

BUDGET PREPARATION: NIH PROPOSALS

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Beginning Questions

- Institute or Center
- Cost Principles
- Direct Cost vs. Indirect Cost
- Budgets: Modular/Detailed
- Fringe Benefit Rate
- Graduate Student Stipend Rate
- Correct F&A Rate
- Resources
- Due Dates

Institute or Center

The NIH 29 organizational components responsible for a particular grant program or set of activities. The terms "NIH IC" or "awarding IC" are used throughout to designate a point of contact for advice and interpretation of grant requirements and to establish the focal point for requesting necessary prior approvals or changes in the terms and conditions of award.

The Cost Principles

- Allowable
- Allocable
- Reasonable
- Necessary and Consistently Applied
- https://grants.nih.gov/grants/policy/nihgps/HTML5/section_7/7.2_the_cost_principles.htm

Allowable Direct Costs and Allowable F&A Costs

- Direct Costs (DC): Identified specifically with a project or activity.
- F&A Costs: Necessary costs incurred for a common purpose benefitting more than one cost objective.
- $F\&A \text{ costs} = DC \times F\&A \text{ rate (UW=53\%)}$

$$\text{Total Costs} = DC + F\&A \text{ costs}$$

Allowable Direct Costs and Allowable F&A Costs

- Modified Total Direct Costs (MTDC): excludes items as equipment, student tuition, research patient care costs, rent and sub-recipient charges (after the first 25K).
- $\text{Total Costs} = MTDC(F\&A \text{ rate}) + DC$
- Modular budgets of 250K and Direct Costs of 500K or Greater: Exclusive of sub-recipient F&A

Modular vs Detailed Budgets Personnel

- Effort
- Salary Caps
- Fringe Benefits
- Senior/Key Personnel
- Postdoctoral Fellows/Research Associates
- Graduate Students/Pre-doc Fellows/Research Assistants
- Other Personnel

Modular vs Detailed Budgets Equipment, Travel, Trainee Costs

- Equipment
- Travel
- Tuition Remission

Modular vs Detailed Budgets *Other Direct Costs*

- Materials and Supplies
- Animal Costs
- Publication Costs
- Consultant Services
- Research Patient Care Costs
- Other

Modular vs Detailed Budgets *Consortiums/Subawards*

- Direct costs
- F&A
 - Foreign institutions
 - For-profit entity
- Justification

Modular vs Detailed Budgets Understanding the Out Years

- Reasonable and thorough
- Salary escalation
- Year to year variation
- Rebudgeting

Modular vs Detailed Budgets

- Used in sums of 25K up to 250K DC
- Determine Mod with a detailed budget ---subtract any sub-recipient F&A---round to the nearest 25K
- Modular Justification:
 - Personnel-name, role, person months, (salary cap)
 - Consortium-round nearest \$1K, personnel roles, person months, foreign?
 - Additional narrative

Other NIH Resources


- NIAID’s “Create a Budget”: <https://www.niaid.nih.gov/grants-contracts/create-budget>
- NIGMS’s “Tips for New NIH Grant Applicants”: <http://www.nigms.nih.gov/Research/Application/Pages/Tips.aspx>
- NIMH’s “Common Mistakes in Writing Applications”: <http://www.nimh.nih.gov/funding/grant-writing-and-application-process/common-mistakes-in-writing-applications.shtml>
- FIC’s “Frequently Asked Questions”: <http://www.fic.nih.gov/Grants/Pages/Frequently-Asked-Questions.aspx>

Due Dates: <http://grants.nih.gov/grants/how-to-apply-application-guide/due-dates-and-submission-policies/due-dates.htm>

- Learn about application cycles and their relationship to due dates, review and council dates, and earliest possible start dates.
- On This Page: [\[General Information\]](#) [\[Application Due Dates\]](#) [\[Review & Award Cycles\]](#)
- General Information
- Grant applications and associated documents (e.g., reference letters) are due by 5:00 PM local time of application organization on the specified due date.
- Check the funding opportunity announcement (FOA) for due date information.
- If the FOA says "standard dates apply", refer to the table below using the [activity code](#) specified in the title of the FOA.
- Note that [renewal/resubmission/revision](#) applications may have different due dates than [new applications](#). Read the table carefully.
- The [AIDS and AIDS-related dates](#) apply to all activity codes.



GROUP ACTIVITY



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