

2019-2020 Collaborative Grant Writing Workshop Series

Session 3: Proposal Budgets 101



Welcome and Ground Rules

- **Co-Presenters**
 - Megan Robillard, SCSU Associate Director of Research Development
 - Kristel Seth, MSU Director of Research and Sponsored Programs
 - Jodi Kuznia, SCSU Director of Research Development
 - Chad Wittkop, MSU Faculty & Grant Writing Consultant
- **Guest Audience Members**
 - Lorie Ortloff, SCSU Grants Accountant
 - Tricia Anderson, MSU Grants Accountant
 - Deb Rothstein/Breanna Ludwig, SCSU Post Award Officers
- **Interactive Format**
 - Ask questions as they arise



Learning Objectives

- Understanding budget terminology
- Understanding the budget life cycle
- Building your project budget
- Case Study: Calculating Project Expenses
- Award negotiations
- Managing your award and account
- Award reporting and close-out



Terminology: Direct Costs

- Direct costs are specifically and easily identified with a particular project or activity **AND** are allowable under the funding agency guidelines
 - *Some examples include*
 - Salaries/wages and fringe for those working specifically on the objective of the project
 - Travel for the project (*watch for any/all federal travel restrictions*)
 - Materials, supplies and equipment required for direct for use on project
 - Consultant services needed for the project
 - Graduate assistantships for those working on the project

Must specifically attribute to a particular sponsored project.



Terminology: Facilities and Administration Costs (also referred to as indirect, F&A, overhead)

- Indirect costs that are incurred for common or joint objectives **AND** cannot be easily and specifically identified with a particular sponsored project or institutional activity.
 - *Some examples include* shared services such as
 - Existing physical operations (*bricks & mortar, networking, computers, etc.*)
 - Existing infrastructure/administrative expenses (*library services, purchasing department, RSP/RASP, etc.*)
 - Ongoing maintenance
 - Utility costs
 - Depreciation for buildings and equipment

Supports the University's shared infrastructure required to successfully implement a project.

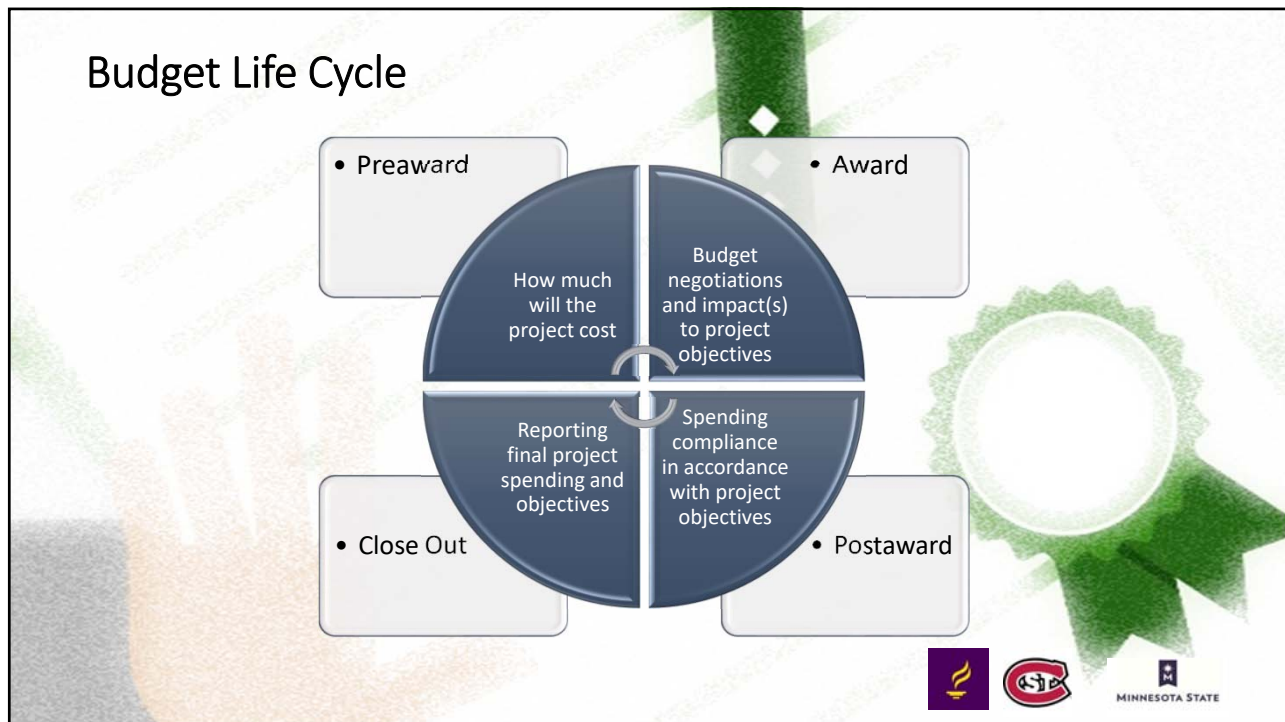


Terminology: Match Cost (also referred to as cost-share, institutional commitment)

