

This document describes the typical categories included in external funding proposal budgets. For each category, we provide pertinent questions designed to assist the principle investigator(s) to identify and plan for the resources needed to implement the proposed project. Where appropriate, we also provide relevant WMU policies and/or specific examples to calculate related costs.

Person Resources

Who, for how long, and what skill sets are needed to conduct your scholarly project?

Senior Personnel

Principal Investigator(s) – determine the amount of time and salary needed to manage the project or conduct the project work based on each individual’s full-time equivalent (FTE) and base salary.

Pertinent questions regarding senior personnel

1. How much time will be needed to conduct the work?
2. During what time of year will the work be completed, (e.g., Academic Year, Summer I, Summer II)?
3. Is the work in addition to regular duties (overload) as defined by a department?
4. Is release time (course buyout) required to conduct the work?
5. Have you discussed your plans with your department chair?
6. Do you have a copy of your appointment letter which outlines your work load?
7. Do you have your current base salary with which to estimate the cost of your time?
8. Do you have the base salaries of other university staff assigned to the project?

Full time equivalents for Academic and Fiscal Years and Summer Sessions

Time Frame	Days	Hours	FTE
AY – 8 months	150.0	1,200	1.0
FY – 12 months	260.0	2,080	1.0
Summer I – 2 months	37.5	300	1.0
Summer II – 2 months	37.5	300	1.0

Principal Investigator – Annual Year (AY) Salary

Base Salary	Hours Committed to Project	Semester - Months Worked	FTE Equivalent	= FTE	FTE x Base Salary = Salary
		Fall - 4 months	# Hours/600		
		Spring - 4 months	# Hours/600		
Total AY Year 1					

Example – AY Salary

Base Salary	Hours Committed to Project	Semester - Months Worked	FTE Equivalent	= FTE	FTE x Base Salary = Salary
\$84,000	30 hrs/mo	Fall - 4 months	$(30 \times 4)/600$	.2	\$16,800
\$84,000	20 hrs/mo	Fall – 4 months	$(20 \times 4)/600$	.133	\$11,200

Principal Investigator – Summer Salary

Base Salary	Hours Committed to Project	Semester - Months Worked	FTE Equivalent	= FTE	.25 x AY Base Salary = Summer Session Base	FTE x Summer Base = Salary
		Summer I - 2 months	# Hours/300			
		Summer II - 2 months	# Hours/300			
Total Summer Salary Yr 1						

Example – Summer Salary

Base Salary	Hours Committed to Project	Semester - Months Worked	FTE Equivalent	= FTE	.25 x AY Base Salary = Summer Session Base	FTE x Summer Base = Salary
\$84,000	40 hrs/mo	Summer I - 2 months	$(40 \times 2)/300$	.267	.25 x \$84K = \$21,000	\$ 5,607
\$85,640 – 2% increase Summer II	80 hr/mo	Summer II - 2 months	$(80 \times 2)/300$	.53	.25 x \$85,640 = \$21,410	\$11,347
Total Summer Salary Yr 1						\$16,954

Other Person Resources

Research Staff

Your project may require hiring professionals (e.g., post doc or other researchers) to carry out the tasks of a project. For information regarding research positions (R positions) see <http://www.wmich.edu/hr/staff-research-policy.html>.

Fiscal year (12 month) pay schedule for research staff positions

Title	Minimum	Midrange	Maximum
Principal research associate (R1)	\$64,497	\$75,462 - \$92,231	\$103,195
Senior research associate (R2)	\$38,502	\$52,460 - \$64,118	\$ 78,076
Research Associate (R3)	\$38,502	\$43,315 - \$52,940	\$ 57,754
Emeritus researcher (R4)	Negotiated with sponsoring agency		

Fringe rates vary for R positions. Fringe rates for research (R) positions are dependent on position type, FTE, and source of funding. Contact your research officer for the current rates.

Pertinent questions

1. What will be the appointment period for this professional?
2. What will be the job duties of this person?
3. What percentage of time will this person be working? (This affects the fringe rate calculated on your budget. Benefits for principal and senior associates (R1 and R2) will be the same as those for professional/administrative staff. A .50 FTE is the minimum for benefits eligibility excluding retirement plan participation and tuition remission and a .69 FTE is the threshold for full benefits eligibility. To be benefits-eligible, a singular research associate (R3) position must be .50 FTE or greater.

Term and Temporary Employees

These positions are hired specifically for a project. They may be administrative office support and non-enrolled student employees who assist with duties such as correspondence, record-keeping, and financial management.

