Budget Justification Tip Sheet

Below is a set of recommendations for developing budget justifications for grant proposals. It is a general guide only; each proposal will require custom tailoring to the funding agency’s guidelines. Questions on budgets and budget justifications should be directed to your Research Service Center.

At minimum, the budget justification should:

- Follow the agency guidelines and instructions exactly
- Explain why items requested on the budget form are needed to accomplish the proposed project
- Provide numbers that match the numbers included on the budget forms
- Include reasonable budget requests that are consistent with sponsor and UTSA policies.

Additionally, the budget justification should be presented in a way that bolsters the credibility of the applicant, by providing details about the strengths of the personnel, the proposer’s attention to detail, and the reasonable allocation of funds.

Budget justifications generally include the following categories:

**Personnel Costs**

It is recommended that the budget justification include the following information for each key personnel member: Role, position, and suitability to project; specific responsibilities on the project; and commitment of effort to project listed as academic, summer, or calendar months. The effort of hourly employees should be listed as hours per week, number of weeks, and rate of pay per hour. If multiple years are requested, describe the salary escalation for subsequent years.

Only UTSA employees should be listed in the Personnel section. Non-UTSA employees should either be listed as subcontractors or consultants.

If no salary is requested, avoid statements claiming that a person will commit a specific amount of time to the project “at no cost to the sponsor,” as this is considered cost sharing that must be tracked and reported. See the UTSA policy on cost sharing https://www.utsa.edu/hop/chapter10/10-7.html.

**Key Personnel**

This category includes anyone who is a Principal Investigator, Project Director, Co-Principal Investigator, or Co-Investigator. See funding agency guidelines for specific definitions.

Sample:
Dr. X (Principal Investigator) will oversee all aspects of the project including [list specific roles and responsibilities]. Dr. X is a Professor of Y at UTSA, and has researched Z extensively. [Include relevant accomplishments which demonstrate suitability to the project]. Salary support is requested for 2 summer months in years 1 to 5 of the project. An escalation rate of 3% per year has been calculated for years 2 to 5.

Other Personnel
This category commonly includes Postdoctoral Associates, Research Associates, Graduate and Undergraduate Research Assistants, and other professionals (e.g., technicians, program managers, etc.)

Samples:
We request 12 calendar months of support for Ms. Jane Smith, Program Manager, who will oversee the daily administration of the project, manage the project budget, coordinate student workers, and monitor trainee progress.

Mr. John Anderson, Graduate Research Assistant, will develop, administer, and maintain the online survey and survey database. His current research work is in school psychology and student self-efficacy. His effort is calculated at 20 hours per week at $10 per hour in years 1 and 2 of the project. A salary escalation of 3% is calculated for year 2.

Fringe Benefits
Describe the current fringe benefits for each personnel member according to current UTSA rates. Fringe benefits are updated yearly; the UTSA Proposal Budget Template calculates fringe benefits for the current fiscal year:
http://research.utsa.edu/wp-content/uploads/2015/02/Proposal_Budget_Template_FY16.xlsx
The Payroll Office provides detail on the calculation of fringe benefits:
http://www.utsa.edu/payroll/fringe_benefit.html

Equipment

Equipment is defined as items of durable value at or exceeding $5,000 per unit. See funding agency guidelines for more specific definitions and/or restrictions.

Equipment costs are excluded from the calculation of indirect (facilities & administrative) costs.

List the requested equipment, including specific names, model numbers, price quote, and price quote source. Explain why the equipment is necessary to the project and how it will be used.

Sample:
We request $6,140 for the purchase of a Meiji IM7000 Inverted Metallurgical Microscope, which is necessary for the evaluation of metallurgical specimens in Phase 2 of the project. Estimated price is based on a quote from the manufacturer and includes a lifetime warranty.

**Travel**

Whenever possible, list the destination and purpose of each trip, and a breakdown of costs, including airfare, mileage, accommodation, per diem, and local travel. Include any required travel specified in program solicitation. While it is not always possible to specify all travel costs in advance, it is important to be as specific as possible and explain how travel is necessary for the conduct and/or dissemination of the project.

Airfare estimates should be based on economy rates and booked on a US carrier whenever possible.

Per Diem estimates should be based on GSA and Department of State rates. Student travelers are normally not reimbursed at full per diem rates.