- Match is a portion of a grant-funded project that is not paid by the funding agency.
 - Forms of Match
 - Cash; new cash dedicated to a project
 - In-kind; non-cash donations of a good/service that can be given a value and are used for a project
 - Types of Match
 - Mandatory; required by the funding agency AND auditable
 - Voluntary Committed; not-required by the funding agency AND auditable

***Match must be reviewed/approved PRIOR to proposal submission.
Match must be documented (for audit) and if unfulfilled, will negatively impact your grant award.
Check your institutional policy re: voluntary match.***





- Preaward

Preaward: *Your proposed budget will tell the funder if you know what you're doing.*

- **Common budget categories**
 - *Salary and Wages*
 - *Fringe Benefits*
 - *Travel*
 - *Equipment*
 - *Supplies and Materials*
 - *Contracts/Subawards*
 - *Participant Support Costs*
 - *F&A or indirect*

PI Roles & Responsibilities	RASP/RSP Roles & Responsibilities
<ul style="list-style-type: none"> • Define budgetary needs • Discuss budget with collaborator(s), dept(s) and dean(s)/supervisor(s) • Obtain dean(s)/supervisor(s) approval • Prepare final budget and budget justification 	<ul style="list-style-type: none"> • Can draft budget as defined by PI(s) • May be able to draft budget narrative (<i>depends on complexity</i>) • Assist with funding agency budget forms


Logos for the University of Minnesota, the Center for Science and Technology (CST), and Minnesota State are visible in the bottom right corner.

• Preaward

How much will the project cost

Preaward: *Calculating Faculty Salaries*

- Faculty Salary
 - Base Salary/24 credits = per credit rate
 - Base Salary/168 days = daily rate
- If considering course buyout from grant funds
 - Engage early and often with your department to understand feasibility of buyout and models for replacement
 - Dean(s)/Supervisor(s) must review/approve course buyout requests



• Preaward


How much will the project cost

Preaward: *Calculating Wages for Students and Fringe Rates for Employees*

- Student Wages
 - Undergraduate hourly rate; minimum is \$10/hour
 - Graduate Assistantship includes stipend and tuition, consult your Graduate Studies Office
 - Graduate Students can be paid hourly instead of Graduate Assistantship
 - For summer pay, include ~8% fringe

Consider the skill(s) your project needs to be successful.
- Employee Fringe
 - Covers employer paid FICA/Medicare, retirement, health insurance, worker's comp
 - For course buyout, fringe can range from 28%-60% depending on an employees elections
 - For extra duty pay, fringe is 22% since health insurance follows base

Consult campus experts to get the correct rate(s) for your project budget



• Preaward

How much will the project cost


Preaward: *Consultant/Contractor vs. Subaward*

Consultant/Contractor

- Provides goods or services to the project
 - Provides goods/services within its normal business operations
 - Provides goods/services to many different purchasers
 - Provides goods/services commercially

Subaward

- Subawardee carries out an intellectually significant portion of the project
 - Has responsibility in the development and execution of the project's statement of work
 - Has responsibility for programmatic decision making and discretion over how the work is carried out
 - Has performance measured against the objective of program



• Preaward


How much will the project cost

Preaward: *Calculating F&A (indirect, overhead)*

An institution's F&A Rate(s) are specific for their operations. Federal rates are negotiated and issued by a federal agency.

	Minnesota State University, Mankato	St. Cloud State University
Federal Rate	38.1% for on-campus projects 10.6% for off-campus* projects	33.4% for on-campus projects 16.4% for off-campus* projects
Applied to	Personnel cost, including salary, wages, fringe and tuition	All direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward
Non-federal Rate	12% for on-campus projects 8% for off-campus* projects	12% for all projects
Applied to	Total Direct Costs	Total Direct Costs

*Off-campus means rent must be paid at the location.



