

Writing a Proposal
Budget: Lab

January 18, 2018

UC DAVIS

Introductions



- We are....
 - Chris Dye-Hixenbaugh, Contracts & Grants Officer
 - Alyssa Bunn, Financial Analyst
 - Marlene Mooshian, Contracts & Grants Analyst
 - Kassie Obelleiro, Training Officer

Sponsored Programs Office (SPO) Functions

- Reviewing and submitting research proposals
- Negotiating and accepting awards on behalf of the Regents
- Drafting, negotiating, and executing (outgoing) subawards for collaborative research

Source: Policy #PPM 230-01 and PPM 230-02

<http://manuals.ucdavis.edu/ppm/230/230-01.pdf>

<http://manuals.ucdavis.edu/ppm/230/230-02.pdf>

UCDAVIS

3

Learning Objectives

After today's class you should:

- Be able to identify common errors or "red flags" in a proposal budget
- Know the components of a proposal budget
- Know how to combine the components into a cohesive proposal budget

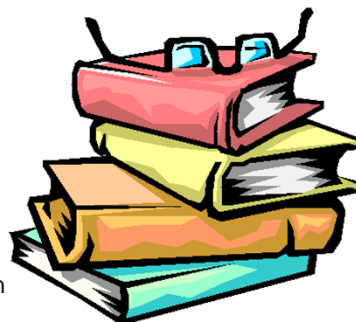


Sponsored Programs

4

Class Materials

- Today's Handouts:
 - Exercise Packet
 - Exercise Workbook
 - What to Know About Equipment/Fabrication
- Online Materials
 - <http://research.ucdavis.edu/proposals-grants-contracts/spo/spo-training>
 - PowerPoint Presentation
 - [Information Packet](#)



Class Outline

- Case Study
- Budget Exercises
- Example Budget Justification Language
- OR Budget Templates
- Resources



Common Acronyms

- BAA: Broad Agency Announcement
- BUA: Biological Use Approval
- CGA: Contracts and Grants Accounting
- COI: Conflict of Interest
- F&A: Facilities & Administrative rates; also referred to as indirect cost rate (IDC or ICR) or “overhead”
- FOA: Funding Opportunity Announcement
- IACUC: Institutional Animal Care and Use Committee
- IP: Intellectual Property
- IPF: Internal Processing Form
- IRB: Institutional Review Board
- PI: Principal Investigator
- RCI: Research Compliance and Integrity
- RCR: Responsible Conduct of Research
- RFA: Request for Applications
- RFP: Request for Proposals
- SBIR: Small Business Innovation Research
- SPO: Sponsored Programs unit in the Office of Research
- STTR: Small Business Technology Transfer

Sponsored Programs

UC DAVIS

7



Case Study

Exercise Packet, Page 1

8

Case Study: What Else Could Be Wrong?

Case Study – What Else Could Be Wrong?

Dr. Wrongway just sent you the following budget. How many things can you find wrong?

This is a NIH proposal and my salary is capped so I'll get the rest of that salary off my Department of Energy grant. Our co-investigator is overworked so I'm asking nothing but additional compensation for his efforts, but he has agreed to waive any associated fringe benefits. We will pay a stipend to my graduate students, but I am only requesting tuition (but no salary) for the undergraduate hourly employees. My department has budget problems, so I am requesting 75% of my administrative assistant's salary and a new computer for her because hers is 3 years old and she deserves the upgrade. My department chair's grant just ended so he'll give me 10% of his Department Chair salary for cost share and we'll be able to add his name to the grant although most of his time next year will be on sabbatical.

Our fax machine is broken so it is a good time to upgrade to a fax/scanner/printer, which will be useful for my teaching too. We're going to use this grant to load our office supply cabinets so I won't have to ask the government for more office supplies for the rest of this year. The other supplies I buy will be for my lab, but I'm not asking for too much because I over-ordered on my last two contracts. I like to get my students to attend lab meetings, so I think about \$100 per quarter for pizza and a \$500 dinner at Christmas. We'll go with a cash bar, though.

I've got an old microscope that still works pretty well and the undergraduates use it for their experiments. I could use some repairs so I put in \$200. I'm going to use the large electron microscope for this grant which was just bought on a DOD contract, but Dr. Wright wants me to give him \$0 per month for supplies and maintenance just in case it breaks down.

