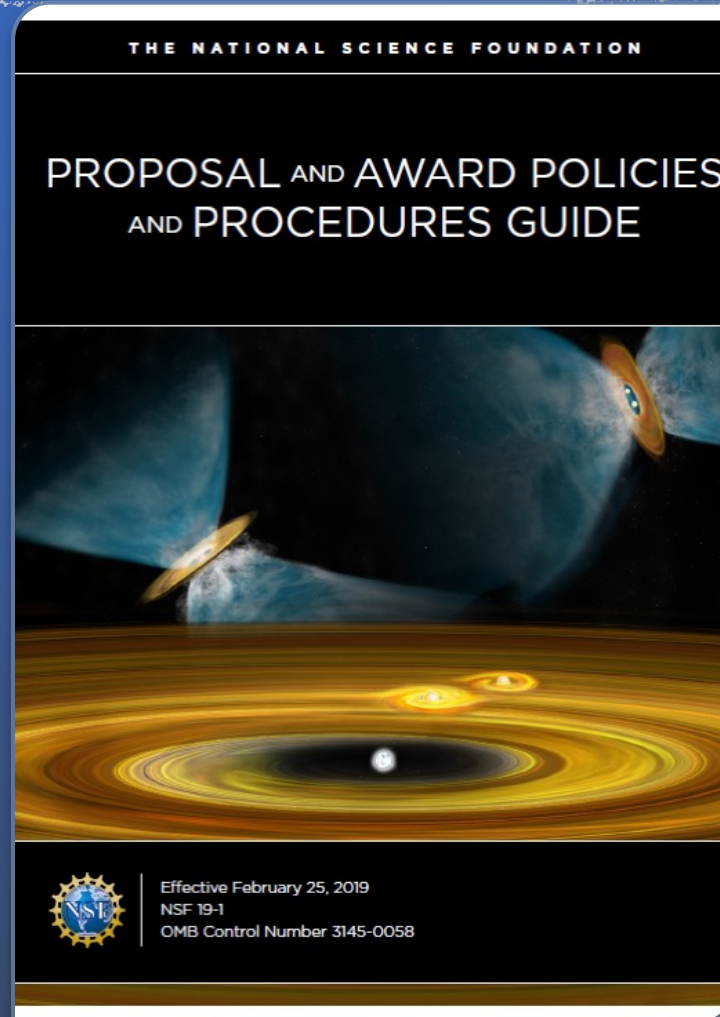


# PREPARING CLEAR & EFFECTIVE BUDGETS & BUDGET JUSTIFICATIONS

NOVEMBER 2021

# Proposal and Award Policies and Procedures Guide (PAPPG)



- The current PAPPG is NSF 22-1, the new guide will be NSF 23-1, and so on.
- This document is referred to as the “PAPPG” or the “PAPP-G”

# PROPOSAL BUDGET

- Allows reviewers and NSF staff to understand where taxpayer dollars will go and how they will be spent.
- When preparing a proposal budget always remember that all costs need to be allowable, allocable, reasonable and necessary.