• Preaward

How much will the project cost

Preaward: *Theory to Practice Exercise*

Team Activity: *Develop a Project Budget*

TOOLS/RESOURCES: Interactive Budget Worksheet

- **Program Synopsis**
 - Develop a program to provide direct services to increase semester-to-semester retention and year-to-year persistence rates for traditionally underserved undergraduate students.
- **Budget Guidelines (*federally-funded*)**
 - Eligible applicants may request grant funds of up to \$200,000 annually for up to 2 years.
 - Eligible Expenses can include, but not limited to
 - Personnel (*salary and benefits*)
 - Supplies
 - Academic tutors/Mentors
 - Tuition and fees for college credit
 - Program staff development (*up to \$3,000 if a specific training opportunity is imperative to the success of the program and is justified in the Budget Narrative*)
 - Evaluation costs (*limited to no more than 10% of the total funding request*)
 - Ineligible Expenses
 - Computers (*e.g., PCs, laptops, iPads, tablets*)
 - Equipment (*e.g., office furniture and printers*)

Award: Funders may request budget changes for your project.

Funding Agency Scores Proposal High and Wants to Fund Project

University Responds

If Awarded

Funds available to fully-fund
 Funds available to partially-fund
 No funds available

Accept
 Proposal modifications based on offer
 Decline

RASP/RSP authorizes budget (*cost center*)
 Business Services setups up and draws funds as expenses post

Budget negotiations and impact(s) to project objectives

• Award

PI Roles & Responsibilities	RASP/RSP Roles & Responsibilities
<ul style="list-style-type: none"> • May need to project additional clarification to the funding agency • Communicates potential proposal changes to co-PIs & collaborators, dept, dean/supervisor, and RASP/RSP • May need to adjust scope of work and/or reduce budget 	<ul style="list-style-type: none"> • Review/Facilitate the review of legal agreements • Facilitates delegated authority signatures/approvals • Upon receipt of award, authorizes the setup of the award

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Postaward: Funders want to know you spend their funds in alignment with the proposed project and associated regulations.

Spending compliance in accordance with project objectives

• Postaward

- Prior to spending grant funds, consider compliance requirements
- Understand budget parameters and how to facilitate expenses
- Monitor and reconcile your award (*cost center*) regularly as this will be needed for ongoing reporting to the funding agency
- If project modifications are being considered/needed, discuss with all project stakeholders as early as possible

PI Roles & Responsibilities	RASP/RSP Roles & Responsibilities
<ul style="list-style-type: none"> • Fiscally responsible for grant funds and manage project as described in the proposal and award agreement • Implement project in accordance with sponsor guidelines and University processes • Complete and submit performance/annual reports • Contact RASP/RSP for award modifications 	<ul style="list-style-type: none"> • Provides guidance for spending • Makes connections to campus experts regarding transaction processing • May have to review/approve expenditures (personnel, purchases, etc.) initiated by the PI • If budget modifications are requested by PI, submits request to the funding agency

Postaward: Compliance Requirements

Spending compliance in accordance with project objectives

• Postaward

- Financial Conflict of Interest (COI)
 - Must be disclosed prior to submission, and annually for some funding agencies (*even if there's no COI*)
- Effort Reporting
 - Required for personnel costs charged/cost-shared for federal grants
- Responsible Conduct in Research
 - Campus training may be required for individuals paid on federal grants
- IRB and IACUC, campus timelines discussed at previous sessions and available on slide 26



Postaward: Facilitating Expenses

Spending compliance in accordance with project objectives

- Postaward

- Grant-paid personnel must be paid in accordance with University and collective-bargaining guidelines; consult HR and campus resources
- Procedures for purchasing on a sponsored project are the same as for other University expenditures
 - MSU; <https://www.mnsu.edu/busoff/purch/>
 - SCSU; <https://www.stcloudstate.edu/rsp/expenditures.aspx>
- Pay attention to
 - Equipment Purchases
 - Contracts and Subaward
 - Pre-travel approvals and reimbursement processes



Postaward: Monitoring and Reconciling your Cost Center

Spending compliance in accordance with project objectives

- Postaward

- *Cost Centers*
 - Each award to the University gets an account, known as a cost center number in ISRS
 - The PI is the Responsible Person on the account and must review/approve project expenses
- *Budget Categories*
 - Each award budget is setup as approved by the funding agency, categories are known as object codes in ISRS
 - Typically object codes don't exactly align with funding agency categories
- *Watch for expenses posting to your cost center*



