BUILDING A
Quick Clarifications

- HSU-SPF is the fiscal sponsor for Humboldt State University
- Grant vs gift
- All grants and contracts are managed through our office regardless of IDC rate or funding amount
Start with the Budget

- Have an idea of what you want to do
- Start laying out your budget
- Reconsider what you are able to do with the funds available
- Work through your narrative
- Fine tune your budget
- Complete your budget justification
- Finish your narrative
Budget Justification (AKA - Budget Narrative)

- Be sure you are not simply repeating your budget
- This is the place to explain your costs and to show how you came up with those numbers
- Example:
  - Budget: Travel = $795
  - Budget Justification: PI will travel to San Francisco for a conference. Conference fee is $100. Hotel for 2 nights at $150 per night is $300. Per diem at $55 per day is $110. Mileage at $0.57 per mile, 500 miles round trip is $285. Total travel = $795
- Be careful not to use your justification to further your narrative or scope – ie do not discuss your qualifications or general need
Grant Amount: $5,270

How will the funds be used: to pay for elementary school students to come to the University theater to attend a morning performance and lecture demonstration. Local schools will be responsible for buses and for supervising the children.

$3000 for performance Fee

$1,583 to pay for bussing elementary school students to the theater. Cost is between $5.25 and $6.50 per mile per bus. Each bus can take approximately 70 students.

Bus cost estimation

1. FORTUNA ELEMENTARY
   - 2 buses @ (56 miles * $5.25) = $588.
   - 140 Students

2. FERNDALE ELEMENTARY
   - 2 buses @ (56 miles * $6.50) = $728.
   - 140 Students

3. MORRIS ELEMENTARY
   - 2 buses@ (14.5 miles * $6.50) = $189.
   - 140 Students

4. SUNNYBRAE ELEMENTARY
   - 3 buses @ (4 miles * $6.50) = $78.
   - 175 Students

   **TOTAL** $1583. 595 students

$687 indirect cost rate at 15%
Budget Categories

- **Personnel Costs**
  - **Salaries Reimbursed** – for buyout / release time
  - **Salaries Benefited** – for full time employees hired to the grant
  - **Salaries Non-Benefited** – overload, faculty/student summer salary
  - **Students** – Academic Year

- **Fringe and Benefits**
  - **HSU-SPF uses actual rates. Fringe refers to actual tax rates**

- **Travel**
- **Participant Support**
- **Supplies**
- **Other**
- **Sub-Contracts**
- **Equipment**
- **Indirect Costs**
Indirect Costs (IDC)

- Indirect costs (sometimes also referred to as F&A) reimburse the university and auxiliary for expenses incurred in supporting projects funded by grants or contracts from outside agencies.

- Examples:
  - Departmental administrative costs
  - Use of university services such as library, labs, classroom facilities
  - Insurance
  - Compliance and Regulatory monitoring
  - Personnel and payroll administration
  - Accounting services
  - Legal Services
IDC continued

- HSU-SPF will honor the published allowable IDC rate set by the funder – even if IDC is not allowed
- HSU-SPF’s federally negotiated IDC rate is 45%
- As of January 1, 2016 a Memorandum of Understanding went in place setting an IDC rate of 25% between all state agencies and the CSU and UC systems
- It is important to verify the IDC rate before working on your budget
- IDC is not charged on participant support costs and is only charged on the first $25,000 of a subcontract
- Your Pre-Award Specialist cannot negotiate a lower rate for you
Cash Match and In-Kind

- Not allowed for most federal grants
- Serves as a binding financial commitment
- Requires commitment letters for routing
- Requires additional reporting
- Do not include unless required or if additional points are given
- You can still mention things that are necessary and available but avoid numbers or quantifiable information