

# Budget 101

## Resources for Building a Proposal Budget

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# Introduction

- ▶ List of items to consider - what costs to include in budget
- ▶ Walk through a basic budget template
- ▶ Where to find budget information - F&A rates, Fringe benefits, Graduate wages, Other wages
- ▶ Who can you ask for assistance - resources
- ▶ Jana will present her budget experience
- ▶ Question and Answer

# Initial Budget Considerations

- ▶ The budget is the financial expression of a project scope of work; a listing, by category and item, of funds needed to conduct a project
- ▶ The proposal budget is comprised of direct costs, F&A (indirect) costs, and a budget justification
- ▶ Request for Proposals (RFP)/Solicitation or sponsor agency guidelines may restrict or limit certain cost categories, annual and total budget caps, and F&A
- ▶ Some costs are typically unallowable on sponsored projects but may be acceptable if necessary for the scope of work and described in the budget justification

# Direct & Indirect (F&A) Costs

- ▶ **Direct Costs** - Direct costs are all costs that can be directly attributed to the conduct of the project. These costs can be readily identified and are itemized by name and amount.
- ▶ **Indirect (F&A) Costs** - These are costs that cannot be uniquely associated with a particular project but are nonetheless incurred by the university in support of the sponsored activity. They include costs such as departmental accounting and clerical support, network support, equipment depreciation, building and facilities operation and maintenance, library, general and sponsored projects administration. These costs are budgeted and charged as a percentage of some of the direct cost elements.

# Potential Costs to Include in Budget

- ▶ Salary and Fringe Benefits
  - ▶ Inflation/Promotion
- ▶ Materials and Supplies
- ▶ Travel
- ▶ Equipment
- ▶ Publication Costs
- ▶ Consultants
- ▶ Services
- ▶ Subawards
- ▶ Participant Support
- ▶ Other Direct Costs
  - ▶ Tuition Remission
  - ▶ Project Related Items
  - ▶ Human Subject/Animal Costs
- ▶ Indirect Costs (F&A)
- ▶ Cost Share (only required)

# Budget Categories Needing Special Attention and More Lead Time

- ▶ Equipment
  - ▶ Check sponsor requirements for documentation; price quotes
- ▶ Consultants
  - ▶ Sponsor may require letter and/or restrict consultant rates
- ▶ Services
  - ▶ May need to document price or justify sole-source vendor
- ▶ Subawards
  - ▶ Requires subrecipient proposal documents before OSU submission
- ▶ Participant Support
  - ▶ Specific definition of trainee/participant costs
- ▶ Indirect Costs (F&A)
  - ▶ Confirm correct rate is used and on/off campus designation
- ▶ Cost Share (only when required)
  - ▶ If required by sponsor and published in solicitation/RFP
  - ▶ Must document commitments from OSU units or outside parties

# Subawards

- ▶ If a subaward to another institution or organization is included in the proposal budget, the following items must be provided by the subrecipient and attached in Cayuse:
  - ▶ Stand-Alone Statement of Work for Subaward Activities
  - ▶ Budget & Budget Justification for Subaward Costs
  - ▶ Subrecipient Indirect Cost Rate Agreement (or link)
  - ▶ Subrecipient Institutional/Organizational Letter of Intent
    - ▶ Must be signed by authorized representative -Sponsored Programs official equivalent or individual authorized to bind organization
- ▶ Some sponsors require subaward budget to be entered into submission systems, separate from OSU budget

# Resources for Budget Information

- ▶ **Department Administrator/Business Center**
  - ▶ Provide institutional base salary figures for faculty and other project personnel and actual fringe benefit rates, if applicable
  
- ▶ **OSRAA Website** (see links on Proposal Submission handout)
  - ▶ Basic and expanded budget templates with auto-calculations
  - ▶ Current F&A rates, tuition estimates, recommended/estimated fringe benefit (OPE) rates
  - ▶ Guidance on budget categories and unallowable costs
  - ▶ Determining whether another entity engaged in project is a subaward or vendor (services/goods) relationship
  
- ▶ **OSRAA Asst. Grant and Contract Officers**
  - ▶ AGCOs are primary proposal reviewers and are assigned once proposal routes through Cayuse to OSRAA; prior to receipt of proposal, they can answer general questions or provide clarity on sponsor guidelines and OSU policy - see contact info for email and phone



# Cayuse Routing & OSRAA Review

- ▶ Once the budget is final, proposal can be routed in Cayuse and will be reviewed by OSRAA once all department and college authorizers have approved
- ▶ Minimum documents required for OSRAA review:
  - ▶ Final Budget
  - ▶ Budget Justification
  - ▶ Draft Statement of Work
  - ▶ Any documents requiring institutional signature
  - ▶ Subaward documents, if applicable

# Cayuse Routing & OSRAA Review

- ▶ Cayuse submission for OSU approvals - *department/college/other non-OSRAA approvers*
  - ▶ Confirm approving departments in Cayuse
  - ▶ Submit for approval routing
  - ▶ Certify the proposal
  - ▶ Allow sufficient time for all campus approvers before three business day OSRAA review
- ▶ OSRAA will review and provide comments within three working days (excluding weekends & holidays)
  - ▶ will advise of any budget or high-level proposal concerns
  - ▶ Recommend allowing time for corrections prior to submission deadline

# OSRAA Contacts

- ▶ For proposal related questions
  - ▶ email: [proposals@oregonstate.edu](mailto:proposals@oregonstate.edu)
  - ▶ call: 7-4933
- ▶ Proposal and Award Management (PAM) Team B within OSRAA supports College of Education



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