SUMMARY PROPOSAL BUDGET				YEAR 1	
ORGANIZATION [REDACTED]				FOR NSF USE ONLY	
				PROPOSAL NO.	DURATION (months)
PRINCIPAL INVESTIGATOR / PROJECT DIRECTOR [REDACTED]				AWARD NO.	
<b>A. SENIOR PERSONNEL:</b> PIPD, Co-PI's, Faculty and Other Senior Associates (List each separately with title, A.7. show number in brackets)					
	CAL	ACAD	SUMR	Funds Requested By proposer	Funds granted by NSF (if different)
1.	[REDACTED]	1.00	0.00	0.00	9,979
2.	[REDACTED]	1.00	0.00	0.00	9,244
3.	[REDACTED]	1.00	0.00	0.00	9,124
4.	[REDACTED]	2.00	0.00	0.00	8,704
5.					
6. ( 0 ) OTHERS (LIST INDIVIDUALLY ON BUDGET JUSTIFICATION PAGE)		0.00	0.00	0.00	0
7. ( 4 ) TOTAL SENIOR PERSONNEL (1 - 6)		5.00	0.00	0.00	37,051
<b>B. OTHER PERSONNEL (SHOW NUMBERS IN BRACKETS)</b>					
1. ( 0 ) POST DOCTORAL SCHOLARS		0.00	0.00	0.00	0
2. ( 3 ) OTHER PROFESSIONALS (TECHNICIAN, PROGRAMMER, ETC.)		8.25	0.00	0.00	43,148
3. ( 3 ) GRADUATE STUDENTS					47,938
4. ( 0 ) UNDERGRADUATE STUDENTS					0
5. ( 0 ) SECRETARIAL - CLERICAL (IF CHARGED DIRECTLY)					0
6. ( 0 ) OTHER					0
TOTAL SALARIES AND WAGES (A + B)					128,137
<b>C. FRINGE BENEFITS (IF CHARGED AS DIRECT COSTS)</b>					70,837
TOTAL SALARIES, WAGES AND FRINGE BENEFITS (A + B + C)					198,974
<b>D. EQUIPMENT (LIST ITEM AND DOLLAR AMOUNT FOR EACH ITEM EXCEEDING \$5,000.)</b>					
TOTAL EQUIPMENT					0
<b>E. TRAVEL</b>					
1. DOMESTIC (INCL. CANADA, MEXICO AND U.S. POSSESSIONS)					10,998
2. INTERNATIONAL					0
<b>F. PARTICIPANT SUPPORT COSTS</b>					
1. STIPENDS	\$	90,640			
2. TRAVEL		6,000			
3. SUBSISTENCE		20,874			
4. OTHER		28,350			
TOTAL NUMBER OF PARTICIPANTS (4,960)				TOTAL PARTICIPANT COSTS	145,864
<b>G. OTHER DIRECT COSTS</b>					
1. MATERIALS AND SUPPLIES					6,600
2. PUBLICATION COSTS/DOCUMENTATION/DISSEMINATION					0
3. CONSULTANT SERVICES					24,000
4. COMPUTER SERVICES					0
5. SUBAWARDS					37,574
6. OTHER					6,580
TOTAL OTHER DIRECT COSTS					74,754
<b>H. TOTAL DIRECT COSTS (A THROUGH G)</b>					430,590
<b>I. INDIRECT COSTS (F&amp;A)(SPECIFY RATE AND BASE)</b>					
52% MTDC (Rate: 52.0000, Base: 229348)					
TOTAL INDIRECT COSTS (F&A)					119,261
<b>J. TOTAL DIRECT AND INDIRECT COSTS (H + I)</b>					549,851
<b>K. RESIDUAL FUNDS</b>					0
<b>L. AMOUNT OF THIS REQUEST (J) OR (J MINUS K)</b>					549,851
<b>M. COST SHARING PROPOSED LEVEL \$</b>				0	AGREED LEVEL IF DIFFERENT \$
PIPD NAME [REDACTED]				FOR NSF USE ONLY	
ORG. REP. NAME* [REDACTED]				INDIRECT COST RATE VERIFICATION	
				Date Checked	Date Of Rate Sheet
				Initials - CRG	

1 \*ELECTRONIC SIGNATURES REQUIRED FOR REVISED BUDGET

# BUDGET LINES A-C

- NSF regards research as one of the normal functions of faculty members at institutions of higher education.
- Compensation for time normally spent on research within the term of appointment is deemed to be included within the faculty member's regular organizational salary.

## A. Senior Personnel.



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## B. Other Personnel.



**B.1. James Doe** - dolor sit amet, consectetur adipiscing elit. Duis volutpat pharetra ex eu sollicitudin. Morbi iaculis, lectus in bibendum pretium, ante quam interdum massa, vel accumsan neque metus id nisi. Class aptent taciti sociosqu ad litora torquent per conubia nostra, per inceptos himenaeos. Mauris rhoncus velit at elit ornare, et commodo mauris congue. Duis laoreet libero quis dictum varius. Mauris arcu erat, suscipit a ligula id, volutpat sodales felis.

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## C. Fringe Benefits.



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# BUDGET LINE D: EQUIPMENT

- >\$5K
- Not permitted by the AISL solicitation

# BUDGET LINE E: TRAVEL

- Travel for project staff and other employees must be specified, itemized and justified by destination and cost. Use [gsa.gov](https://www.gsa.gov) for federally acceptable costs.
- This line item is not intended to support travel for participants, consultants, or others who are not employees of the lead institution.

## E. Travel.

### E.1. Domestic

#### **NSF PI Meeting – Years One and Three:**

The PI will attend the Biannual NSF AISL two-day PI meeting as required, (\$1,325 per trip, 2 nights , 3 days of travel, \$253/night lodging, \$69/day per diem, \$595 air fare, \$50 ground transportation).

