

Preparing Your Budget

One of the most important elements of a proposal is the budget. Many agencies review budgets separately from the proposal so it is recommended that any text regarding funds remain in the budget and budget justification. Budgets should be done in accordance with the sponsor's specific guidelines.

The following are some general guidelines to follow when developing your budget. When constructing the budget, you should show how you calculated your figures for every item presented.

Senior/Key Personnel

The first main section of the budget is key personnel. This section includes KNUST staff who will work on the project unless sponsor guidelines direct otherwise explicitly in the application instructions. Senior personnel should be listed in order of project commitment with principal investigator listed first. Any other proposed staff should be under a subcategory called other personnel or consultants (if they are consultants). For University personnel, provide the name and job title.

To determine total salaries and wages for both Senior/Key Personnel and Other Personnel, list the percentage of effort to be spent by each person who will work directly on the project. Effort should be shown in terms of percentage of full-time effort, person-months, hourly rate, or other basis as required by the sponsor. The proposed effort must reconcile as a proportionate share of base salary and should not exceed the amount.

Consultants

By definition, consultants are not employees of the University. Consultants should be budgeted only for tasks where on-campus expertise does not exist or is not readily available. Normally, consultants are paid a fee plus travel and other expenses. If travel is included in the fee, you will need to indicate this. In all cases, consultants should be contracted at a reasonable rate

Equipment Costs

Capitalized equipment is university owned item with a useful life of more than one year and a cost of \$5,000 or greater. Modular components of equipment will meet this definition if the parts are inseparable. Include any predictable delivery, installation or special training costs to bring the equipment to an operable state. Any anticipated equipment maintenance should be itemized as Other Direct Costs. Vendor quotes should be obtained to substantiate proposed costs for equipment.

Travel Costs

The type of travel should be explicitly stated in the budget along with a brief description of connection to the project. Each assumption for travel should be detailed in the budget, such as estimated airfare, lodging for the locality if known, ground transportation, and per diem allowance. Reimbursement for travel expenses is subject to sponsor requirements.



Participant Support Costs

Support for participants to attend conference/workshop program is provided for some sponsored programs. Participant support is defined in the funding announcement and does not include the personnel or travel costs associated with University personnel.

Materials and Supplies

A research project will usually consume expendable supplies and minor equipment such as laboratory items, instructional materials, laboratory notebooks, etc. A reasonable amount should be budgeted for these items. Office supplies are normally unallowable costs unless specifically requested and justified as a programmatic need. The purchase of computers for research purposes must also be justified in the proposal as directly related to the project and used exclusively for research purposes. Purchase of computers subsequent to the proposal without original justification will not be allowed as a direct charge.

Sub-awards

A sub-award is issued to complete a substantive portion of research or other programmatic activity. A sub-awardee must provide the statement or scope of work, budget, period of performance, negotiated F&A agreement to verify the indirect costs proposed, and the signature of a representative authorized to contractually commit the institution that can be in the form of a letter of intent. A sub-award should be justified in the proposal as a necessary substantive portion of the research or other programmatic activity.

Other Direct Costs

Publication charges, reprints and page charges, postage (allowable as a direct charge ONLY when the scope of work includes recruitment of participants or surveys), equipment maintenance, graduate assistant tuition, etc. These charges should be anticipated and described as part of the budget narrative.

Indirect Costs

Indirect Costs are calculated in accordance with the university's indirect cost rate.