My family planned a vacation to Switzerland this winter and I know of a conference in Germany that might be interesting which is scheduled at the same time. We just moved and I need to pay my mileage to and from the university since we now live in the next county. Also, I'll be working from home so I'm going to buy a new telephone and computer which are state of the art. I don't believe we'll be mailing anything but just in case, add \$50 for postage.

We'll pay each of the people who work on the grant a participant support stipend (\$500) since they will be working hard to get the work done. My wife has agreed to be a consultant for a retainer of \$2,000 at \$750 per hour. When the award arrives, I'll use the research F&A rate for that part of the work I think is research and the lower F&A rate for the parts that look like other services. To be safe, I'll ask for the higher F&A rate in this proposal in case I need some additional funds as a contingency. The department is levying a 2% fee on all proposals submitted so that they can make some extra money. I negotiated it down to 1.5% because NIH is such a big funder.

9



Budget Exercises

Task 1: Budget Overview & Preparation

Task 2a: Personnel: Salaries & Wages

Task 2b: Percent Effort vs. Person Months

Tasks 3 - 7: Consultants and Equipment, Supplies, Travel, Other Direct Costs and Subawards

Tasks 8 & 9: F&A Cost and Total Budget

10

Task 1: Budget Overview & Preparation

- Budget Overview located on page 2 of the Exercise Packet
- Task 1 located on Page 3 in Exercise Packet
- Complete Exercise Sheet 1 in Exercise Workbook



11

Exercise Sheet 1: Budget Preparation

Period of Performance: 1/1/2014 – 12/31/2014

	PI	Post Doc	GSR III
Annual Salary	\$131,000		

START OF PROJECT

	PI	Post Doc	GSR III
Multiply by Merit			
Equals Revised Annual Rate			

Only the PI has a merit on this project

Composite Benefit Rate

	PI	Post Doc	GSR III
FY 2013/14			
FY 2014/15			

F&A Rate

--	--

Student Fee Escalation

AY 2013/14 Fees (per quarter)	
Multiply by escalation	
Equals Est. AY 2014/15 fees (per quarter)	

12

Task 2a: Personnel, Salaries and Wages

- Page 3 in Exercise Packet
- Use information from Exercise Sheet 1 in Exercise Workbook
- Complete Exercise Sheet 2 in Exercise Workbook

13

Exercise Sheet 2: Budget Spreadsheet

Personnel

Sum of Salary and Benefits

Amount you calculated on Task 1 Handout

This is (Annual Salary)*(Effort %)

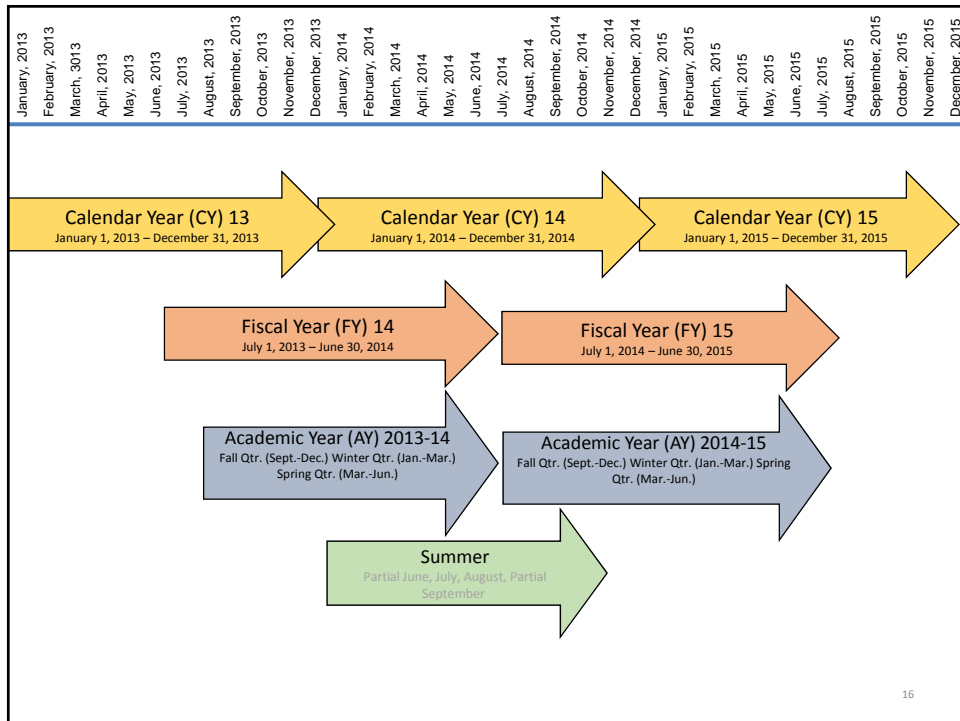
Personnel	Annual Salary	Effort (%)	# of Months of Apt.	Effort (Person Months)			Requested						
				AY	CY	Summer	Salary	Benefit Rate	Benefits	Total			
Principal Investigator: Jeff Jeffries													
Effective Dates: 1/1/2014 to 12/31/2014													
Professor Jeffries (FY 2014)	\$ 133,620	20%	6/9	1.2			\$ 17,816	33.3%	\$ 5,933	\$ 23,749			
Professor Jeffries (FY 2015)			3/9					35.7%					
Doyle (Post Doc) (FY 2014)			6/12										
Doyle (Post Doc) (FY 2015)			8/12										
TBN (GSR III) - (AY)			9/12										
TBN (GSR III) - (Summer)			3/12										
Subtotal Personnel													