#### **Professional Conferences – Year Three:**

2 staff members will attend appropriate professional meetings to present project activities and findings, Estimate 2 nights, 3 days of travel, \$1,662 per person, per trip, \$250/night lodging, \$65/day per diem, \$700 air fare, \$300 registration.



# BUDGET LINES F1-F4: PARTICIPANT SUPPORT

- This budget category refers to direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of ***project participants or trainees only*** (*not* employees or those providing services to the project).
- Any additional categories of participant support costs other than those described in 2 CFR § 200.75, such as incentives, gifts, souvenirs, t-shirts and memorabilia, should be listed in G6: Other. (See slide for Budget Line G6.)
- What are “participants?”

## F. Participant Support Costs

### F.1. Stipends.

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### F.2. Travel.

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### F.3. Subsistence.

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### F.4. Other.

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# Participant Support

## What is Participant Support?

Direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (***not employees***) in connection with NSF-sponsored conferences or training projects.



2 CFR 20.75



# BUDGET LINE G1-6: OTHER DIRECT COSTS

- The following slides will provide insight into several sub-categories of the G. Other Direct Cost section of the Proposal Budget.

## G. Other Direct Costs.

### G.1. Materials and Supplies

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### G.2. Publication Costs

N/A

### G.3. Consultant Services

**John Doe** - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Duis volutpat pharetra ex eu sollicitudin. Morbi iaculis, lectus in bibendum pretium, ante quam interdum massa, vel accumsan neque metus id nisi.

**Jane Doe** - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Duis volutpat pharetra ex eu sollicitudin. Morbi iaculis, lectus in bibendum pretium, ante quam interdum massa, vel accumsan neque metus id nisi.

### G.4. Computer Services

N/A

### G.5. Subawards

**Hogwart's School of Witchcraft and Wizardry** - Lorem ipsum dolor sit amet, consectetur adipiscing elit. Duis volutpat pharetra ex eu sollicitudin. Morbi iaculis, lectus in bibendum pretium, ante quam interdum massa, vel accumsan neque metus id nisi.

### G.6 Other

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# BUDGET LINE G1: MATERIALS AND SUPPLIES

- Up to \$5K per item
- Provide sufficient detail of what the item is
- Provide a rationale for its use in the project

# BUDGET LINE G2: PUBLICATION COSTS

- Open Access and related costs

# BUDGET LINE G3: CONSULTANT SERVICES

- Professional and consultant services are 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.
- *Costs of professional and consultant services are allowable when reasonable in relation to the services rendered and when not contingent upon recovery of costs from the Federal government. Anticipated services must be justified and information furnished on each individual's expertise, primary organizational affiliation, normal daily compensation rate, and number of days of expected service.*

**A Common Mistake**

Advisory Committee Costs

# BUDGET LINE G4: COMPUTER SERVICES

- Webhosting and similar

# BUDGET LINE G5: SUB-AWARD

- 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 a budget justification of no more than five pages, must be provided for each subrecipient, if already identified, along with a description of the work to be performed.



# Sub-Awards v. Contracts

## Sub-Awards

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

## Contracts

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.



2 CFR 200.330 & 2 CFR 200.414

## BUDGET LINE G6: OTHER

- When **necessary** to accomplish program objectives, and if **reasonable** in amount, incentive costs can be **allowable**.  
“Any other direct costs not specified in Lines G1 through G5 must be identified on Line G6. Such costs must be **itemized and detailed** in the budget justification.”

*PAPPG: Part I Proposal Preparation Instructions, Section II, subsection 2G-f*

- Remember, they must be documented and easily tracked. Cash cards & gift cards with trackable numbers are typically used.

# Incentive Payments

When **necessary** to accomplish program objectives, and if **reasonable** in amount, incentive costs can be **allowable**.

Remember, they must be documented and easily tracked. For example, gift cards with trackable numbers may be allowable.



2 CFR 200.430(f)

# BUDGET LINE I: INDIRECT COSTS

- Except where specifically identified in an NSF program solicitation, the applicable US Federally negotiated indirect cost rate(s) must be used in computing 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.

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

Lorem Ipsum University has an approved Federally negotiated rate of 52% with the National Science Foundation (NSF). This rate was approved July 2018. This rate is applied to Modified Total Direct Costs (MTDC) which excludes Equipment over \$5,000, Participant Support costs and amounts in excess of \$25,000 for each Sub-Award.

# Indirect Costs

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

Must use current federally negotiated rate on proposals

Supplemental funding must use IDC rate from the Agreement in place at the time of original award



2 CFR 200.414



Questions