related to Consultant's performance or failure to perform pursuant to this agreement. The Consultant shall, in the performance of this agreement and all times material hereto, be functioning as an independent contractor and not as an agent for UTSA.
11. The copyright provisions of the Cooperative Agreement between UTSA and the EDA, attached as Exhibit C, are made a part of this agreement.
12. The provisions regarding "Governmentwide Debarment and Suspension (Nonprocurement)" and "Disclosure of Lobbying Activities," attached as Exhibit D, are made a part of this agreement.
13. This agreement is subject to termination by any party on written notice, or on telephone notice confirmed in writing, to the other two parties. In event of termination, and if Consultant is not in breach of this agreement, Consultant will be compensated for satisfactory services performed under this agreement (and, if applicable, authorized expenses incurred) to the date of termination. Notwithstanding anything else in this agreement, consulting agreements end concurrently with the Cooperative Agreement between UTSA and EDA unless other arrangements are made. The present agreement #99-26-07674-02 runs through 06/30/2013.
14. Any disputes arising under this Agreement shall be resolved under the laws of the State of Texas unless preempted by federal law, and this agreement shall be governed by and construed in accordance with Texas law.

15. The compensation stated includes all applicable taxes and will not be changed as a result of Consultant's failure to include any applicable tax, or as the result of any change in the Consultant's tax liabilities.
16. The Agreement supersedes and replaces all previous agreements whether oral or written between the parties, and the parties agree that no other terms and conditions exist outside of this written agreement.
17. Any notices required to be given to Consultant shall be mailed to the address given below.
18. Pursuant to both Section 2155.004, *Texas Government Code* and Section 231.006, *Texas Family Code*, Consultant certifies that the individual or business entity named in the Agreement is not ineligible to receive the award of this Agreement or to receive payments of state funds under this Agreement and acknowledges that this Agreement may be terminated and payment of state funds withheld if this certification is inaccurate.


For Firm:

 4/30/13
Signature Date

For Consultant:

 5/7/13
Signature Date

For Southwest TAAC:

 5/13/13
Signature Date

For University of Texas
at San Antonio:

 5/21/13
Signature Date

Randall Houston
Quality Metal Products, Inc.
210 Commerce Drive
LaGrange, Ohio 44050

To be completed at the end of the consultation period:

I certify that the results of this consultation have conformed to the Scope of Work contained herein.

Robert Velasquez, Director
Southwest Trade Adjustment
Assistance Center

Date

Exhibit A

-----Scope of Work-----

The purpose of this manufacturing project is to provide further product development of "X" type progressive die(s). Specific design and development tasks include, but are not limited to the following:

- Design will include a one (1") inch notch for an existing 9" X-type wing bracket die that will enhance the production of products.

The work shall be accomplished in accordance with Quality Metal Products, Inc.'s proposal dated December 6, 2012. Any travel or per diem expenses for this agreement are not covered by TA assistance. These costs are to be borne solely by the firm.

Exhibit B

-----Payment Schedule-----

The \$7,440.00 will be paid in shares of 50% by the UTSA and 50% by the Firm as follows:

- Payments will be made as invoiced at the completion of each task or at the completion of the project with the Firm paying its share first. Separate invoices will be sent to the Firm for 50% of the period expenses and to the UTSA for 50% of the period expenses.
- The Firm shall submit to the UTSA a written statement acknowledging that it has reviewed the progress of the Consultant's work and found it to be satisfactory and that it has paid its share of the fee owed to the Consultant.
- The UTSA invoice will reflect the dates covered by the invoices, total expenses, the Firm share, and the net amount to be paid by the UTSA. A written statement acknowledging that payment has been received from the Firm will accompany the invoice to the UTSA. The written statement must have an original signature of the Consultant. All invoices will be accompanied by a brief task report or a copy of the final product.
- A minimum of ten (10) percent of the Southwest TAAC's share of the Consultant's fee must be withheld until the consulting project is completed. The withheld amount will be released when the UTSA receives a written statement from the Consultant that the Firm and the Southwest TAAC will be released from any and all demands with respect to the completed consultant project.

Exhibit C

A. Copyright Ownership and License

The author of the Work shall own the copyright therein, but not withstanding the foregoing, the Federal sponsoring agency and UTSA shall have the royalty free, non-exclusive, and irrevocable right to perform, display, prepare derivative works based upon, reproduce, publish, sell, distribute, or otherwise use, and to authorize others to use, the Work for government, academic, education, and research purposes, and the right to sublicense third parties for same purposes, subject to exemptions and prohibitions from disclosure provided for by 5 USC §552 (b), §552 (a), and §552 b©.

Works consist of all, part or parts of documents and other materials fixed in a tangible medium of expression, which are required to be delivered to EDA under the award. Works include, but are not limited to: a) literary works, which are works other than audiovisual works expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books periodicals, manuscripts, phone records, film, tapes, disks, or cards, in which they are embodied; b) computer printouts and programs; c) pictorial and graphic works; d) motion pictures and other audiovisual works; and e) sound recordings.

B. Works of Third Parties

- 1) An appropriate copyright notice must be provided on all performance reports of copyrighted material of a third party which had been incorporate into a report. An appropriate notice must contain the following three elements:
 - i. the symbol © (the letter "C" in a circle), or the word "Copyright", or the abbreviation "Copr."; and
 - ii. the year of first publication of the work; in the case of compilations or derivatives works incorporating previously published material, the year of the first publication of the compilation or derivative work is sufficient; and
 - iii. the name of the owner of copyright in the work, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner.
- 2) The Consultant agrees to exert all reasonable efforts to advise UTSA, at the time of delivery of the final report, of any copyrightable or copyrighted work furnished under its award, or of any adversely held copyrighted or copyrightable material incorporated in such work.

C. Publication

- 1) EDA will permit said Consultant to publish its final report subject to the exceptions noted in subparagraph c. (2) below, as follows:
 - i. If a disclaimer provision is provided on the title page as follows:

"This report was prepared pursuant to the receipt of assistance from the United States Government. The statements, findings, conclusions, recommendations, and other data in the final report are solely those of [INSERT NAME OF CONSULTANT], the Consultant and do not necessarily reflect the views of the United States Government," and
 - ii. If copyrighted works of a third party are incorporated into the final report, an appropriate notice thereof is provided as required in subparagraph B. (1) above.

- 2) There shall be no publication of any part or parts of the final report which may be exempt from disclosure under the provisions of 5 USC §552 (b) or 5 USC §552 © or prohibited from disclosure under the provisions of 5 USC §552 (a).
- 3) In the event that EDA does not intend any further changes to the final report, and does not want to publish the final report itself, or to authorize the Consultant to do so, such final report is nevertheless obtainable to a limited extent except as exempt or prohibited or non-prohibitive as described in subparagraph c. (2) above. With regard to non-exempt portions of final reports in this category, the disclaimer and notice provisions (see subparagraph c. (1) (i) and (ii) above), must appear on the title page, followed by the following additional language: "The United States Government has not approved this work for publication."
- 4) Except for final reports or parts thereof that are exempt or prohibited pursuant to subparagraph c. (2) above, the UTSA and the Southwest Trade Adjustment Assistance Center may otherwise disseminate the substance of the information developed during the course of the technical assistance, through, but not limited to, speeches, articles, papers, and testimony, upon prior notification of such dissemination to the Program Director. Publication of other articles or papers, etc. that reference the final report shall be accomplished with the disclaimer and notice provided in subparagraphs c. (1) (i) and (ii) above.

D. Rights in Data

All research, data, and other Consultant generated work products that were used or created in developing each of the drafts and final report shall remain available to EDA for a period of three years.

E. Patents

With respect to any work financed with funds under this agreement, the Consultant agrees to be bound by the provisions contained in the "Rights to Inventions Made by Non-Profit Organizations and Small Business Firms" (37 CFR Part 401) dated March 18, 1987, as said regulations and applicable statute pertain to the performance of this agreement.

F. Subcontracts or Contracts

The Consultant shall insert in any subcontract involving work permitted to be performed under the Award, the above cited provisions of Exhibit C applicable to the subcontractor and/or its employees, and any other pertinent clauses that by their very nature must be passed through to subcontractors.

