Part 3 of 4

- Budget preparation, line by line, including budget justification (Line G)
Budget Webinar Overview

Purpose:

• Provide support for writing clear, solid budgets, that align proposals with equity in mind

Agenda:

• Reminders about the AISL Program (Part 1)
• Attending to equity in a proposal & budget (Part 1)
• Preparing a budget and budget justification (Part 1)
• Budget preparation, line by line, including budget justification (Part 2: A-F)
• **Budget preparation, line by line, including budget justification (Part 3: G)**
• Common budget pitfalls & related documents (Part 4)
• **New: NSF guidance on receiving NSF funding** (Part 4)
Budget Lines G1-G6: Other Direct Costs

The straightforward G lines:

G1: Materials and Supplies

- Less than $5K per item
- Provide sufficient detail (number of items, cost per) and a rationale for its use in the project
- Research materials: audio recorders ($40/unit, 5 units) & other materials $250/yr 1; and Research software: $300/seat for qualitative analysis & $50 for online survey Y1-4 for a total of $1400 over 4 years.

G2: Publication Costs

- Open Access Publications and related costs

G4: Computer Services

- Computer-based retrieval of scientific, technical and educational information
- Webhosting and similar
- Leasing (not purchase) of computer equipment.
  - Computer purchases are typically in G1 as they are less than $5K each.
G3: Consultant/Professional Services

- Rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the proposing organization.

- In justification, *must* provide info on each consultant’s expertise, primary organizational affiliation, normal daily compensation rate, and number of days of expected service.

- List advisory board honoraria in **G6: Other**, not here.

- *Are people paid equitably, appropriately, sufficiently for their time? This includes advisors, partner organizations, evaluators, and others.*
G5: Subawards

- A subaward is to an institution for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient.

- A separate budget and justification of no more than 5 pages must be provided for each subawardee, along with a description of the work to be performed.

- Total subaward costs are listed on G5 of the submitting institution.

- Must include indirect costs, if they don’t have a federally negotiated rate, use the 10% de minimus.

- The number of subawards effects I. Indirect Costs, so make sure to note this in I. (The lead institution takes indirect costs on the first $25K of each subaward. Think of it as the cost of managing the subaward.)
G3 Consultants vs. G5 Subawards

**G3 Consultants**

- Professional services; individuals or (typically) smaller organizations that do something for the project
- Has scope of work
- Cannot claim/ask for indirect costs

**G5 Sub-Awards**

- Integral partner/collaborator on the project that is responsible for contributing to the work of the project
- Often led by a co-PI
- Has scope of work/responsibilities
- Can claim/ask for indirect costs
Proposal Submission with Subaward(s)

One Overarching Budget, with subcomponent details

One budget to the lead organization that has collaborators (subawards) that are a part of the lead organization’s budget. This is a flexible approach as funds and roles may move more during implementation of the budget—by lead organization. Only the lead organization has a direct relationship with NSF.

Collaborative Research Proposal Submissions

Multiple completely separate budgets that divide up the Project Description’s work into separate funding and roles. Roles and funding may not move back and forth across institutions, i.e., limited flexibility. Each organization has a direct relationship with NSF.

Subawards may be part of each collaborative research submission.
<table>
<thead>
<tr>
<th><strong>Proposal submission with Subaward(s)</strong></th>
<th><strong>Collaborative Proposal Submissions</strong></th>
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<tbody>
<tr>
<td>Submission of a single proposal and one overarching budget, by <strong>lead organization</strong></td>
<td>Single project proposal submission by <strong>two or more organizations</strong> for various parts</td>
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<tr>
<td><strong>Components</strong></td>
<td><strong>Submission</strong></td>
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<tr>
<td>One Project Description; <strong>one all-inclusive budget</strong> with Subawards on G.5</td>
<td>Lead organization submits the proposal that includes separate budget documents for each subaward (budget and budget justification of no more than 5 pages)</td>
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<td>Each collaborative organization submits the proposal, but if one misses the deadline then all linked proposals returned without review</td>
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<td><strong>PI/Co-PI</strong></td>
<td><strong>Budget flexibility</strong></td>
</tr>
<tr>
<td>PI from lead organization, include co-PI as appropriate and may be lead personnel from subawardee(s)</td>
<td>Funds may be moved as project progresses, both in terms of amounts and to different organizations as needed</td>
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<td></td>
<td>Funds <strong>cannot</strong> move back and forth among collaborating institutions.</td>
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<td><strong>Fund disbursal</strong></td>
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<td>Grant funds disbursed to the Lead org, which in turn pays its subawardee(s)</td>
<td>Grant funds disbursed to each collaborative organization</td>
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<td><strong>Annual Report</strong></td>
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<tr>
<td>Lead organization submits annual report each year, include information from subawardees</td>
<td>Each organization submits an annual report each year</td>
</tr>
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Budget Line G6: Other Direct Costs: Other

How are people involved in the proposed work? How are they compensated?

G6: Other

- Any other direct costs must be itemized and detailed in the budget justification

- Incentive costs: When necessary to accomplish program objectives, and if reasonable in amount, incentive costs can be allowable.
  - Participant incentives must be documented and easily tracked, e.g., cash cards and gift cards.

- Honoraria fees: For speakers fees and related expenses; should be justified

- Advisory boards: Should be justified with the frequency of meetings/time spent advising the project, including travel. The names, expertise, and how they will advise should be in either the Project Description or the Budget Justification.

- Graduate student
G.6 Other

a) **Honoraria** for advisors @ $1,000/yr x 6 persons x 4 years for a total of $24,000 ($125/hr x 8 hrs/yr review documents & advise).

b) **Incentives** (gift cards) for educators to participate in evaluation activities ($50pp x 20/yr for a total of $4000 over 4 years), and incentives for students to participate in research ($20/student, 5 students/focus group x 2 focus groups/yr x 3 sites/yr for a total of $2400 over 4 years)

a) Graduate tuition

**Quiz:**

a) **Conference Registrations:** $500 x 2 persons x 2 conferences (Y2-4) for a total of $6000 over 3 years.

b) Tablet **computers** (2 @$900) & headsets (2 @$50) for leading online sessions, & site visit observations ($1900), and Mac Powerbook laptop computer for leading online sessions ($3500)

c) **Working meals** & 1 working dinner for staff (5) for educator workshops, 4-days (Y1&2), and 2-days (Y3). Working meals for advisory meeting day ($48pp) & working dinner ($30pp) (6 advisors + 5 staff), 1-day (Y1&3) for a total of $3,150 over 3 years.
Budget line I: Indirect Costs

• Indirect costs: Costs that are not readily identifiable with a particular cost objective but are still necessary for the general operation of a project.

• The applicable US Federally negotiated indirect cost rate (NICRA) must be used to compute indirect costs for a proposal.

• If an institution does not have a federally negotiated indirect cost rate, it should use the 10% *de minimus* rate.

• Supplemental funding must use IDC rate from the agreement in place at the time of original award.

An example

I. Indirect Cost (F&A) (Specify Rate and Base)

Organization A has an approved Federally negotiated rate of 52% with the National Science Foundation (NSF). This rate was approved July 2021. This rate is applied to Modified Total Direct Costs (MTCD) which excludes Equipment over $5,000, Participant Support costs, and amounts in excess of $25,000 for each Sub-Award.