BROWN
Division of Biology
and Medicine

Brown University
BioMed Research Administration

Budget Justification Best Practices

A budget justification is a narrative explanation of each of the components of the budget, which "justifies" the cost in terms of the proposed work. The explanations should focus on how each budget item is required to achieve the aims of the project and how the estimated costs in the budget were calculated. The budget justification should:

- Follow funding agency guidelines.
- Explain why each of the requested items is necessary to accomplish the proposed research.
- Be organized in the order of the detailed budget page.
- Make it clear that all budget requests are reasonable and consistent with sponsor and Brown University policies.

The funding agency guidelines may list different categories or criteria allowable in a budget, so the following should be seen as a general template. Below are the main categories of most budgets, with an explanation of that category followed by a sample entry.

SENIOR PERSONNEL
This category includes anyone who is a PI, Co-PI or Project Director. List the name, title, amount of time to be spent on the project (in calendar, academic and/or summer months) and what s/he will accomplish. *Note: Committing effort to a project without also charging the salary for that effort to the project budget is considered cost sharing. Brown University provides only the minimum amount of cost sharing necessary to meet sponsors' requirements and discourages voluntary committed cost sharing. The full Cost Sharing on Sponsored Projects policy can be accessed here.*

Example:

John Smith, Ph.D., Principal Investigator (2 academic months and 1 summer month). Dr. Smith is a Professor of Biology at Brown University. Dr. Smith will be responsible for the overall coordination and supervision of all aspects of the study. This includes hiring, training, and supervising staff/students; recruiting study participants; coordinating treatment and assessment components; scheduling and staff assignments; and data management. In addition, he will conduct the orientation sessions, assist with statistical analyses, and be responsible for reporting the study's findings.

Jane Doe, Ph.D., Co-Investigator (2 calendar months). Dr. Doe is an Associate Professor of Psychiatry and Human Behavior (Research) at Brown University. Dr. Doe will be responsible for the collection and analyses of the fecal materials. She will also assist in manuscript preparation.

OTHER PERSONNEL
Common personnel types budgeted include Postdoctoral Associates, Graduate Student Research Assistants, Undergraduate Research Assistants and Research Technicians. When known, list the name, title, amount of time to be spent on the project (in calendar, academic and/or summer months) and what s/he will accomplish.

Example:

Michael Johnson, Ph.D., Post Doctoral Associate (12 calendar months). Dr. Johnson will coordinate the day-to-day management of the study, assist in assessments, be responsible for data entry of all treatment-related data (i.e., scheduling and conducting weights, attendance, self-monitoring), and serve as an interventionist.

TBN Project Coordinator (6 Calendar Months).This individual will assist with recruitment, assessments, and serve as an interventionist. Additionally this person will aid with preliminary data analyses and manuscript preparation.

TBN Research Assistant (12 Calendar Months).This individual will assist with recruitment, ordering supplies and intervention materials, assessments, collection of dietary data, daily management of study data, and scoring and data entry of assessments.

OTHER SIGNIFICANT CONTRIBUTORS
Other significant contributors (OSC) are individuals who have committed to contribute to the scientific development or execution of the project, but are not committing any specified measurable effort (i.e., person months) to the project. If no salary is being requested, do not quantify the amount of time and effort that will be spent as this would constitute an effort commitment and therefore be considered cost sharing.

CONSULTANTS
Provide the consultants name, institution and an explanation of the area of expertise the consultant will provide to the project. If a consulting fee is to be paid, explain how it was calculated (i.e., $X/day x # of days). The rate may be calculated on an hourly or daily basis, or may be based on completion of a task or milestone. Obtain a letter from each consultant indicating his/her willingness to act as a consultant to the project.

FRINGE BENEFITS
Fringe benefits can change yearly, and should be confirmed before submitting your budget. Current Brown University fringe benefit rates can be accessed here.

EQUIPMENT
Equipment is defined as a single item that has a useful life of more than one year and a unit cost of at least $5,000. However, if an item consists of parts that are only functional when assembled, that is considered one item. Specify the type of equipment, and if known, the model and vendor name. Explain how this equipment will be used in the project and why it is necessary to purchase equipment dedicated to this project rather than use shared resources. If possible, provide a vendor quote. If a quote is not available, indicate how the amount budgeted

was determined (i.e., website price list, prices from University purchasing contracts, etc.). Equipment is excluded from Facilities and Administrative Cost Base.

Example:

Funds are requested to purchase three Biologs ($7,150 each). These are ambulatory physiological data recorders with multiple channels that will be used to record mothers' heart rate (RSA), activity level, and electrodermal activity (e.g., skin conductance). Recorded data is compactly stored on a removable memory card. When recording is complete, the card is inserted into a card reader which is connected to a PC through a serial port. Three Biologs are needed because there are several periods when assessment points overlap (e.g., parental interviews, 6 months laboratory visits, 6 months home visits), and dedicated equipment for each type of visit will ease scheduling demands.