Exhibit D

A. Governmentwide Debarment and Suspension (Nonprocurement)

- 1) This lower tier covered transaction is subject to Executive Order 12549, "Debarment and Suspension," and 15 CFR Part 26, "Governmentwide Debarment and Suspension (Nonprocurement)." Unless authorized by the Department in writing, a person (as defined at 15 CFR Part 26 105(n)) who is debarred or suspended shall be excluded from Federal financial and non-financial assistance and benefits under Federal programs and activities except to the extent prohibited by law or authorized by the Department.
- 2) Unless the Department authorizes in writing an exception in accordance with 15 CFR Parts 26.215, 26.220, and/or 26.625, the Recipient of this lower tier covered transaction shall not knowingly do business under a covered transaction with a person who is debarred or suspended, or with a person who is ineligible for or voluntarily excluded from that covered transaction. The Recipient of this subaward shall not renew or extend covered transactions (other than no-cost time extensions) with any person who is debarred, suspended, ineligible, or voluntarily excluded, except as provided in 15 CFR Part 26.215.

B. Restrictions on Lobbying

- 1) This contract, subcontract, or subgrant is subject to Section 319 of Public Law 101-121, which added Section 1352, regarding lobbying restrictions, to Chapter 13 of Title 31 of the United States Code. The new section is explained in the common rule, 15 CFR Part 28 (55 FR 6736-6748, 2/28/90). Each bidder/applicant/recipient of this contract, subcontract, or subgrant and subrecipients are generally prohibited from using Federal funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with this award.
- 2) For agreements exceeding \$100,000 of Federal funds at any tier under the Federal award:
 - i. Each applicant/recipient of a subgrant and each bidder/applicant/recipient of a contract or subcontract or subcontract exceeding \$100,000 of Federal funds at any tier under the Federal award must file Form CD-512, "Certifications Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions and Lobbying," and Standard Form-LLL, "Disclosure of Lobbying Activities," regarding the use of any non-Federal funds for lobbying. Certifications shall be retained by the next higher tier. All disclosure forms, however, shall be forwarded from tier to tier until received by the Recipient of the Federal award, who shall forward all disclosure forms to the Grants Officer.
 - ii. Each subgrantee, contractor, or subcontractor that is subject to the Certification and Disclosure provision of this Contract Clause is required to file a disclosure form within 15 days of the end of each calendar in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person. Disclosure forms shall be forwarded from tier to tier until received by the Recipient of the Federal award (grant), who shall forward all disclosure forms to the Grants Officer.

**INSTITUTIONAL BASE SALARY
May 2015
Policy 1.2.05**

Policy:

The Institutional Base Salary (IBS) of a faculty member is the compensation set and approved by the institution through an annual salary appointment and paid at the direction of the University from all approved salary sources through the KUMC payroll and/or the payroll of the affiliated clinical practice plans. The IBS must be included and accounted for as part of the KUMC institutional effort reporting.

The IBS does not include any one-time bonus or incentive rewards that might be awarded to a clinical faculty member as a result of Clinical Practice financial management.

Purpose:

NIH policy states that: "The annual compensation paid by an organization for an employee's appointment, whether that individual's time is spent on research, teaching, patient care, or other activities. Base salary excludes any income that an individual is permitted to earn outside of duties for the applicant/grantee organization. Base salary may not be increased as a result of replacing organizational salary funds with NIH grant funds. Compensation costs are allowable to the extent that they are reasonable, conform to the established policy of the organization consistently applied regardless of the source of funds, and reflect no more than the percentage of time actually devoted to the NIH-funded project."

Uniform Guidance 2 CFR 200.430.b considers compensation applied to a federal grant to be reasonable, and therefore allowable, when the compensation is "consistent with that paid for similar work in other activities of the non-Federal entity".

Most Department of Health and Human Services (DHHS) grant recipients are subject to a statutorily imposed salary limitation.

If full salary is allowed by the sponsor, the full IBS will be used as the base for budget calculations.

Procedures:

Clinical Research Faculty

NOT-OD-05-061 Guidelines for Inclusion of Clinical Practice Compensation in Institutional Base Salary Charged to NIH Grants and Contracts clarifies the appropriate factors for establishing the IBS to include Clinical Practice Compensation in charging salaries and personnel costs to grants and contracts:

Investigators receiving compensation from the institution (grantee/contractor) and separately organized clinical practice plans, may include such compensation in the institutional base salary (IBS) budgeted and charged to NIH sponsored agreements if all of the following criteria are met:

- the Clinical practice compensation must be set by the institution.
- the Clinical practice activity must be shown on the institution's payroll or salary appointment forms and records approved by the institution.
- the Clinical practice compensation must be paid through or at the direction of the institution.
- the Clinical practice activity must be included and accounted for in the institution's effort reporting and/or payroll distribution system.
- the institution must assure that all financial reports and supporting documents associated with the combined IBS and resulting charges to NIH grants are retained and made available to Federal officials or their duly authorized representatives consistent with the requirements of 45 CFR Part 74.53

Set by the institution means that the grantee/contractor institution must be in a position to document and certify that the specified amount of clinical practice compensation is being paid in essentially the same manner as other specified amounts of the committed IBS (compensation) of the investigator. Further, this requires that the IBS not vary based on the specific clinical services provided by the investigator within the periods for which total IBS is certified by the grantee institution.

The NIH recognizes that reimbursement for investigator effort on grants must be provided consistent with the actual institutional costs of these services in accordance with applicable Federal Cost Principles and other limitations for such reimbursement, such as the legislative cap on salary reimbursement. The revised criteria support conformance with applicable cost principles and consistency in the treatment of compensation across the institution regardless of the source of support for compensated activities.

Related Informational Items

The IBS shall reflect 100% of the individual faculty member's effort, as appropriate, including the following categories: teaching, research, clinical, and service. No faculty member, including research track faculty members, may be compensated more than 97% on extramural funds. This reflects other University responsibilities including attending Departmental meetings, serving on Departmental, School, and University committees, advising graduate students, writing grant proposals, etc. The 3% of salary for research track faculty members must be funded from departmental or school resources. Total faculty effort reflecting the IBS will be documented from the KUMC payroll records and affiliated clinical practice plan payroll records, if CPC is included in the IBS.

KUMC provides for regular and consistently executed evaluations on an annual or semi-annual basis, which could result in meritorious salary increases following completion of the evaluations.

No increase in salary can be made based solely on the receipt of a grant award (quid pro quo). There must be an appropriate, regular, and consistently executed evaluation recognizing one or more of the following criteria, merit, cost-of-living, tenure or promotion, in order to implement a salary increase. Additionally, salary increases for an administrative or special assignment without any decrease in other responsibilities could result in a change in IBS.

Upon completion of the grant award, the salary of the faculty member may not be reduced because of the termination of NIH funding. However, a change in research effort, apart from the termination of NIH funding, could be deemed cause for less responsibility and thus less salary. This must be part of the evaluation policy of the School, documented during a regular evaluation, and applied equally to all faculty.

The annual salary appointment will include the IBS set by the institution.

Responsible Parties:

KUMC Principal Investigators.

Exemptions:

None.

Related Policies and Links:

KUMC Research Institute Policy 1.1.07: Cost Sharing

KUMC Research Institute Policy 2.1.02: Time and Effort Reporting

NIH Salary Cap Summary http://grants.nih.gov/grants/policy/salcap_summary.htm

Contacts:

Vice Chancellor for Research: 913-588-1698

Associate Vice Chancellor for Research Administration: 913-588-5436

History:

Original Issue Date: 1/4/2006

Current Issue Date: 5/1/2015

RAC Approved: 7/25/07

Effective Date: 8/20/07

Developing a Budget and Budget Narrative for Grant Applications

Hanover Grants provides this document as a basic guide to assist clients in developing a budget and budget narrative for federal and foundation grant applications. This guide is not intended to be comprehensive or definitive, and clients must consult and comply with all documentation from the grantmaker.