This is (Salary)*(Benefit Rate)

14

Task 2b: Percent Effort vs. Person Months

- Page 3 in Exercise Packet
- Complete Exercise Sheet 2 in Exercise Workbook



Exercise Sheet 2: Budget Spreadsheet

Personnel

This is (% effort)*(# of months)

Principal Investigator:		Jeff Jeffries		Effective Dates:		1/1/2014 to 12/31/2014					
Personnel	Annual Salary	Effort (%)	# of Months of Apt.	Effort (Person Months)			Requested				
				AY	CY	Summer	Salary	Benefit Rate	Benefits	Total	
Professor Jeffries (FY 2014)	\$ 133,620	20%	6/9	1.2			\$ 17,818	33.3%	\$ 5,933	\$ 23,749	
Professor Jeffries (FY 2015)	\$ 133,620	20%	3/9				\$ 8,908	35.7%	\$ 3,180	\$ 12,088	
Doyle (Post Doc) (FY 2014)	\$ 39,990	50%	6/12				\$ 9,998	20.7%	\$ 2,070	\$ 12,068	
Doyle (Post Doc) (FY 2015)	\$ 39,990	50%	6/12				\$ 9,998	21.2%	\$ 2,120	\$ 12,118	
TBN (GSR III) - (AY)	\$ 38,748	50%	6/12				\$ 14,531	1.3%	\$ 189	\$ 14,720	
TBN (GSR III) - (Summer)	\$ 38,748	100%	3/12				\$ 9,687	1.3%	\$ 126	\$ 9,813	
Subtotal Personnel							\$ 70,938		\$ 13,618	\$ 84,556	

17

Task 3 - 7: Consultants, Equipment and Supplies, Travel, Other Direct Costs and Subawards

- Tasks 3 and 4: Consultants, Equipment and Supplies
 - Page 4 in Exercise Packet
 - Complete Exercise Sheet 2 in Exercise Workbook
- Task 5, 6, 7: Travel, Other Direct Costs and Subawards
 - Pages 4-5 in Exercise Packet
 - User information from Exercise Sheet 1
 - Complete Exercise Sheet 2 in Exercise Workbook

18

Exercise Sheet 2

Other Categories

Consultants				
				Total Consultants
Equipment				
				Total Equipment
Supplies				
				Total Supplies
Travel				
Domestic				
Foreign				
				Total Travel
Other Direct Costs				
Student Fees/Tuition AY 13-14				
Student Fees/Tuition AY 14-15				
				Total Other Direct Costs
Subawards				
				Total Subawards

What Qualifies as (Capital) Equipment?