Pertinent questions

1. How many hours per week will the staff member work?
2. During what semester(s)/session(s)?
3. Will the work be conducted by temporary personnel?
4. Will the work be done in addition to other duties of current staff?
5. What will be the job duties of this person?

Student Employees

Students may be hired to perform tasks associated with a sponsored project. Undergraduate students are typically appointed on an hourly basis. Graduate students may be paid hourly, or hold doctoral associate or graduate assistant appointments.

Pertinent Questions

1. How many hours per week will the student personnel work? (U.S. students may work a maximum of 30 hours per week during the fall and spring semesters. International students may work a maximum of 20 hours per week during the fall and spring semesters.)
2. If a graduate student, is their residency in-state or out-of-state?
3. During what semester(s) or session(s) will the student(s) work?
4. Will tuition, fees, and health insurance be covered with the appointment(s)?
5. What will be the student’s job duties?

UG Student Pay Rates for 2012 -2013
Western Michigan University
Student Employee Compensation - Pay Structure

	Step			
Level	1	2	3	4
A	\$7.78	\$7.81	\$7.88	\$7.95
B	\$8.22	\$8.31	\$8.40	\$8.47
C	\$8.73	\$8.83	\$8.90	\$8.95
D	\$9.22	\$9.29	\$9.40	\$9.48

Undergraduate Student Rates

http://www.wmich.edu/career/studentemployment/sept7after_student_pay_rates.html

Graduate Student Rates

<http://www.wmich.edu/grad/appointments/>

See your research officer for the most current student stipend, tuition, and graduate student insurance rates. Don’t forget to budget for doctoral associate/graduate assistant health insurance, tuition, and fees which fall in the “Other” budget categories.

Physical Resources

Where will you conduct your research and what are your equipment needs to complete the project?

Pertinent questions

1. Space to conduct your project – where will you conduct your research?
2. What expendable equipment (< \$5,000 per item) is needed for the project (i.e., computer, printer, other equipment)?
3. Where will grant staff have workspace?
4. Will you need to purchase major equipment (>\$5,000 per item) for the project? Please note that equipment purchased by a grant remains the property of the University.

Other Resources

What additional resources are needed to complete the project?

Travel

Travel is an allowable expense on many grants. It may include travel to collect data or implement research activities, for annual agency meetings, for participants to participate in a grant activity, to disseminate research information, or travel for meetings with collaborators in other cities. Travel is typically categorized as domestic or international.

Information about current WMU travel policies is available at: <http://www.wmich.edu/travel/>

Pertinent questions

1. Is travel required by the sponsor (i.e., PI meeting with the agency)?
2. Who will be traveling?
3. How many times each year?
4. For how many days and nights?
5. To where and to do what?
6. What's the per diem rate?
7. What type of transportation (e.g., personal car, domestic air round trip, international air round trip, and ground transportation)?
8. Lodging?
9. Subsistence for participants?
10. Can departmental travel or the Faculty Research Travel Fund travel allowance help offset your travel budget? (The FRTF might be available if you are presenting the findings of your research.)

Supplies

Supplies include the myriad of expenses that may be associated with your project, and include items such as dedicated office supplies, instructional materials, expendable equipment such as laptops and printers (less than \$5,000 each), lab materials, meals for program meetings, and software.

Pertinent question

What items such as those listed above will be needed to successfully implement the project?

Rental Fees

Will you need space to conduct your work at a non-WMU site? F&A changes may apply (talk with your research officer).

Other Expenses

Are there licenses, student tuition, telephone, photocopying, postage, or any other such costs for which you might need to budget?

Doctoral associate and graduate assistant health insurance is usually budgeted in the “other” direct cost category. Fiscal year 2012 – 2013 rates for the basic plan total \$2,375. As part of the graduate appointee benefits package, you should budget \$1,025 for health insurance to cover the University’s portion. The remaining amount is paid by the student. For current rates visit the WMU Graduate College website.

Tuition

Tuition for doctoral associates and graduate assistants is allowable by many agencies. Tuition is not included in the calculation of indirect costs on federal grants.

Contractual or Consultant Services

Contractual or consultant services are services performed for a set fee. Evaluation, transcription, data compilation, use of resources or equipment are examples of services often needed by externally funded projects.

Pertinent questions

1. What type(s) of contractual service(s) will be needed during the project?
 - a. Evaluation?
 - b. Statistical?
 - c. Other?
2. What is the deadline for obtaining vendor and fee information?
3. What are the proposed fees for contractual work?