Many grant seekers understandably focus on the proposal narrative when applying for awards from federal agencies, but even the best proposal narrative will not receive funding if the budget and budget narrative do not demonstrate that the applicant has carefully considered the costs associated with the proposed program. Hanover Grants has developed this guide to assist clients in developing budgets and budget narratives. Using this guide and complying with the documentation provided by the granting agency will increase your chances of meeting the agency's budgeting expectations.

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I. Getting Started

1. *Determine the budget requirements of the program for which you are applying*—this information will be included in the funding opportunity announcement (available on the agency website or on grants.gov) and the grant application package (available on the agency grants submission website or on grants.gov). Important points to note:
 - does the program require cost share/matching funds?
 - if cost share/matching is required, does the program require or limit cash, in-kind, discounts, or other types of matching?
 - does the program allow indirect costs?
 - does the program exclude or limit certain costs?
 - does the program require certain costs?
 - what are the maximum and minimum awards?
 - what is the anticipated budget period?



2. *Determine which budget form(s) are required*—this information is included in the grant application package. Note that while the SF-424a is the form most commonly required by federal agencies, some agencies (e.g., Department of Education, NSF) have their own forms. All federal budget forms are accompanied by basic instructions for completion. Be sure to download these instructions when you get the budget form.
3. *Determine the requirements for the budget narrative*—this information is included in the funding opportunity announcement and/or the application package. The requirements for this section are agency specific and may even vary by program within a given agency. For example, NSF limits the budget narrative to three pages, whereas many programs sponsored by the Department of Education do not have a page limit for the budget narrative.
4. *Determine which regulations are relevant for your proposal*—this information is typically included in the funding opportunity announcement and/or grant application package, but you may need to request additional information from a program officer if the information is not available. Different regulations apply depending on the funding agency, the type of applicant institution, and in some cases, the type of program or activity. Program officers and/or program documents may refer to these regulations as XX CFR XX.XX (where the Xs indicate numbers and letters) or OMB circular XX.XX. These regulations may be particularly important if the proposal includes any of the following:
 - consultant services
 - services or products obtained through a bidding process
 - discounted products
 - products or services provided by official program partners

II. Budget Planning

The budget planning process should parallel planning for and development of the proposal narrative. This will ensure that the costs associated with the proposed activities do not exceed the maximum allowable request. For each project activity, goal, or aim, you should consider the following items:

1. *Personnel*—what personnel are absolutely essential for this specific activity? What percentage of their time will be spent on this specific activity? Apply the appropriate percentage to the salary for each person associated with the specific activity. Determine whether the percentage of time or personnel required will be different in any or all grant years.
2. *Fringe benefits*—apply the appropriate fringe rate to each salary amount determined in the personnel section.



3. *Travel*—what travel is associated with this specific activity? When calculating travel expenses, research the actual cost of travel to and from the location. Airport parking is not an allowable expense under most circumstances. Include airfare, mileage, or rental car and fuel expense. Apply the appropriate reimbursement rate for mileage where appropriate (current IRS allowed rate is available at <http://www.irs.gov/taxpros/article/0,,id=156624,00.html>). Then include ground transportation after arrival (train, subway, taxi, rental car). Use the US General Services Administration's (www.gsa.gov) per diem rates to calculate per diem for all domestic travel. Include lodging, meals, and incidentals. If the specific travel location is not available in the GSA information, use the county or state rates assigned. Note that meals and incidentals for the first and last day of travel can only be charged at 75%. Including this level of detail and information in your budget calculations and budget narrative indicates to reviewers that you have carefully evaluated the costs associated with proposed activities rather than randomly assigning an amount. Separate the travel amounts by year of the award. For some agencies you will need to separate travel (and other expenses) by quarter to assist the agency in planning disbursements.
4. *Equipment*—this is one of the categories that varies considerably by agency and program. Many federal programs do not allow equipment purchases or do not allow purchases of equipment that will be usable beyond the award period. Other programs limit the minimum or maximum purchase amount for a single piece of equipment or for equipment overall. Thus you should carefully examine all information provided by the agency when determining whether you can or should include equipment. A common minimum definition for equipment is >\$5,000 with >1-year lifespan. Note that most computers do not fit within this definition and are thus commonly included in the category of supplies or other, depending on how they will be used. But again, consult the documentation for the program. If in doubt, contact a program officer.
5. *Supplies*—what consumable supplies are associated with this specific activity?
6. *Contractual*—what contractual services are required for this specific activity? Common costs include consultants, evaluators, and service contracts. Note that specific agencies often have limitations on daily or hourly consulting fees. Some programs do not require evaluation by an external evaluator, whereas others require extensive evaluation plans (and associated costs). Almost all programs that require external evaluators place some importance on naming the evaluator and providing evidence of experience in the proposal narrative and supplemental documents. However, the expense associated with most evaluation plans requires that external evaluators be selected through a bidding process that complies with the relevant regulations. Unfortunately, many federal programs are announced and concluded faster than most institutions can complete a regulations-compliant bidding process. Thus, in



some cases the evaluation line item will be an estimate rather than a specific figure. For most programs that require an external evaluator, a fee of 8-15% is standard, though the specifics of the program, the size of the budget, and the expectations of the agency can push the percentage much lower or higher. If you are using a percentage rather than a set fee, determine the full budget for all other activities before applying the percentage. For projects that include cost share, the evaluation percentage should typically be applied to the total budget rather than the federal contribution.

7. *Construction*—what construction costs are associated with this specific activity? Most federal programs do not allow construction costs, and those that do typically have detailed instructions describing how to figure construction costs. Estimated construction costs must be supported by documentation including architects' drawings and estimates, formal bids, etc. As with all other costs, follow the specific requirements of the program, as well as the relevant regulations.
8. *Other*—what costs associated with this specific activity have not already been covered by the areas above? These may include participant support costs (e.g., stipends, course materials), computer equipment or software, printing costs that can be specifically assigned to a grant activity, testing associated with evaluation, etc. Reevaluate any costs identified at this point to ensure they do not fit in one of the other categories.
9. *Repeat steps 1-8 for each project activity, goal, or aim.*

Special Considerations for Foundation Proposals

Foundations almost always require a project budget. Typically the requested format is a budget summary including all expected expenses *and* revenues for the proposed project or program. Foundations are interested in the income or revenue that an organization will acquire to support the project and the expenses for carrying it out. The budget should always equal zero when subtracting the revenue from its expenses—the goal is to break even. Also, it is critical that budgets not include items the foundation has expressly stated they are not willing to fund.

The Financial Accounting Standards Board (FASB) is a private, not-for-profit organization whose primary purpose is to develop generally accepted accounting principles (GAAP) within the United States in the public's interest. GAAP is the term used to refer to a set of governmentally accepted guideline standards for financial accounting in the preparation of financial statements.

FASB Financial Statements:

- ❖ **Statement of Financial Position** (Balance Sheet): Total Assets, Liabilities, and Net Assets
- ❖ **A Statement of Activities** (Income Statement or Statement of Revenues): Change in Net Assets
- ❖ **A Statement of Cash Flows:** Change in Cash and Cash Equivalents
- ❖ **Statement of Functional Expenses:** Decreases in Unrestricted Net Assets

More information is available in a PDF provided on the FASB website: www.fasb.org/pdf/fas117.pdf



10. *Additional expenses*—identify any additional expenses not directly associated with the activities or identified in steps 1-9. In some cases this may include additional personnel (e.g., administrative assistant), travel (e.g., required travel to national meetings), etc. Review the program design and/or proposal narrative to identify any other expenses that may be incurred for the project.

Indirect Cost Rates

According to OMB Circular A-122 (2 CFR Part 230), indirect costs are “those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.”

An indirect cost rate is a measure used by federal agencies and some other grantmakers to determine what proportion of indirect costs should be charged to funded programs.

Most federal opportunities require the applicant to use its institution’s negotiated indirect cost ratio in generating a budget. These ratios are determined for each institution through negotiation with the institution’s **cognizant agency** (see glossary for more information). The outcome of this process is a Negotiated Indirect Cost Rate Agreement (NICRA) that is binding for all government agencies.

If an institution does not have a cognizant agency or has not received federal funding previously, an indirect cost rate cannot be negotiated unless the institution has received firm notification that it will receive an award. If your institution does not have a negotiated rate, contact a program officer for direction on selecting an appropriate indirect cost rate for budgeting and application purposes.

