

CONFIDENTIAL

Salt Lake Community College
Office of Sponsored Projects
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PR:3.0
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Creating a Project Proposal Budget

Review Dates:	_____	_____	_____	_____	_____	_____
Revision Dates:	_____	_____	_____	_____	_____	_____
Obsolete Date:	_____	Made Obsolete By (initials): _____				
Approved By:	_____					_____
	OSP Director/Designee					Date

PURPOSE, SCOPE, AND PRINCIPLE:

The purpose of this procedure is to outline the steps necessary to create a project proposal budget. This procedure is meant to be used during the pre-award process before a project is submitted, and contains the steps that are to be performed by the Office of Sponsored Projects (OSP) and the Principal Investigator (PI). OSP is not responsible to ensure the steps listed for the PI are followed exactly as written but rather the documents required are completed accurately and in a timely matter.

RESPONSIBILITIES:

A. OSP Personnel

1. Assist PI in identifying project costs
2. Fill out or assist PI with completing the applicable budget template
3. Obtain salary and benefit information from the Budget Office (BGT) for existing positions
4. Fill out or assist PI with Sponsor budget

B. PI

1. Identify costs associated with the project
2. Contact BGT for information on existing positions, and Human Resources (HR) for information on new positions
3. Fill out or assist OSP to complete the applicable budget template
4. Fill out or assist OSP with Sponsor budget

DOCUMENTS/RESOURCES NEEDED:

Applicable Working Budget Template (shared drive/SOP DOCUMENTS/Templates/Budgets)
Grant Salary and Benefit Calculations (shared drive/SOP DOCUMENTS/Templates/Budgets)
Applicable Sponsor Budget (applicable award application)
SLCC Indirect Rate Agreement (shared drive/reference documents)
SLCC Indirect Rate Cost Pool (shared drive/reference documents)
Project Lifecycle Form (shared drive/SOP DOCUMENTS/Forms/Active)
Code of Federal Regulations, Title 2, Subtitle A, Chapter II, Part 200
(http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
Sponsor and application regulations (applicable grant application)

DEFINITIONS:

- **Modified Total Direct Costs (MTDC):** Consists of all salaries and wages, fringe benefits, materials, supplies, services, travel and subawards and subcontracts up to the first \$25,000 of each subaward or subcontract (regardless of the period covered by the subaward or subcontract). It excludes equipment, capital expenditures, charges for patient care, student tuition reimbursement, rental costs of off-site facilities, scholarships and fellowships as well as the portion of each subaward and subcontract in excess of \$25,000. See the Salt Lake Community College (SLCC) Indirect Cost Rate Agreement located on the OSP website.
- **Percent Effort:** The percentage of full-time equivalent that an employee will devote to the project.
- **Supplies:** "All tangible personal property other than those described in Equipment...." (2 CFR 200:94)
- **Equipment:** "Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5000...." (2 CFR 200:33)
- **Indirect Cost Pool:** Costs used to determine the indirect cost rate. Contact the Business Office for detailed information on the indirect cost pool.

PROCEDURE:

- A. Project Review and Assignment - performed by OSP Personnel and PI
1. Read the solicitation and any other sponsor guidance necessary to understand the budget requirements for the project
 2. Discuss what resources will be needed to complete the project, and determine who will populate the applicable budget template and sponsor budget
- B. Categorize Resources and Determine Costs for the Budget

NOTE: The steps listed below are performed by the PI with assistance from OSP Personnel. Steps that are only to be performed by either the PI or OSP Personnel will clearly be stated within the step. General categories are outlined in this section; however, they are not inclusive of all categories that the budget may include.

1. Determine which costs are allowed by sponsor; follow the steps below to determine amounts for allowed resources
 - a. Personnel: Existing Positions
 - 1) Identify existing individuals that will contribute effort on the project
 - 2) Contact BGT to get current salary and benefit information for existing positions requesting funds or providing match
 - b. Personnel: New Positions
 - 1) Identify positions needed
 - 2) Work with HR to identify job descriptions and determine salary
 - 3) Use the "Grant Salary and Benefit Calculations" to determine benefits
 - c. Personnel: Multiple employees in the same job category (i.e. three faculty members for 10 hours per week)
 - 1) Use "Grant Salary and Benefit Calculations" to determine salary and benefits
 - d. Travel: Determine travel needs; use SLCC and Sponsor guidelines to estimate costs
 - 1) Distinguish between in-state, out-of-state and local travel
 - e. Supplies and Materials: Using Sponsor definition, determine needs
 - 1) If Sponsor definition is not provided follow the Federal definition 2 CFR 200:94 (see "Definitions" section)
 - f. Equipment: Using Sponsor definition, determine needs
 - 1) If Sponsor definition is not provided follow the Federal definition 2 CFR 200:33 (see "Definitions" section)
 - g. Participant Support: Using Sponsor definition, determine needs (usually defined as funds given directly to project participants, including stipends, scholarships, etc.)