Subcontracts

You may collaborate with a colleague at another institution. Their subcontract budget would include costs for the performance of project tasks at their institution(s) and can include items such as salaries, travel, and other resources.

A subcontract budget is created and provided by the subcontractor. For many federal applications, you may need additional information from the partnering organization, such as the physical address where the work will be performed, the institutional DUNS number, or congressional district. Often a letter of support from an authorized official at the partnering organization is required for submission with a grant application. Your research officer will often work with a research officer at a partnering institution to coordinate the exchange of this information.

WMU may require that subcontractors provide specific documentation prior to your proposal submission – check with your research officer for information. Note that only the first \$25,000 of a subcontract budget is included in the calculation of F&A costs.

Pertinent questions

1. With whom am I partnering?
2. With whom would I like to partner?
3. What is their level of contribution?
4. Or, is there more than one individual?
5. If so, then who do you need, for how long, and what skill sets are needed to conduct your project?

6. How often will we meet to discuss our work, findings, and outcomes? Will this involve travel?
7. Does the sponsor require a letter of support from each collaborating partner?
8. Would they contribute to publications or reports?
9. By what date can you expect a sub-award budget for submission?

Participant Support

Many grants provide for participant support costs. Examples include stipends, travel, and subsistence for participation in a research project. For example, teachers may be paid a stipend for implementing a teaching method under research, and compensated for travel to attend training on how to implement the pedagogy. Check with your research officer to determine if your participant costs will be included in the calculation of F&A costs.

Facilities and Administrative (F&A) Costs

Facilities and administrative (F&A) costs are those costs associated with conducting and supporting externally funded research and creative activities at an organization, but that can't be specifically identified for an individual project. F&A costs include such things as maintenance, utilities, contract development, fiscal management, human resources, public safety, equipment purchase and maintenance, legal services, and compliance oversight. Information on WMU's 49% rate, determined by our cognizant agency (Health and Human Services), for the time period of May 2009 – June 2013 is available at: <http://www.obf.wmich.edu/grants-contracts/docs/facilities-and-administrative-cost-rate-agreement050709.pdf>

F&A costs are calculated by multiplying modified total direct costs (MTDC) by the approved F&A rate.
F&A costs = MTDC * rate

MTDC = Total direct costs – Excluded costs

Total direct costs = the sum of salaries and wages, fringe benefits, materials, supplies, services, travel and sub grants and subcontracts UP TO THE FIRST \$25,000 of each (regardless of the period covered by the sub grant or subcontract).

Excluded costs (for calculating MTDC) include equipment (exceeding \$5,000 per unit), capital expenditures, costs for patient care, tuition remission, scholarships and fellowships, and that portion of each subcontract in excess of \$25,000.

Sponsors may limit F&A recovery in their grant awards. Documentation of the limited F&A must be provided during the proposal approval process. Use of an F&A rate below 49% in a grant proposal must be approved in advance by OVPR.

At the end of each fiscal year, F&A costs recovered during that year are distributed across the University to those PIs and units associated with the awards to further support research and creative activities.

Distribution formula for Recovered F&A

Unit	Percentage
PI	10%
Department	10%
College	20%
General Fund	20%
WMURF	5%
Research Development Fund	5%
OVRP	30%

Policies on recovery and use of F&A funds are available at:

<http://wmich.edu/research/policies/proposalsubmit.html>

Pertinent questions

1. Does the sponsor I am considering limit the F&A recovery rate?
2. What steps do I take to approve limited F&A for my proposal?

Cost Share

A number of agencies and organizations either require or expect the award recipient to share in the costs of the funded project. Cost share can take the form of direct expenditures that support project activities, in-kind support in the form of materials or supplies, or other contributions that increase the likelihood of the project's implementation and success. Cost-share is documented through designation of a specific funding source, approved in advance of proposal submission by the individual responsible for that funding source, and tracked by the Grants and Contracts Office if the project is awarded. Prior to developing the budget, PIs must work directly with their department chair and any other administrator from which cost share may come, to arrange the cost share agreement and identify the cost share funding account.

Budget Development Support

Please contact your assigned research and program officer or research contracts administrator for assistance with your proposal or contract budget. She/he can provide information regarding base salaries, student stipend and tuition rates, allowability of specific costs, cost share requirements, and other budget details. The research and contracts officers are responsible for approving proposal budgets prior to the proposal's circulation for approval and submission, thus their involvement early in the development process can often help expedite proposal approval.

Note: This information was compiled and prepared by Paula D. Kohler, associate vice president for research, and Chris Scheller, research and program officer.