OMB Circular A-122 provides additional information for **non-profit organizations**:
http://www.whitehouse.gov/omb/assets/omb/fedreg/2005/083105_a122.pdf

OMB Circular A-21 provides additional information for **educational institutions** (even if part of a State or local government):
http://www.whitehouse.gov/omb/circulars_a21_2004/

Next Steps

1. *Prepare a draft budget for each year of the project.* Using the information from the budget planning process, prepare a budget for each year of the project. Use the required budget form where possible.
2. *Add any indirect costs.* Calculate indirect costs using the institutional indirect costs rate for the funding agency as directed by the funding opportunity announcement and/or grant application packet.
3. *Separate federal from non-federal funds.* In some cases you will be required to identify specifically how the federal and non-federal portions of the budget will be allocated overall and in each year. Record these in the appropriate places on the required forms.

III. Developing a Budget Narrative

The process for developing a budget narrative is essentially the budget planning process in reverse. Thus if the budget planning process is orderly and documented, developing a budget narrative is straightforward. The purpose of the budget narrative is to describe to reviewers how the budget is related to the proposed activities.

Unless otherwise directed by the funding opportunity announcement or grant application package, the budget narrative should include separate statements for each project year. Within each project year, identify the line items indicated in the overall budget on the required budget form and describe and justify the expenses included in the line item. For example, if your project includes a



project director, the budget narrative would include an entry similar to the following:

Year 1.

A. Personnel

Project Director (1.0 FTE) \$47,500.00

The full-time project director will be responsible for overseeing all aspects of the project including...

Each of the expenses identified in the planning stage and included in the final budget will appear in some form in the budget narrative. If the funding agency limits the length of the budget narrative, compress entries and descriptions as needed to fit everything in if possible. If that is not possible, use larger groupings of expenses under each entry or combine entries across years if practical. The most important thing to remember about budget narratives is that you must justify any expenses that are not immediately obvious even to the unskilled reviewer, and it is helpful to state explicitly the calculations or assumptions used to arrive at specific figures.

IV. Common Budgeting Problems

1. *Insufficient funds.* The most common problem reviewers identify in budgets for federal grant programs is insufficient funds budgeted for the proposed activities. This problem typically occurs when applicants develop a program and proposal without considering the budget requirements and then develop a budget that fits the available funding rather than the proposed activities. Proposals with this problem will almost never be funded.
2. *Maximum funding request.* Requests for the maximum available amount or for an amount within a few pennies or dollars of the maximum available amount suggest to reviewers that the budget was prepared based on the funding available rather than on the actual costs of the proposed activities. The only time requests of this type are permissible is when cost sharing is required and the total budget (federal funds + matching funds) exceeds the total amount required if the maximum federal amount is requested (i.e., the matching funds exceed the required cost share percentage). Proposals with maximum requests are occasionally funded but only when the budget narrative clearly demonstrates that the budget is truly in line with the actual costs of the proposed activities.
3. *Personnel problems.* Budgets often contain requests for personnel that are a) not needed, b) not fully justified, or c) insufficient for the tasks proposed. The requests for personnel who are not needed can be divided into two further groups: those that truly are not needed and those that are needed but that cannot be justified by the proposal narrative or budget narrative. Insufficient requests can also be divided into two groups: not enough personnel (or time) are



requested to accomplish the task or not enough money is requested to fund an individual with the requisite skills and experience. Salaries must be in line with expected norms and with proposed responsibilities, and all responsibilities outlined in the project narrative must be covered by personnel, even if the applicant offers these personnel in-kind. Anything unusual must be clearly justified in the budget narrative.

4. *Inadequate match or cost share.* Proposals that do not meet the cost share requirements will not be funded. Occasionally a match is inadequate only because the budget narrative does not adequately describe the match. Most match or cost share inadequacies result from a failure to consult the program documentation and relevant regulations regarding which types of matches are allowed.

V. Federal Budget Examples and Templates

Hanover Grants' clients most commonly use three federal forms:

- SF-424a
- ED 524
- NSF budget form

NSF's form is completely electronic and only available through FastLane. However, NSF has developed a sample budget and budget narrative to assist applicants in the budget planning process. In addition to providing a template to follow, the NSF sample budget form includes interactive text that answers common questions about specific line items and explains certain calculations. For your convenience, we have provided this form as a supplement to this budget guide. However, you should consult all documentation for NSF budget development and your specific program before developing your budget and budget narrative.

We have developed a sample ED 524 budget and budget narrative and included a sample SF-424a budget narrative from SAMHSA to provide examples of the level of detail typically expected. These are provided as instructional examples only and should not be used for actual proposals. The budget narratives represent two approaches to presenting the information, and unless a specific format is required by the funding agency, you can use the format that is best suited to your needs as long as it conveys all the necessary information. Naming personnel is encouraged where possible but is not required in most cases. And again, budgeting and narrative requirements differ across programs and agencies, and you must consult and comply with any documentation associated with the program for which you are applying. Discrepancies between the provided examples and the program guidelines are to be expected, and the program guidelines supercede the examples provided.



In addition to the sample SF-424a and ED 524, we have included interactive copies of these forms as developed and provided by federal agencies. These forms are provided for your planning convenience and do not replace any forms provided in the funding opportunity announcement, the grant application package, or other agency materials.

List of materials provided:

- EXAMPLE ED-524.doc
- EXAMPLE BUDGET NARRATIVE for ED-524.doc
- EXAMPLE MULTI-YEAR BUDGET for SF-424a from NOAA.pdf
- EXAMPLE BUDGET NARRATIVE for SF-424a from SAMHSA.pdf
- EXAMPLE NSF BUDGET AND JUSTIFICATION from NSF.pdf
- sf424a.pdf (fillable form)
- ed524.doc (fillable form)

VI. Foundation Budget Examples and Templates

The Washington Regional Association of Grantmakers provides an excellent guide for developing budgets and supplemental information for proposals to foundations. The guide includes budget instructions on pages 4 and 5.

Common Grant Application guide:

http://www.washingtongrantmakers.org/s_wash/bin.asp?CID=4594&DID=13427&DOC=FILE.PDF

Associated Grant Makers provides an excellent template for foundation request budgets (in Excel format).

Foundation Budget template:

http://www.agmconnect.org/cpf/CPF_Budget_Template.xls

VII. Frequently Asked Questions

1. I found an error in my budget after submitting the application. What should I do?

It is not uncommon to find errors in program budgets even after multiple people have reviewed the budget. However, most errors are identified during discussions with the funding agency after a decision has been made to fund the program. If this is the case, you usually can request an adjustment to the budget, and if funding is available and the request does not make the total budget exceed the funding limits, the request is likely to be approved.



If you find the error after submission but prior to completion of the review process, review the agency protocol for amending submissions. If the agency does not provide information on this process, contact a program officer to describe the situation and request advice. Federal agencies rarely allow amendments to proposals after the due date. However, as described above, successful applicants often have an opportunity to adjust their budget or request revisions prior to the release of the award.

2. Do indirect costs count against the budget total? That is, must the direct costs plus indirect costs be less than or equal to the maximum allowed budget?

The answer depends on the agency and the particular program. Some agencies only count the direct costs against the maximum allowable budget (e.g., NIH), whereas others require that both direct and indirect costs be counted in the budget total. The budget instructions for the required budget form and the budget instructions for the particular program should indicate which approach is required. If the answer is not clear from these documents, check the agency's overall proposal guidelines (usually available on the agency's website). If you are still unsure, contact a program officer.

3. Can I include rent in the budget?

The answer depends on a number of factors including to which agency and program you are applying. Rent costs are typically allowed if 1) the facility is required for the proposed activities, 2) the facility is not already in use by the applicant for the same or similar purposes, and 3) the facility can be reasonably assumed to be rentable for general purposes. For example, rent cannot be claimed for most existing school facilities because school facilities (e.g., gyms, classrooms, office space) are not usually available for rent and are already in use by schools for educational purposes. However, if you wanted to lease space in a commercial building and the space is necessary for the proposed activities, it is probably allowable under most programs. Check the applicable OMB and agency regulations, and if in doubt, contact a program officer.