Postaward: Access your cost center online

Spending compliance in accordance with project objectives

• Postaward

Log in using your STAR

ID: <https://eservices.minnstate.edu/employee/public/secure/main/>

Administrative Applications

Accounting - Accounting Application

HR-Campus - For campus HR users to view and maintain employee information

Human Resources/SCURPS - View and maintain Human Resources information

Purchasing - M

Expenditures:

Object Code	Original Budget	Current Budget	Encum Balance	MTD	YTD	Budget Balance	(expand all)
▶ Budget (0099 - Salary Budget Only)	\$ 638,471.86	\$ 638,471.86	\$ 226,371.89	\$ 16,743.84	\$ 325,546.60	\$ 86,553.37	
▶ Budget (0910 - Student Salary-Student Help)	\$ 10,000.00	\$ 10,000.00	\$ 0.00	\$ 0.00	\$ 5,893.30	\$ 4,106.70	
Budget (0998 - Budget Frozen)	\$ 528,394.48	\$ 528,394.48	\$ 0.00	\$ 0.00	\$ 0.00	\$ 528,394.48	
▶ Budget (0999 - Non Salary Budget)	\$ 194,400.00	\$ 194,400.00	\$ 31,286.79	\$ 1,391.85	\$ 132,812.31	\$ 30,300.90	
Budget (4000 - Equipment)	\$ 40,000.00	\$ 40,000.00	\$ 0.00	\$ 0.00	\$ 10,891.38	\$ 29,108.62	
Budget (5000 - Land Purchase)	\$ 5,000.00	\$ 5,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,000.00	
Budget (7501 - Indirect Cost)	\$ 169,951.96	\$ 169,951.96	\$ 0.00	\$ 0.00	\$ 51,507.64	\$ 118,444.32	
Totals Within Cost Center	\$ 1,586,218.30	\$ 1,586,218.30	\$ 257,658.68	\$ 18,135.69	\$ 526,651.23	\$ 801,908.39	
Totals outside Cost Center			\$ 0.00	\$ 0.00	\$ 0.00		

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Postaward: Award Modifications

Spending compliance in accordance with project objectives

• Postaward

- Minor budget changes might be approved locally
 - Terms of the award would dictate process for budget changes
- Significant budget changes may need prior approval by funding agency
 - Examples of significant budget changes
 - More than 10% change amount budget categories
 - Adding new budgetary categories
 - Adjustments to personnel time committed to a project
- Contact RASP/RSP about Award Modifications
 - SCSU; *Post-award Modification Request Form*
 - <https://www.stcloudstate.edu/rsp/award-admin.aspx>
 - Mankato; *CAO-2 Form*
 - <https://www.mnsu.edu/busoff/forms/index.html>



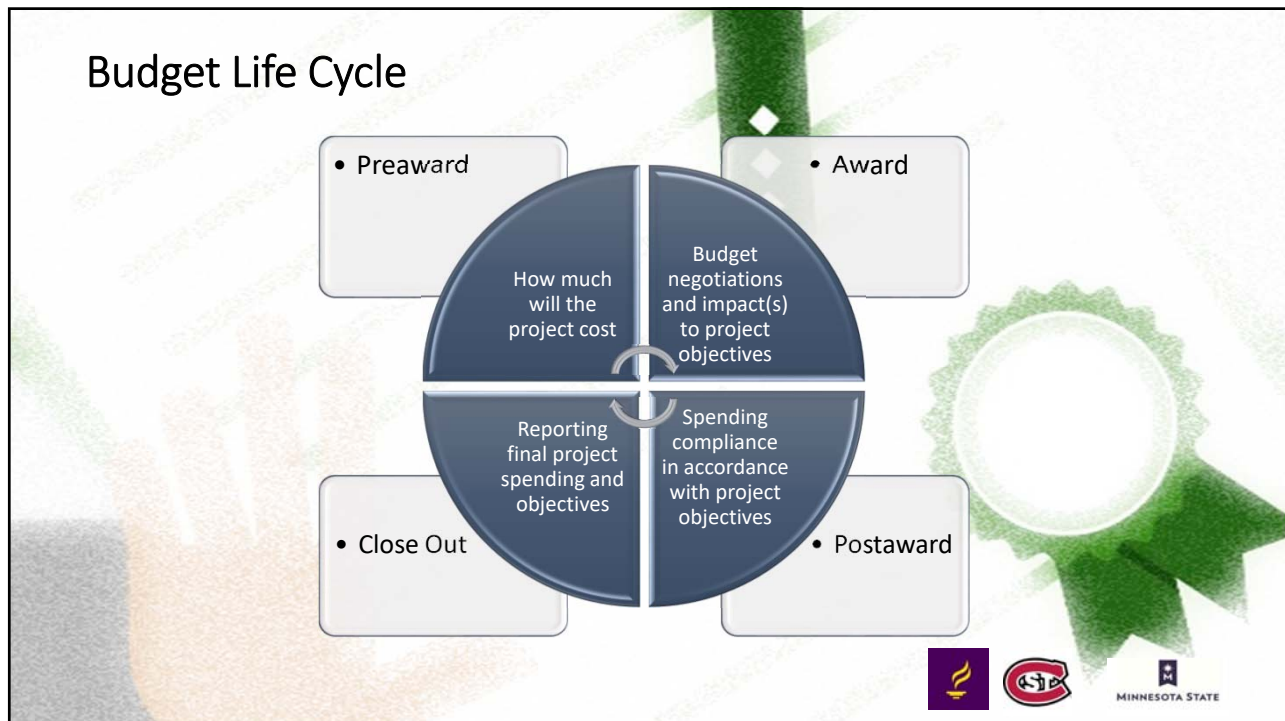
Reporting final project spending and objectives