- Equipment must meet all the following:
 - Tangible
 - Non-consumable
 - Free-standing
 - Moveable
 - Useful life is at least 1 year
 - Stand-alone asset
 - Per unit costs is more than \$5,000



20

Example Quote

QTY.	DESCRIPTION	TOTAL
1	MWL120 Real-time Back-reflection Laue Camera System w/NorthStar v7.3 software operating on a Windows custom computer, including a gas regulator. (1A Detector)	\$108,600.00
1	MWL701A Jack & Translation Stage & MWL702 Beam Stop	\$10,400.00
1	MWL706 Three-axis motorized goniometer for operation with the MWL 732 controller	\$6,500.00
1	MWL710 Base Plate	\$1,300.00
1	MWL732 Multiwire Automated Motor Controller with joystick control	\$5,200.00
1	MWL703 Motorized Bond Barrel Holder (optional)	\$10,650.00
1	Position sensor upgrade for MWL701A (optional)	\$2,000.00
1	USB optical camera and mirrored collimator sample positioning system (optional)	\$5,400.00
1	Fluorescence filter for high-voltage operation (optional)	\$1,200.00
1	Spellman 1200 W X-ray Generator with warning light	\$7,500.00
1	DEXCO – Table with 19" Rack	\$3,500.00
1	DEXCO – Enclosure 30X45X36"	\$4,400.00
1	DEXCO – SPG-2013 Water Cooler 2000 Watt	\$2,850.00
1	DEXCO – X-ray Tub Kit incl: Water Jacket, HV cable, (w) X-Ray Tube	\$12,700.00
	Sub-total Equipment Cost	\$180,200.00
	Less 20% USA Educational Discount	(\$36,040.00)
	Sub-total Equipment Cost less Discount	\$144,160.00
	Estimated CA reduced tax (3.3125%)	\$4,775.30
	Installation of MWL120 with above units	\$3,000.00
	Estimated Packing/Shipping/insurance (Subject to Change based on Actual)	\$3,000.00
	Total Estimated Cost	\$154,935.30

21

What Qualifies as (Capital) Equipment?

- Ask the Principal Investigator:
 1. Which, if any, of the items are permanent, dedicated components?
 - If YES, may be Equipment
 2. Are there any items that function as independent, stand-alone assets?
 - If NO, may be Equipment
 3. Are any of the items undedicated components (will roam from asset to asset as needed)?
 - If NO, may be Equipment
 4. Are any of the items consumables?
 - If NO, may be Equipment
 5. Do any of the hardware items have an expected lifespan of less than one year?
 - If NO, may be Equipment
 6. Are any of the items replacement parts?
 - If NO, may be Equipment



22

Task 8 & 9: F&A Cost and Total Budget

- Page 5 in Exercise Packet
- Exercise Sheet 1
- Exercise Sheet 2

23

Some Definitions

- **Modified Total Direct Costs (MTDC)** - The Modified Total Direct Cost base, or MTDC, is used per the University's negotiated rate agreement. This includes most direct costs, including all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant and subcontract (regardless of the period covered by the subgrant or subcontract). Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships, as well as the portion of each subgrant and contract in excess of \$25,000 shall be excluded from modified total direct costs.
- **Total Direct Costs (TDC)** - Total Direct Costs are calculated the same way that we calculated MTDC. The difference is that there are no direct cost category exclusions. Because this is not the cost base on which our negotiated rate agreement is based, you should only use this cost base if the sponsor specifically requires you to do so.
- **Total Cost (TC)** - As with Total Direct Costs, you should only use Total Costs as a cost base if the sponsor specifically requires it. Calculating your indirect costs using a cost base of Total Costs is a bit more complicated than MTDC and Total Direct Costs. Your first step will be to determine your Total Costs.

24

Exercise Sheet 2

MTDC and F&A

Total Direct Costs			
F & A Costs @		of MTDC	
Total Budget Period Costs			

MTDC

TDC	
Less:	
Equipment	
Student Fees/Tuition	
Subawards	
Plus:	
Subawards - Stanford	

We do not charge F&A to sister campuses

Modified Total Direct Costs:

25

Example Budget Justification Language

Pages 9-14, Exercise Packet

26

OR Budget Templates

<https://docs.or.ucdavis.edu/spo/>

27

OR Budget Templates and FAQs

File	Description	Last Modified
TemplateA_SingleBudget.xlsx	Single budget template for use as a proposal budgeting tool.	October 03 2017 15:25:22
TemplateB_Costsharing_Budget.xlsx	Cost sharing budget template that sums both requested and cost-shared expenses.	October 03 2017 15:25:33
TemplateC_MultiBudget.xlsx	Multi-budget template for use with proposal budgets requiring multiple budgets such as NIH P01s and U54s.	October 03 2017 15:25:43
TemplateD_AB20.xlsx	Budget template for California State Model agreement (AB20) proposals.	October 03 2017 15:25:56
Budget_Sheet_FAQs.pdf	FAQs on budget template use.	August 30 2016 16:34:48
TemplateE_CIRMBudget.xlsx	Budget template for use with CIRM proposals.	October 03 2017 15:26:04