VIII. Glossary of Budgeting Terms

% time—the percentage of time an individual allocates to activities supported by the proposed grant; typically used in determining the amount of funding needed for personnel. Also see *FTE*.

benefits—see *fringe benefits*.

budget narrative—narrative that describes the specific expenses in each line item of a budget and that describes the purpose of the expenses and how they were calculated; typically presented by line item within each funding year



cognizant agency—the cognizant agency for non-profit organizations is determined by calculating which Federal agency provides the most grant funding. The Department of the Interior is the cognizant agency for all Indian tribal governments. For hospitals, HHS serves as the main cognizant agency. The Department of Health and Human Services (HHS) is the cognizant agency for all States and most cities.

contributions—cash or in-kind donations to a program.

conference/workshop/course fees—registration fees associated with attendance at professional meetings.

cost share—requirement that the applicant identify additional funds or in-kind services for a specified portion (e.g., 20%) of the total program budget

equipment rental/purchase—actual cost of equipment to be rented or purchased for the proposed project; equipment is typically valued \geq \$5,000 with a lifetime of \geq 5 years. Check agency regulations for specific definitions of equipment.

evaluation—systematic review of project activities and/or outcomes that produces quantitative and/or qualitative information on feasibility, efficacy, cost-effectiveness, or other measures.

event income—income produced by project activities; contrasted with pre-event income that is generated by project requests, donations, or other activities.

external evaluator—an individual contracted to evaluate a program for which he or she did not provide input into the design of the program, has not participated materially in the implementation of the program, and does not stand to gain from the ultimate outcome of the program; an unbiased evaluator from outside the department or institution operating the program.

fringe benefits—non-salary compensation associated with personnel; typically includes FICA, health insurance, and similar expenses as a percentage of personnel salary

FTE—“full-time employee.” Personnel time commitments for project activities are commonly reported as a portion of FTE. For example, if a project director contributes 50% of his or her time to the project, that is represented as 0.5 FTE. Likewise, three full-time technicians would be 3.0 FTE. Also see % time.

in-kind contributions—contributions of services, goods, or personnel rather than cash.

indirect costs—costs not attributable to a specific activity, goal, or objective within the proposed project; usually covers institutional expenses for utilities, maintenance and upkeep, administrative costs, etc., that are incurred by the project but that are not charged directly to the project



indirect cost rate—a rate negotiated between the applicant institution and the federal agency to cover indirect costs

internal evaluator—an individual directly involved in the design and/or implementation of a program who evaluates program activities and/or outcomes.

materials and supplies—consumables required for project activities. Examples: office supplies, books.

official partner—a technical and legal term designating a particular type of partner allowed (or required) under certain federal programs; only official partners can receive subcontracts under certain program types.

other—expenses directly attributable to program activities but not included under the other itemized options on standard budget forms.

personnel—individuals paid to provide services for the program; may be named or listed as TBD (to be determined). Typically assigned % time or portion of FTE.

professional fees—fees paid to consultants, evaluators, or other professionals not directly employed by the project (i.e., not personnel).

publications—reports of program results; typically presented in peer-reviewed publications and encouraged as part of the dissemination of program findings.

sponsorships—agreements by outside agencies, foundations, partners, or other third parties to cover the costs of certain program activities or to provide general support for a program in exchange for public recognition of their financial support.

subcontracts or subgrants—financial agreements to acquire specific services or goods from a partner or vendor for the program; only allowed under select programs and subject to strict regulation.

supplies—consumables required for project activities. Examples: office supplies, books.

third-party grant management—use of an outside firm or individual to oversee financial, reporting, and/or other aspects of the program; some federal agencies do not allow the use of program funds for these services unless paid for out of indirect costs allocations, whereas foundations may be more amenable to funding this expense.

travel—any costs associated with transportation, lodging, meals, and incidentals incurred when conducting program activities away from the primary project site or when program recipients or



certain personnel travel to the primary site from other locations to participate in planned program activities.

unrecovered indirect costs—the portion of indirect costs for which the applicant is eligible but for which the applicant does not request reimbursement in the budget; may be considered part of the required cost share by some agencies. *Example:* institution is eligible for 25% indirect costs but only requests 10% in the budget and uses the unrecovered 15% as cost share.

Loyola University of Chicago/VA Joint Appointment

Memorandum of Understanding (MOU)

Special Instructions: Joint University and Department of Veterans Affairs Appointments

Individuals with Joint University and Department of Veterans Affairs Appointments may request the university's share of their salary in proportion to the effort devoted to the research project. The individual's salary with the university determines the base for computing that request. Signature by the institutional official on the application certifies that: (1) the individual is applying as part of a joint appointment specified by a formal Memorandum of Understanding between the university and the Department of Veterans Affairs (VA); and (2) there is no possibility of dual compensation for the same work, or of an actual or apparent conflict of interest regarding such work.

This form describes the total professional responsibilities of mutually arranged and agreed upon by Loyola University Chicago and the Department of Veteran Affairs Edward Hines Jr. Hospital. The combination of teaching, consulting, administration and clinical activities as of at both Loyola University and the VA Hospital comprise 100 percent of the total professional responsibilities as described below.

Official Title:	University		VA		Total	
	hrs/wk	%	hrs/wk	%	hrs/wk	%
	Staff Physician		Associate Professor			
Teaching	0	0%	0	0%	0	0
Research	0	0	0	0%	0	0
Research - Other	1	1%	0	0 %	1	1%
Intramural Funding	0	0	0	0%	0	0
Consulting	0	0%	0	0%	0	0
Administration	21	32 %	0	0	21	32
Clinical	38	59%	5	8%	43	67%
	60	92%	5	8%	65	100 %

Appointment = 1/8ths

VA hours/week = 5

It is certified that Dr. receives partial salaries from both the Edward Hines, Jr. VA and Loyola University of Chicago and that there is no dual compensation from these two sources for the same work, nor is there an actual or apparent conflict of interest regarding such work.

Principal Investigator

Department of

Date_____

Chair

Department of

Date_____

Dean

Stritch School of Medicine

Date_____

Chief of Research

VA, Edward Hines, Jr. Hospital

Date_____

Interim Provost

Loyola University Chicago, Health
Sciences Division

Date_____

Instructions for completing specific sections of the MoU

Effective Date

A new MOU should be prepared by annually and/or each time a new grant is submitted.

If significant changes occur during the calendar year (i.e., changes in VA appointment terms or significant changes in research commitments), then a revised MoU should be prepared at that time.

Title

Indicate the investigator's VA title ("Staff Physician" for most) and Loyola University faculty title (e.g., "Associate Professor", "Assistant Professor") where requested.

Effort Percentages

Effort percentages should be based on a reasonable, justifiable work week, representing the professional responsibilities of the applicable appointments for the investigator. In most instances, a 60 -65-hour work week should be used.

Total VA effort (A) is based on a 40-hour work week; therefore, the percentage of total professional effort dedicated to VA activity can be obtained by multiplying the individual's VA appointment (in 8ths) by 40 hours, and then dividing by the individual's reasonable work week estimate. For example, an individual with a 5/8 VA appointment and a 65-hour work week would have a total VA effort of 38% $((5/8*40)/65)$.

Total University effort (B) should equal 100% minus total VA effort.

In order to delineate between "Sponsored Research" and other effort within the VA and University categories, general estimates of effort, based on commitments, should be used. The following sources of information may be helpful in determining these commitments:

VA Sponsored Research (C) - award documentation for research projects administered by the VA (e.g., VA Merit awards)

VA Clinical activities (D) - VA employment agreement

University Teaching, university administration, and service (E) - teaching schedule, list of committees and other administrative responsibilities, other non-sponsored activities

University Sponsored Research (F) - the individual's inventory of commitments on active sponsored projects, including clinical trials. Since the basis for effort in this VA MoU differs from the basis used for effort commitments made in University proposals and awards (total professional effort vs. total institutional effort), a conversion must be performed to express commitments on active University sponsored projects in total professional effort terms*. The sum of the effort commitments on the individual's active sponsored projects should be multiplied by (B) in order to determine the percent for (F). A separate spreadsheet has been provided to assist you with this conversion.