- h. Consortium/Contractual: If funds will be provided to external parties for project activities through contracts, subawards, or agreements they should be listed in this category
 - i. Other: Include allowable costs that do not fall into any other category. Refer to Sponsor definition or contact the program officer. Do not include "extra" costs that cannot be itemized or justified.
 - j. Indirect Costs:
 - 1) OSP Personnel ensure the following:
 - a) Indirect costs are included at the SLCC negotiated indirect rate, or the full amount prescribed by the Sponsor if it is less than the negotiated rate
 - b) Stipulations are followed for calculating the indirect amount using the terms in the SLCC negotiated indirect rate agreement
 - c) If indirect costs are not allowed, accommodations are considered to cover the compliance and administrative activities normally covered by indirect costs.
 - d) Direct or matching funds are not part of the indirect cost pool
 - 2. Determine which resources will be provided as match or leverage
 - a. These costs are NOT allowed unless required by the sponsor;
 - b. Follow steps B.1.a.-1.i. to properly calculate and classify these costs
 - c. Valuation must follow sponsor regulations. The BOF can provide valuation assistance.
 - d. Retain all valuation documents in the project file.
- C. Populate Budget Templates – PI and/or OSP Personnel
- 1. Populate the applicable budget template

NOTE: Use a template that clearly shows the breakdown of costs per category and year, as well as the total, separating requested and matching funds

 - a. Insert costs identified above into the budget template by category
 - b. For personnel (excluding positions falling under item B.1.c.), include a 3% salary and 10% benefit increase per year per full-time position
 - 1) For projects requesting a start date in the current fiscal year, the Year 1 salary and benefit amount should be the current amount
 - 2) For projects requesting a start date in a future fiscal year, the Year 1 salary and benefit rate should reflect increases as prescribed above
 - 3) Show the percent effort for each position per year
 - c. Other cost categories may need to reflect inflation
 - d. Calculate total direct costs for requested funds
 - e. Calculate Modified Total Direct Costs (MTDC)
 - f. Calculate indirect costs using the MTDC amount
 - g. Calculate total requested costs
 - 1) Total requested costs equal direct requested costs plus indirect requested costs
 - h. If applicable, calculate total matching costs using steps C.1.d-f. but using matching funds
 - 1) Total matching costs equals direct matching costs plus indirect matching costs
 - i. Calculate total costs
 - 1) Total costs equals requested costs plus matching costs
 - 2. Subaward Budgets: For use when SLCC is the lead applicant on the project with one or more subawards
 - a. If required by the sponsor, request or create separate budgets for each subaward that roll up to the total budget
 - 1) SLCC may provide templates to partners that reflect the instructions and categories required by the sponsor
 - 3. Using cross checks, reconciliation and other methods, double check all budget information for adherence to regulations and mathematical accuracy
 - 4. Following Sponsor guidelines and using the Sponsor template, populate the Sponsor budget using whole numbers
- D. Review Completed Budget Templates
- 1. If PI populated the budget template:
 - a. PI review completed budgets then submit all budget templates to OSP Personnel

- b. OSP Personnel perform the following:
 - 1) Using cross checks, reconciliation and other methods, double check all budget information on each budget template for adherence to regulations and mathematical accuracy
 - a) If changes must be made, make changes and inform PI
 - 2) Save all budgets in the applicable OSP Project File and update "Project Lifecycle Form" (PLF) if applicable (see GP:7)
2. If OSP Personnel populated the budget templates
 - a. Submit completed budgets to PI for review
 - b. PI review budgets
 - 1) If budget requires changes, make the necessary changes
 - c. PI return reviewed/approved budget to OSP Personnel
 - d. OSP Personnel perform the following:
 - 1) Using cross checks, reconciliation and other methods, double check all budget information on each budget template for adherence to regulations and mathematical accuracy
 - 2) Save all budgets in the applicable OSP Project File and update PLF if applicable (see GP:7)

REFERENCES:

ECFR — Code of Federal Regulations Title 2, Subtitle A, Chapter II, Part 200 Uniform Administrative Requirements, Cost, Principles and Audit Requirements for Federal Awards. (2014, December 19). Retrieved June 22, 2015, from http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

SLCC Policies and Procedures. Retrieved June 22, 2015, from <http://www.slcc.edu/policies/index.aspx>