

HERS-EA 3rd ACADEMY PROGRAMME

Budgeting for Grants

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- Founded in 1878
- Land-grant institution
- Comprehensive, doctorate-granting university
- Eight Colleges
- 45 Research Centers & Institutes
- 22,201 Students
- 1,384 Faculty
- 1,844 Professional Staff
- \$241M in research expenditures
- Ranked among the nation's top 100 research institutions



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International Institute

International Institute

- Coordinate and promote international academic opportunities
- Expand and coordinate on-campus academic offerings to provide students the opportunity for a global perspective in every discipline.
- Increase research, outreach and extension activities and collaborations that address key global issues.



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International Institute

International Research Development

- Project Development (Long term positioning)
 - Building relationships
 - Intelligence gathering
 - Competitive Analysis
- Identify Funding Opportunities
- Proposal Development/Submission
 - Budget Development**



What is a grant?

- Grant – generally a funding mechanism for the common good; basic research; the institution and the funding agency have the same goals
- Contract – for the sponsor's benefit; strict spending; may require deliverables
- Cooperative Agreement – a grant with a high level of sponsor involvement



What is a budget?

- A financial description of the proposed project
 - Suggestion: Develop the budget after the statement of work has been drafted.



Why is a budget necessary?

- Use for planning purposes
- Helps determine the reasonableness of the statement of work
- Convinces the funding agency that the institution knows what they're doing



What is important to the institution?

- Are all costs covered?
- How does the institution benefit? F&A costs?
- What's the level of risk?



What is important to the agency?

- Transparent
- Cost Effective
- Adds Value
- Compliant
- Reasonable



What is important to the researcher?

- Student support
- Lab needs
- Publication costs
- Travel
- Salary release



Budget Questions

- Allocable – specific to the project?
- Allowable – what does the sponsor or institutional guidelines prohibit?
- Reasonable – would a prudent person make this purchase?



What's the story?

PI Salary @ 34%	\$ 30,000
Graduate Students	\$ 40,000
Tuition	\$ 20,000
Fringe	\$ 11,000
Travel	\$ 25,000
Participant Training	\$ 5,000
Equipment	\$ 7,000
Contractual	\$ 5,000
Subcontract	\$ 25,000
Commodities	\$ 5,000
Indirect Costs @ 45%	\$ 68,000
Total	\$238,700



Common Budget Components



Example

						Year 1	
						Sponsor	MSU
SALARIES							
Principal Investigator							
			\$0 per month			\$ -	\$ -
	0.000 months - MSU (typically academic)						
	0.000 months - sponsor (typically summer)						
Co-Principal Investigator							
			\$0 per month			\$ -	\$ -
	0.000 months - MSU (typically academic)						
	0.000 months - sponsor (typically summer)						
Graduate Research Assistants			\$0 per month			\$ -	\$ -
	0 students	0 months					
Undergraduate Research Assistants			\$0.00 per hour			\$ -	
	0 students	0 hours					
Total Salaries						\$ -	\$ -
FRINGE BENEFITS							
Principal Investigators		36.38%				\$ -	\$ -
Graduate Research Assistants							
Tuition			\$853 per month			\$ -	\$ -
Insurance			\$101 per month			\$ -	\$ -
Workmen's Compensation		0.41%				\$ -	\$ -
Undergraduate Research Assistants		0.41%				\$ -	
TOTAL SALARIES AND FRINGE BENEFITS						\$ -	\$ -



Example

						Year 1	
						Sponsor	MSU
TRAVEL						\$ -	
Principal Investigator		0 trips		\$ -			
Each trip:							
Air Fare	\$ -						
Lodging	\$ -						
Meals	\$ -						
Rental Car	\$ -						
Total Ea. Trip	\$ -						
Graduate Student		0 trips		\$ -			
Air Fare	\$ -						
Lodging	\$ -						
Meals	\$ -						
Total	\$ -						



Example

						Year 1	
						Sponsor	MSU
COMMODITIES						\$ -	
CONTRACTUAL EXPENSES						\$ -	
SUBCONTRACTS						\$ -	
OTHER						\$ -	
TOTAL DIRECT COSTS						\$ -	\$ -
MODIFIED TOTAL DIRECT COSTS (BASE)						\$ -	\$ -
Excludes tuition, equipment, participant support costs and each subcontract over \$25,000							
INDIRECT COSTS ON MTDC -			45.50% of MTDC			\$ -	\$ -
TOTAL PROJECT COSTS						\$ -	\$ -



Other Budget Components

- Software for data collections/reporting
- Monitoring & Evaluating Costs
- Site Visits/Auditing
- PI meetings (travel)
- Fluctuating Exchange Rates
- Experiment Costs:
 - Research participants
 - Service Fees
 - Tech Fees
 - Costs to remain in compliant (IRB, IACUC)
 - Housing/Food for animals (IACUC)



Other Budget Components

- Utilities
- Insurance
- Security
- Licensing costs
- Procurement
 - Value-added tax (VAT)/Goods and Services Tax (GST)
 - Shipment
- Subcontract Monitoring –
 - Compliance and performance risks assessment



Developing the budget

- Consider institutional, state, governmental policies.
- Know the agency's requirements – Format? Restrictions? Templates? Funding levels? Unallowable charges?
- Search for language throughout the funding announcement that requires budgeting.
- Format as required in RFP, in the same order, using the same language.
- Constantly review/compare the budget with the technical narrative.
- Use the evaluation criteria to understand what's important to the agency.



Other Considerations

- Cost Share options
 - Cannot use federal dollars
 - Cannot cost share items that are not allowed to charge directly to the project
- Leveraging opportunities – student research experiences, faculty exchanges, study abroad experiences, etc.
- Existing programs



Questions?



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Thank you!



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