LUPF Clinical activities (G) - clinic schedule (if applicable)

Example:

An Associate Professor has a 2/8 VA appointment, and two existing NIH grants through Loyola, each with a 30% effort commitment (based on total institutional effort). The VA commitment is for clinical activities only. He spends, on average, 10 hours/week on LUPF clinical activities. The remainder of his time is spent on University administrative activities. His VA MoU should be completed as follows:

	<u>VA</u>	<u>University/LUPF</u>	
Title	Staff Physician	Associate Professor	Total

Total effort dedicated to:

Teaching, university administration, service		(E) 19%	19%
Sponsored Research	(C) 0%	(F) 51%	51%
Clinical activities	(D) 15%	(G) 15%	30%

Total	(A) 15%	(B) 85%	100%
	Appointment = 2/8^{ths}		
	VA hours/week = 10		

The percentages were determined as follows:

(A) = $2/8 * 40 / 65 = 15\%$

(B) = $100\% - 15\% = 85\%$

(C) = 0% (VA responsibilities are clinical activity only)

(D) = $15\% - 0\% = 15\%$

(F) = $(30\% + 30\%) * 85\% = 51\%$

(G) = $10/65 = 15\%$ (average clinical schedule is 10 hours/week)

(E) = $85\% - 51\% - 15\% = 19\%$

Note that, in this example, (E) is derived as the balance of available University/LUPF effort. This calculated amount should reasonably reflect *actual* teaching, administrative and service responsibilities.

¹ Investigators who have "without compensation" (WOC) or other arrangements with the VA, please work with OSR to ensure that your arrangement is appropriately disclosed to research sponsors.

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility

Detailed Cost Estimate Form - Budget Period 1

Name of Principal Investigator (*last, first, middle*)

DETAILED BUDGET					FROM	THROUGH	
DOD CIVILIAN AND MILITARY PERSONNEL		TITLE/ POSITION	ANNUAL BASE SALARY	% EFFORT ON PROJECT	DOLLAR AMOUNT REQUESTED (OMIT CENTS)		
NAME	ROLE ON PROJECT				SALARY REQUESTED	FRINGE BENEFITS	TOTALS
						\$ -	
						\$ -	
						\$ -	
						\$ -	
						\$ -	
SUBTOTALS					\$ -	\$ -	
Enter DoD civilian and military level of effort, whether or not reimbursement of salary/fringe benefits is requested. If reimbursement is requested, the method of reimbursement will be handled during negotiations. In some cases, reimbursement may not be possible.							
CONSULTANT COSTS							
MAJOR EQUIPMENT (ITEMIZE BY ITEM IN JUSTIFICATION)							
MATERIALS, SUPPLIES, AND CONSUMABLES (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
TRAVEL COSTS							
Enter DoD civilian and military personnel travel costs. The USAMRMC RM office will directly fund the Military Facility for travel costs, if possible. If not possible, the military Facility will be required to cover the costs. Funds awarded to an extramural organization cannot be used to reimburse DoD civilian or military personnel travels costs.							
RESEARCH-RELATED SUBJECT COSTS							
OTHER DIRECT COSTS (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
SUBTOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
SUBCONTRACT COSTS	DIRECT COST						
	INDIRECT COST					\$ -	
TOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
TOTAL INDIRECT COSTS FOR THIS BUDGET PERIOD							
TOTAL DIRECT AND INDIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility 0

Detailed Cost Estimate Form - Budget Period 2

Name of Principal Investigator (*last, first, middle*) 0

DETAILED BUDGET					FROM	THROUGH	
DOD CIVILIAN AND MILITARY PERSONNEL		TITLE/ POSITION	ANNUAL BASE SALARY	% EFFORT ON PROJECT	DOLLAR AMOUNT REQUESTED (OMIT CENTS)		
NAME	ROLE ON PROJECT				SALARY REQUESTED	FRINGE BENEFITS	TOTALS
						\$ -	
						\$ -	
						\$ -	
						\$ -	
						\$ -	
SUBTOTALS					\$ -	\$ -	
Enter DoD civilian and military level of effort, whether or not reimbursement of salary/fringe benefits is requested. If reimbursement is requested, the method of reimbursement will be handled during negotiations. In some cases, reimbursement may not be possible.							
CONSULTANT COSTS							
MAJOR EQUIPMENT (ITEMIZE BY ITEM IN JUSTIFICATION)							
MATERIALS, SUPPLIES, AND CONSUMABLES (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
TRAVEL COSTS							
Enter DoD civilian and military personnel travel costs. The USAMRMC RM office will directly fund the Military Facility for travel costs, if possible. If not possible, the military Facility will be required to cover the costs. Funds awarded to an extramural organization cannot be used to reimburse DoD civilian or military personnel travels costs.							
RESEARCH-RELATED SUBJECT COSTS							
OTHER DIRECT COSTS (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
SUBTOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
SUBCONTRACT COSTS	DIRECT COST					\$ -	
	INDIRECT COST					\$ -	
TOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
TOTAL INDIRECT COSTS FOR THIS BUDGET PERIOD							
TOTAL DIRECT AND INDIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility 0

Detailed Cost Estimate Form - Budget Period 3

Name of Principal Investigator (last, first, middle) 0

DETAILED BUDGET					FROM	THROUGH	
DOD CIVILIAN AND MILITARY PERSONNEL		TITLE/ POSITION	ANNUAL BASE SALARY	% EFFORT ON PROJECT	DOLLAR AMOUNT REQUESTED (OMIT CENTS)		
NAME	ROLE ON PROJECT				SALARY REQUESTED	FRINGE BENEFITS	TOTALS
						\$ -	
						\$ -	
						\$ -	
						\$ -	
						\$ -	
SUBTOTALS					\$ -	\$ -	
Enter DoD civilian and military level of effort, whether or not reimbursement of salary/fringe benefits is requested. If reimbursement is requested, the method of reimbursement will be handled during negotiations. In some cases, reimbursement may not be possible.							
CONSULTANT COSTS							
MAJOR EQUIPMENT (ITEMIZE BY ITEM IN JUSTIFICATION)							
MATERIALS, SUPPLIES, AND CONSUMABLES (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
TRAVEL COSTS							
Enter DoD civilian and military personnel travel costs. The USAMRMC RM office will directly fund the Military Facility for travel costs, if possible. If not possible, the military Facility will be required to cover the costs. Funds awarded to an extramural organization cannot be used to reimburse DoD civilian or military personnel travels costs.							
RESEARCH-RELATED SUBJECT COSTS							
OTHER DIRECT COSTS (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
SUBTOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
SUBCONTRACT COSTS	DIRECT COST					\$ -	
	INDIRECT COST					\$ -	
TOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
TOTAL INDIRECT COSTS FOR THIS BUDGET PERIOD							
TOTAL DIRECT AND INDIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility 0

Detailed Cost Estimate Form - Budget Period 4

Name of Principal Investigator (*last, first, middle*) 0

DETAILED BUDGET					FROM	THROUGH	
DOD CIVILIAN AND MILITARY PERSONNEL		TITLE/ POSITION	ANNUAL BASE SALARY	% EFFORT ON PROJECT	DOLLAR AMOUNT REQUESTED (OMIT CENTS)		
NAME	ROLE ON PROJECT				SALARY REQUESTED	FRINGE BENEFITS	TOTALS
						\$ -	
						\$ -	
						\$ -	
						\$ -	
						\$ -	
SUBTOTALS					-	-	
Enter DoD civilian and military level of effort, whether or not reimbursement of salary/fringe benefits is requested. If reimbursement is requested, the method of reimbursement will be handled during negotiations. In some cases, reimbursement may not be possible.							
CONSULTANT COSTS							
MAJOR EQUIPMENT (ITEMIZE BY ITEM IN JUSTIFICATION)							
MATERIALS, SUPPLIES, AND CONSUMABLES (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
TRAVEL COSTS							
Enter DoD civilian and military personnel travel costs. The USAMRMC RM office will directly fund the Military Facility for travel costs, if possible. If not possible, the military Facility will be required to cover the costs. Funds awarded to an extramural organization cannot be used to reimburse DoD civilian or military personnel travels costs.							
RESEARCH-RELATED SUBJECT COSTS							
OTHER DIRECT COSTS (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
SUBTOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
SUBCONTRACT COSTS	DIRECT COST					\$ -	
	INDIRECT COST					\$ -	
TOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
TOTAL INDIRECT COSTS FOR THIS BUDGET PERIOD							
TOTAL DIRECT AND INDIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility 0