28

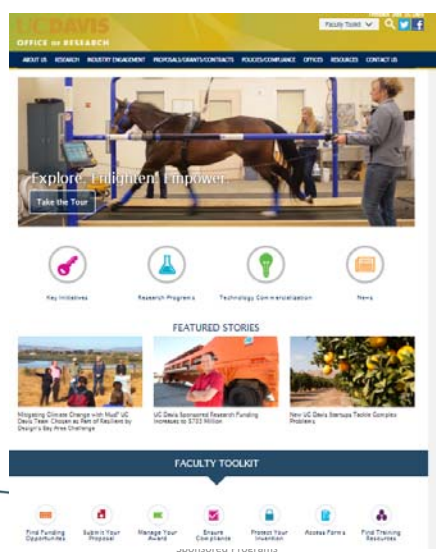
Resources

- Office of Research Website
- Guide to Research Compliance
- SPARK Training Website
- Listserv Subscriptions
- Research Administration Forums
- Other Classes

UCDAVIS

Office of Research Website

<http://research.ucdavis.edu/>



UCDAVIS

30

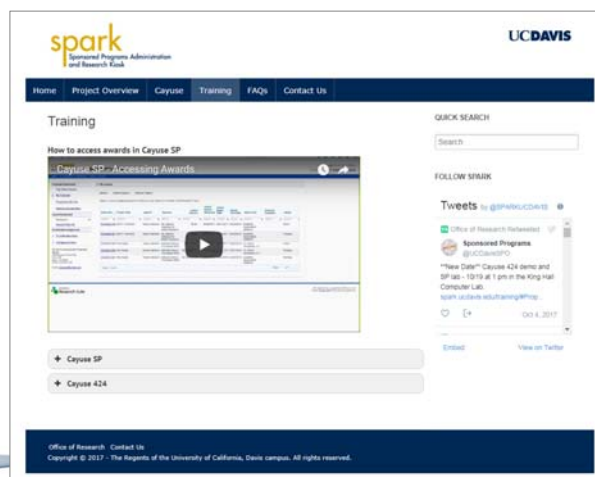
Guide to Research Compliance

- Available at: http://research.ucdavis.edu/wp-content/uploads/UCDavis_Guide_to_Research_Compliance_-20132.pdf



SPARK Training Website

<http://spark.ucdavis.edu/training/>



Office of Research Listserv Subscriptions

- C&G Listserv:  <https://lists.ucdavis.edu/sympa/info/ovcr-cg>

- Other Office of Research Listservs: <http://research.ucdavis.edu/resources/listserv-subscriptions/>

- Core Facilities Program
- Digital Millennium Copyright Act (DMCA)
- Funding
- Institutional Review Board (IRB)
- Research Compliance and Integrity (RCI)
- Responsible Conduct of Research (RCR)
- Research Unit Lists



Sponsored Programs

UCDAVIS

33

Monthly Research Administration Forum

- The fourth Wednesday of each month from 8:30-10am (February – October)
 - Join us January 24th 8:30 – 10:00 am for the SPO Open House
- Located at Sponsored Programs office
- 1850 Research Park Drive, Davis.
- Reminders are sent out via the OVCR-cg listserv (visit our website to sign up for this listserv)

TIP: CGA, IRB, RCI and other units provide important updates at the Forum too!

Sponsored Programs

UCDAVIS

34

Other Classes Offered by SPO

- Sponsored Programs Essentials
- Proposal Preparation and Submission
- Understanding the Award Process
- Electronic Research Administration



Visit the SDPS website for a list of dates and times and to sign up. <http://sdps.ucdavis.edu/>

Sponsored Programs

UCDAVIS

35

Q & A

- What questions do you have?



- Don't forget your evaluation forms!

Sponsored Programs

UCDAVIS

36

Thank You!

For research-related announcements, you can now follow
SPO on Twitter and YouTube!



Sponsored Programs

UCDAVIS
37