GSA Per Diem rates (domestic destinations): [http://www.gsa.gov/portal/content/104877](http://www.gsa.gov/portal/content/104877)

Department of State Per Diem rates (foreign destinations): [https://aoprals.state.gov/content.asp?content_id=184&menu_id=78](https://aoprals.state.gov/content.asp?content_id=184&menu_id=78)

Mileage is reimbursed at 57.5 cents per mile. See Disbursements & Travel Services for more information: [http://www.utsa.edu/financialaffairs/dts/](http://www.utsa.edu/financialaffairs/dts/)

**Sample:**

We request support for the PI and Co-I to attend the American Anthropological Association conference in project years 3-5 to present results. The 2018 (project year 3) meeting will be held in San Jose, CA. Airfare to San Jose is estimated at $400 per person and per diem is estimated at $162 per person per day for 4 days. The 2019 and 2020 (project years 4 and 5) conference cities are not yet known. In years 4 and 5, airfare is estimated at $500 per person per trip. Per Diem is estimated at $200 per person per day for 4 days.

**Participant Support Costs**

Items in this category may include stipends, subsistence allowances, travel allowances, training materials, and/or registration fees for participants in a training program. See sponsor guidelines for more specific definitions. Incentive payments to research subjects are usually included in the “Other” category, rather than the participant support category. In some cases, participant support costs are excluded from the calculation of indirect costs (F&A).

**Sample:**

15 local middle school teachers will participate in a 3-day mentoring workshop at the University during the summer. Each teacher will receive a $200 stipend for their participation. Training support costs include $500 for handouts and other materials.
Other Direct Costs

Be careful when including costs that are normally considered indirect costs in this category, such as office supplies, personal computers, telephone charges, and printing and photocopying. Usually, costs can only be charged directly to a federal grant if they can be specifically identified with the funded project. If these costs are essential to the conduct of the project and will be used solely for the project, they may be budgeted with proper justification. Always refer to the funding agency guidelines when budgeting other direct costs.

Materials and Supplies

Samples:

Computer: $1,200 is requested for a laptop to be dedicated exclusively for collecting and storing observational data in the field.

Laboratory Supplies: We request $2,000 for glassware and nucleic acids samples for experiments to be conducted in Year 1 of the project.

Publication Costs

Included in this category are costs associated with the dissemination of the project’s findings, such as journal page charges, graphic design fees, and production of monographs and poster presentations.

Sample:

We request the amount of $500 to publish the results of our study, to cover journal page costs and the production of posters for research meetings.

Consultant Services

Consultants services are services rendered by persons who are members of a particular profession or possess a certain skill, and who are not employees of the proposing organization. The services provided should be justified with details on the individual’s expertise, primary organizational affiliation, normal daily compensation rate, number of days of expected service, and travel costs, if any.

Sample:

Dr. Alan Roberts, CEO of Expert Evaluations Inc., will commit 20 hours per year to the project to provide external evaluation services. Dr. Roberts specializes in the evaluation of educational outreach programs. His rate is $200 per hour, for a yearly budget of $4,000.

Computer Services
Computer-related expenses, including computer-based retrieval of scientific, technical, and educational information, access to specialized computing systems, or purchase of specialized software, should only be included if they are not already provided by your institution, and should be specifically justified as necessary to the project.

Sample:

$1,000 is requested for the purchase of software needed to develop and run the qualitative model to be developed in Phase 1 of the project.

Subawards

List the subcontracting institution and their specific roles and responsibilities on the project. Most agencies will require a separate budget and budget justification for subawardees.

Sample:

Dr. Amy Stewart of the University of Delaware will oversee out the design and administration of the national survey. Total costs for this subaward are $40,000 in Year 2, as detailed in the subcontractor’s budget and justification.

Other

Any other direct costs not specified in previous sections should be included here. Examples include mailing services or long distance telephone charges specifically identified with the project and human subject incentive payments.

Indirect Costs (Facilities & Administrative costs)

F&A rates are negotiated with the federal government on a periodic basis. A copy of UTSA’s indirect cost agreement, negotiated with the Department of Health and Human Services, can be found at [http://www.utsa.edu/financialaffairs/grants/docs/FAagreement06032015.pdf](http://www.utsa.edu/financialaffairs/grants/docs/FAagreement06032015.pdf)

Your Research Service Center can help you determine the appropriate F&A rate calculation.

Sample

Using DHHS negotiated rates for organized research, the modified total direct cost base of $289,500 was multiplied by the rate of 47% to obtain the indirect cost of $136,065 in Year 1. The same formula was applied in subsequent years.