TRAVEL

When possible, list "who, what, when, where and why." Organize travel costs separately for domestic vs. international travel. Explain how the costs were estimated (i.e., $X roundtrip airfare + $Y lodging for # of nights, + $Z per diem for # of days). Airfare must be coach class and, if paid by a federal grant, booked on a US carrier whenever possible.

Example:

Domestic Travel - $Amount Support is requested for Dr. PI and Dr. Co-PI to attend the American Society for Cell Biology Association conference in year 3 to share results. This estimate is based on $500 airfare per person, $185 hotel per night per person for four nights, and standard per diem rates used by Brown University.

Foreign Travel - $Amount support is requested for Dr. PI to travel to Costa Rica to collect data from La Selva Biological Station. This estimate is based on $1,500 airfare, $110 hotel per night for 20 nights, and standard per diem rates used by Brown University.

PARTICIPANT/TRAINEE SUPPORT COSTS

Participant support costs are direct costs for items such as stipends or subsistence allowances, travel allowances and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with meetings, conferences, symposia or training projects.
NSF REU costs are budgeted in this category.
Unless stated in the FOA this section should be left blank for NIH research grant applications.

OTHER DIRECT COSTS

Other direct costs can only be charged to a grant if they can be readily and specifically identified with that particular project and comply with the funding agency's program guidelines. Costs that are essential to the project's research and which will be used solely for the project may be budgeted with proper justification. Always explain why purchases are essential to the project's aims and dedicated only to research on this project, and explain how the costs were calculated. Though different grant mechanisms allow or disallow various other direct costs, typical allowable other direct costs include the following:

- Materials and supplies – An estimated supply budget of ~12K-15K/year for each FTE *may be* reasonable. This amount will vary depending on the nature of the research proposed. Animal intensive studies and studies involving human subjects tend to be more costly.
- Publication costs

- Animal purchase and care costs
- Equipment maintenance expenses
- Fees-for-service, such as commercial lab tests
- Graduate Research Assistant Tuition and Fee

Costs that are normally considered facility & administrative (indirect) costs include: office supplies, personal computers, books and subscriptions, memberships, local phones and cell phones, postage and FedEx, parking, printing and photocopying. However, if any of these costs are essential to the project's research, are allocable and will be used solely for the project, then they may be budgeted when listed in the budget with proper justification

Examples:

Materials and Supplies – Laboratory supplies including chemicals, glassware and disposables are required for processing the samples collected. Total cost for supplies each year is estimated at $1,500.

Publications – We request funds to cover the costs associated with publication charges. We anticipate publishing 2 papers per year, at an average cost of $1,000 each. This expense will be $2,000 per year.

SUBRECIPIENT (CONSORTIUM) COSTS

A subaward or subcontract (sometimes called a consortium agreement) is required when a third party (the subrecipient) will be responsible for execution of a portion of the project work. When the Brown University budget includes funding for subrecipient(s), the Brown budget justification should state the name(s) of the subrecipient organization(s) and include a brief justification for subcontracting to each entity by explaining the project goals involved in their work. The specific items in the subrecipient budget(s) should not be explained here. The budget and budget justification from each subrecipient should be included in the proposal, separately from Brown's budget and justification.

Example:

MIT will carry out the IPB test and ProtoExist2 ASIC design and is expected to need $35,000 each year. Please see MIT budget and justification for details.
UCSD will design and build the Gondola pointing system, starting in year two and is expected to need $20,000 per year. Please see UCSD budget and justification for details.

FACILITIES AND ADMINISTRATIVE COSTS

The budget justification should include a statement about the F&A cost rate (also referred to as indirect costs or overhead) that has been applied to the budget. For proposals to federal agencies, state that the F&A costs included in the budget are based on Brown University's negotiated F&A cost rate agreement, and provide the effective date of the agreement. For corporate or non-profit organizations, it is likely that the sponsor will specify the indirect cost rate that is allowed.

Sources
Harvard University
University of Maryland
Montana State University
Saint Mary's College

Budget Justification Checklist

☐ Does the budget justification follow the same order as the budget?

☐ Does the budget justification give additional details to explain the costs included in the budget?

☐ Does the budget justification include only items allowable, reasonable & allocable?

☐ Is the budget justification easy to read (short paragraphs, headings for different budget categories, etc.)?

☐ Is the budget justification concise? (no more than 3 pages for NSF)

☐ Do the numbers in the budget justification match those in the budget?