Detailed Cost Estimate Form -Budget Period 5

Name of Principal Investigator (last, first, middle) 0

DETAILED BUDGET					FROM	THROUGH	
DOD CIVILIAN AND MILITARY PERSONNEL		TITLE/ POSITION	ANNUAL BASE SALARY	% EFFORT ON PROJECT	DOLLAR AMOUNT REQUESTED (OMIT CENTS)		
NAME	ROLE ON PROJECT				SALARY REQUESTED	FRINGE BENEFITS	TOTALS
						\$ -	
						\$ -	
						\$ -	
						\$ -	
						\$ -	
SUBTOTALS					\$ -	\$ -	
Enter DoD civilian and military level of effort, whether or not reimbursement of salary/fringe benefits is requested. If reimbursement is requested, the method of reimbursement will be handled during negotiations. In some cases, reimbursement may not be possible.							
CONSULTANT COSTS							
MAJOR EQUIPMENT (ITEMIZE BY ITEM IN JUSTIFICATION)							
MATERIALS, SUPPLIES, AND CONSUMABLES (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
TRAVEL COSTS							
Enter DoD civilian and military personnel travel costs. The USAMRMC RM office will directly fund the Military Facility for travel costs, if possible. If not possible, the military Facility will be required to cover the costs. Funds awarded to an extramural organization cannot be used to reimburse DoD civilian or military personnel travels costs.							
RESEARCH-RELATED SUBJECT COSTS							
OTHER DIRECT COSTS (ITEMIZE BY CATEGORY IN JUSTIFICATION)							
SUBTOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
SUBCONTRACT COSTS	DIRECT COST					\$ -	
	INDIRECT COST					\$ -	
TOTAL DIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	
TOTAL INDIRECT COSTS FOR THIS BUDGET PERIOD							
TOTAL DIRECT AND INDIRECT COSTS FOR THIS BUDGET PERIOD						\$ -	

COLLABORATING DoD MILITARY FACILITY BUDGET FORM

Military Facility 0

Detailed Cost Estimate Form - Cumulative Budget Years 1-5

Name of Principal Investigator (last, first, mid) 0

DETAILED BUDGET FOR ENTIRE PROPOSED PERIOD OF SUPPORT						
BUDGET CATEGORY TOTALS ¹	INITIAL BUDGET PERIOD (FROM FORM PAGE 1)	ADDITIONAL YEARS OF SUPPORT REQUESTED				TOTAL
		2nd	3rd	4th	5th	
PERSONNEL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FRINGE BENEFITS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CONSULTANT COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MAJOR EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS, SUPPLIES, AND CONSUMABLES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRAVEL COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBJECT-RELATED COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER DIRECT COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL DIRECT COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBCONTRACT COSTS	DIRECT	\$ -	\$ -	\$ -	\$ -	\$ -
	INDIRECT	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL DIRECT COSTS FOR ENTIRE PROPOSED PERIOD OF SUPPORT				\$ -		
TOTAL INDIRECT COSTS FOR ENTIRE PROPOSED PERIOD OF SUPPORT				\$ -		
TOTAL COSTS FOR THE ENTIRE PROPOSED PERIOD OF SUPPORT THIS AMOUNT SHOULD AGREE WITH THAT ENTERED IN THE REQUIRED FILES				\$ -		

¹ Itemize all budget categories for each year on the Justification page that follows.

JUSTIFICATION: ITEMIZE ALL BUDGET CATAGORIES FOR EACH YEAR. FOLLOW THE BUDGET JUSTIFICATION INSTRUCTIONS IN THE GENERAL SUBMISSION INSTRUCTIONS EXACTLY. USE CONTINUATION PAGES AS NEEDED.

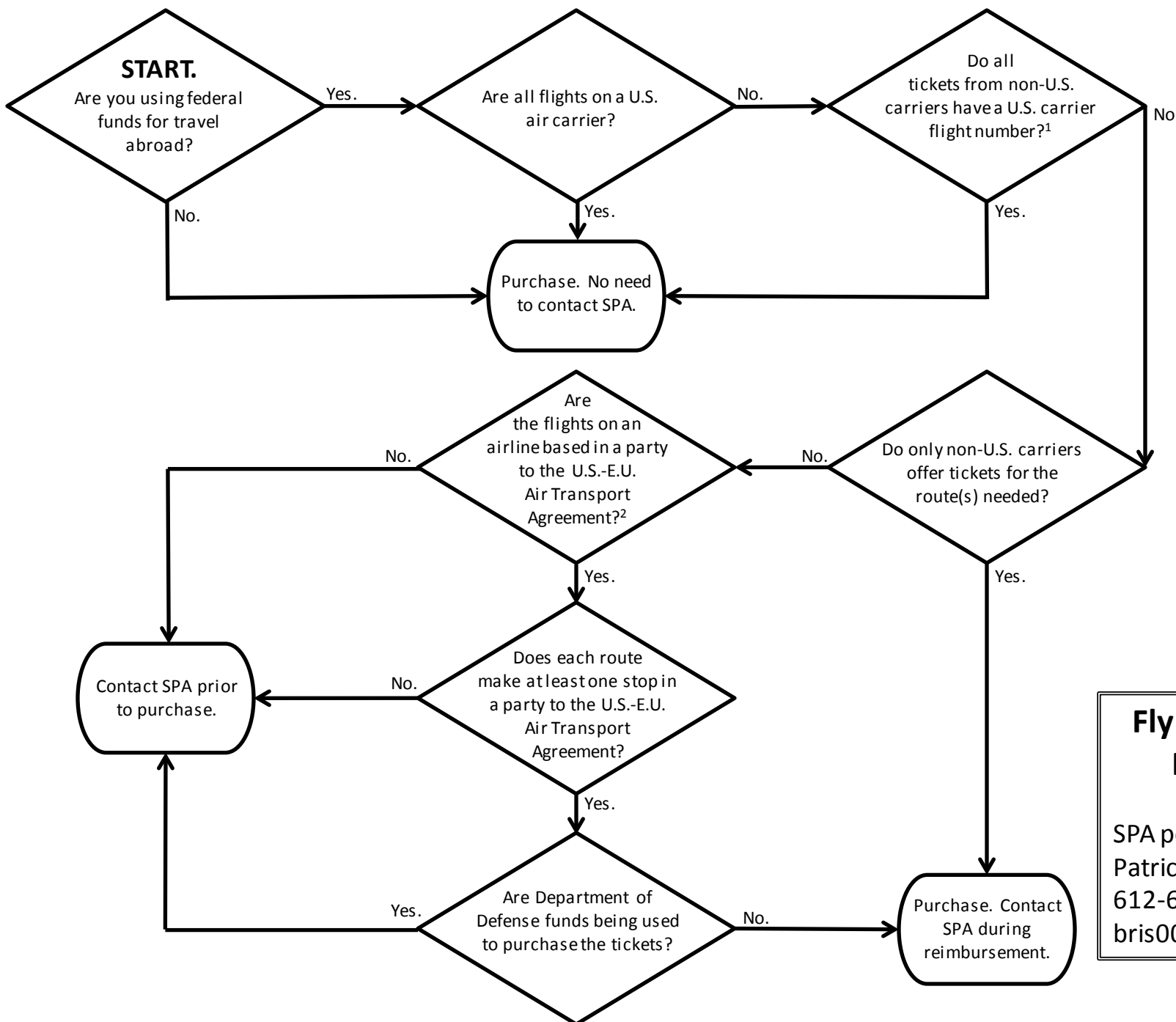
Notes:

¹ These are called code-shared flights, and often look something like this: "Delta 561/6032, Operated by KLM."