- Close Out

Closeout: Funders require closeout reporting to review how their money was spent and if/how you fulfilled project objectives.

- Progress/performance/annual/final reporting
 - Expectations are outlined/defined in the award agreement/contact
 - On-time reporting is extremely important
 - Funding agencies can withhold payment and late/unfilled reports can also affect future proposal review/funding success
- Financial reporting
 - Financial reports must match amounts from ISRS
 - Consult Business Services experts

PI Roles & Responsibilities	RASP/RSP Roles & Responsibilities
<ul style="list-style-type: none"> • Complete and submit required reports in a timely manner • Consult RASP/RSP and Business Services 	<ul style="list-style-type: none"> • Provides assistance to PI and/or Business Services • Upon audit, helps coordinate audit process among stakeholders



Wrap-up/Closing Thoughts/Questions

- Contact RSP/RASP as soon as you start thinking about external funding. We can help you with ALL grant-related topics.
- MSU Research and Sponsored Programs
 - 96 Memorial Library
 - 507-389-5275 or RASP@mnsu.edu
- SCSU Research and Sponsored Programs
 - Administrative Services, Room 210
 - 320-308-4932 or ResearchNow@stcloudstate.edu
- Look for Session 1, 2, & 3 videos, sign up for Session 4!



Campus Resources

St. Cloud State

- Office of Research and Sponsored Programs
 - <https://www.stcloudstate.edu/rsp/default.aspx>
- Statistical Consulting & Research Center
 - <https://www.stcloudstate.edu/cose/community-partners/stat-consulting.aspx>
- SCSU Repository
 - <https://repository.stcloudstate.edu/>

Mankato State

- Research and Sponsored Programs
 - <https://grad.mnsu.edu/research/rasp/>
- Center for Excellence in Scholarship & Research
 - <https://grad.mnsu.edu/research/cesr/>



Proposal Approval Process

Mankato State

1. Complete the *Campus Approval for Externally Funded Projects (CAEFP)* form, attaching a final budget and working draft of the proposal.
2. Route for department and Dean approval.
3. Submit to RASP prior to deadline.
4. RASP coordinates final authorizations and confirms approval to submit.

https://grad.mnsu.edu/research/rasp/forms_and_policies/

St. Cloud State

1. Complete Proposal Approval Form and *attach a working draft of your proposal and budget*
2. Route for department and Dean/VP approval
3. Submit to RSP prior to submission deadline (*minimally 4 working days prior to deadline*)
4. RSP coordinates final approval and submission

<https://www.stcloudstate.edu/rsp/grants/default.aspx>



Research with Human Subjects or Animals

St. Cloud State

- Research with Human Subjects
 - IRB review generally takes 2-3 weeks

<https://www.stcloudstate.edu/irb/review.aspx>
- Research with Animals
 - Submit at least 4 weeks prior to a scheduled IACUC meeting

<https://www.stcloudstate.edu/iacuc/protocol.aspx>

Mankato State

- Research with Human Subjects
 - Beginning fall 2020, the Institutional Review Board (IRB) will require that all researchers provide proof of training in matters related to IRB.

<https://grad.mnsu.edu/irb/>
- Research with Animals
 - <https://grad.mnsu.edu/research/iacuc/>