² The parties to the U.S.-E.U. Air Transport Agreement are Austria, Belgium, Bulgaria, the Czech Republic, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

Fly America Act Flowchart

SPA point of contact:
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bris0022@umn.edu





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SUMMARY PROPOSAL BUDGET**FOR NSF USE ONLY**

ORGANIZATION				PROPOSAL NO.		DURATION (MONTHS)	
						Proposed	Granted
PRINCIPAL INVESTIGATOR/PROJECT DIRECTOR				AWARD NO.			
A. SENIOR PERSONNEL: PI/PD, Co-PIs, Faculty and Other Senior Associates List each separately with name and title. (A.7. Show number in brackets)				NSF-Funded Person-months		Funds Requested By Proposer	Funds Granted by NSF (If Different)
				CAL	ACAD	SUMR	
1.							
2.							
3.							
4.							
5.							
6. () OTHERS (LIST INDIVIDUALLY ON BUDGET EXPLANATION PAGE)							
7. () TOTAL SENIOR PERSONNEL (1-6)							
B. OTHER PERSONNEL (SHOW NUMBERS IN BRACKETS)							
1. () POSTDOCTORAL ASSOCIATES							
2. () OTHER PROFESSIONALS (TECHNICIAN, PROGRAMMER, ETC.)							
3. () GRADUATE STUDENTS							
4. () UNDERGRADUATE STUDENTS							
5. () SECRETARIAL - CLERICAL (IF CHARGED DIRECTLY)							
6. () OTHER							
TOTAL SALARIES AND WAGES (A + B)							
C. FRINGE BENEFITS (IF CHARGED AS DIRECT COSTS)							
TOTAL SALARIES, WAGES AND FRINGE BENEFITS (A + B + C)							
D. EQUIPMENT (LIST ITEM AND DOLLAR AMOUNT FOR EACH ITEM EXCEEDING \$5,000.)							
TOTAL EQUIPMENT							
E. TRAVEL 1. DOMESTIC (INCL. CANADA, MEXICO AND U.S. POSSESSIONS)							
2. FOREIGN							
F. PARTICIPANT SUPPORT							
1. STIPENDS \$							
2. TRAVEL							
3. SUBSISTENCE							
4. OTHER							
TOTAL NUMBER OF PARTICIPANTS ()				TOTAL PARTICIPANT			
G. OTHER DIRECT COSTS							
1. MATERIALS AND SUPPLIES							
2. PUBLICATION/DOCUMENTATION/DISSEMINATION							
3. CONSULTANT SERVICES							
4. COMPUTER SERVICES							
5. SUBAWARDS							
6. OTHER							
TOTAL OTHER DIRECT COSTS							
H. TOTAL DIRECT COSTS (A THROUGH G)							
I. INDIRECT COSTS (F&A) (SPECIFY RATE AND BASE)							
TOTAL INDIRECT COSTS (F&A)							
J. TOTAL DIRECT AND INDIRECT COSTS (H + I)							
K. RESIDUAL FUNDS (IF FOR FURTHER SUPPORT OF CURRENT PROJECT SEE GPG II.D.7.j.)							
L. AMOUNT OF THIS REQUEST (J) OR (J MINUS K)						\$	\$
M. COST SHARING: PROPOSED LEVEL \$				AGREED LEVEL IF DIFFERENT: \$			
PI/PD TYPED NAME AND SIGNATURE*				DATE		FOR NSF USE ONLY	
						INDIRECT COST RATE VERIFICATION	
ORG. REP. TYPED NAME & SIGNATURE*				DATE		Date Checked	Date of Rate Sheet
						Initials-ORG	

INSTRUCTIONS FOR USE OF SUMMARY PROPOSAL BUDGET (NSF FORM 1030)

1. General

- a. Each grant proposal, including requests for supplemental funding, must contain a Budget in this format unless a pertinent program announcement/solicitation specifically provides otherwise. A Budget need not be submitted for incremental funding unless the original grant letter did not indicate specific incremental funding or if adjustments to the planned increment exceeding the greater of 10% or \$10,000 are being requested.
- b. Copies of NSF Form 1030 and instructions may be reproduced locally.
- c. A separate form should be completed for each year of support requested. An additional form showing the cumulative budget for the full term requested should be completed for proposals requesting more than one year's support. Identify each year's request (e.g., "First year," or "Cumulative Budget," etc.) in the margin at the top right of the form.
- d. Completion of this summary does not eliminate the need to document and justify the amounts requested in each category. Such documentation should be provided on additional page(s) immediately following the budget in the proposal and should be identified by line item. The documentation page(s) should be titled "Budget Justification."
- e. If a revised budget is required by NSF, it must be signed and dated by the Authorized Organizational Representative and Principal Investigator and submitted in at least the original and two copies.

2. Budget Line Items

A full discussion of the budget and the allowability of selected items of cost is contained in the *Grant Proposal Guide* (GPG), *NSF Grant Policy Manual* (GPM) (NSF 95-26, periodically revised), and other NSF program announcements/solicitations. The following is a brief outline of budget documentation requirements by line item. (NOTE: All documentation or justification required on the line items below should be provided on the Budget Justification page(s).)

A., B., and C. Salaries, Wages and Fringe Benefits (GPM 611). See definitions in GPG Appendix C. List individually, all senior personnel who were grouped under Part A, the requested person-months to be funded, and rates of pay.

D. Equipment (GPM 612). Items exceeding \$5,000 and 1 year's useful life are defined as permanent equipment (unless lower thresholds are established by the organization). List item and dollar amount for each item. Justify.

E. Travel (GPM 614 and GPM 760). Address the type and extent of travel and its relation to the project. Itemize by destination and cost and justify travel outside the United States and its possessions, Puerto Rico, Canada and Mexico. Include dates of foreign visits or meetings. Air fares are limited to round trip, jet-economy rates.

F. Participant Support (GPM 618). Normally, participant support costs only may be requested for grants supporting conferences, workshops, symposia or training activities. Show number of participants in brackets. Consult GPG or specific program announcement/solicitation for additional information.

G. Other Direct Costs.

1. Materials and Supplies (GPM 613). Indicate types required and estimate costs.
2. Publication, Documentation and Dissemination (GPM 617). Estimate costs of documenting, preparing, publishing, disseminating, and sharing research findings.
3. Consultant Services (GPM 616). Indicate name, daily compensation (limited to individual's normal rate or daily rate paid for Level IV of the Executive Schedule, whichever is less), and estimated days of service, and justify. Include travel costs, if any.
4. Computer Services (GPM 615). Include justification based on estimated computer service rates at the proposing institution. Purchase of equipment should be included under D.
5. Subawards (GPM 313). Also include a complete signed budget NSF Form 1030 for each subaward and justify details.
6. Other. Itemize and justify. Include computer equipment leasing and tuition remission. (GPG II.D.7.f and II.D.7.a.ii)

I. Indirect Costs (GPM 630) (Also known as Facilities and Administrative Costs for colleges and universities). Specify current rate(s) and base(s). Use current rate(s) negotiated with the cognizant Federal negotiating agency. See GPM for special policy regarding grants to individuals, travel grants, equipment grants, doctoral dissertation grants and grants involving participant support costs (GPM, Chapter VI).

K. Residual Funds (GPG II.D.7.j). This line is used only for budgets for incremental funding requests on continuing grants. Grantees should provide a rationale for residual funds in excess of 20% as part of the project report. (See GPG VII.G)

L. Amount of Request. Line L will be the same as Line J unless the Foundation disapproves the carryover of funds. If disapproved, Line L will equal J minus K.

M. Cost Sharing (GPM 330). Include any specific cost sharing amounts in excess of the minimum one percent required under unsolicited research proposals. Include the estimated value of any in-kind contributions. Discuss the source, nature, amount and availability of any proposed cost sharing on the Budget Justification page. If a proposal budget includes a specific cost sharing level, the identified cost sharing level is expected to be included as a requirement in the award.

PROPOSERS MUST NOT ALTER OR REARRANGE THE COST CATEGORIES AS THEY APPEAR ON THIS FORM, WHICH HAS BEEN DESIGNED FOR COMPATIBILITY WITH DATA CAPTURE BY NSF'S MANAGEMENT INFORMATION SYSTEM. IMPROPER COMPLETION OF THIS FORM MAY RESULT IN RETURN OF PROPOSAL.