

## Budget Justification

The budget justification is one of the most important non-technical sections of the proposal, and it is often required by the sponsor. In this section the Principal Investigator (PI) provides additional detail for expenses within each budget category and articulates the need for the items/expenses listed. The information provided in the budget justification may be the definitive criteria used by sponsor review panels and administrative officials when determining the amount of funding to be awarded.

The following format is a sample only; not all components will apply to every proposal. Many sponsors prefer that budget justifications follow their own format. In all cases, however, it is best to present the justification for each budget category in the same order as that provided in the budget itself.

### Salaries and Wages:

**Principal Investigator:** This proposal requests salary support for \_\_\_\_\_% of effort during the academic year and 100% of effort for \_\_\_\_\_months during the summer and a brief description of project role and responsibilities.

**Other Professional Support:** List title, level of effort (ie: months, weeks, etc), and a brief description of project role and responsibilities. Other personnel categories (Research Associates, Postdoctoral Associates, Technicians) may be included here.

**Administrative and Clerical:** List the circumstances for requiring direct charging of these services, which must be readily and specifically identifiable to the project with a high degree of accuracy. Provide a brief description of actual job responsibilities, the proposed title, and the level of effort. (Most Federal and State agencies do not allow these expenses. Please see the Allowable Costs link on the Building a Budget page on the OSPA website).

**Graduate Students:** List number, type (MS or PhD) and a brief description of project role.

**Undergraduate Students:** List number and a brief description of project role.

**Other Hourly:** List number and a brief description of the project role.

### Benefits:

Fringe benefits are estimated as follows: nn.n% for faculty, nn.n% for Professional and Scientific, nn.n% for Merit, nn.n% for Postdoctoral , nn.n% for Graduate Assistants, nn.n% for Non-Student Hourly, and nn.n % for Student Hourly employees.

Use the current rates which can be found at <http://www.ospa.iastate.edu/Policies/FringeBenefits.aspx.html>.

If actual fringe benefits rates are used, documentation will need to be provided with the GoldSheet.

### Equipment (at least \$5,000 per item)

The following equipment will be necessary for the completion of the project. Include item description(s) and an estimated cost of each item. Provide a brief statement on necessity and suitability.

**Travel:**

For each trip, list destination, duration, purpose, cost, and the relationship to the project. Indicate any plans for foreign travel.

**Materials and Supplies:**

Include the type of supplies and how they are related to the project. When the cost is substantial, provide a brief statement justifying the necessity. Please note that office supplies are not usually an allowable cost on federal and most state agency grants. For more information on this, please see the Allowable Costs link on the Building a Budget page of the OSPA website.

**Publications:**

Page charges (number of pages multiplied by the per-page charge).

**Services:**

Include type of services, who is providing the service and cost per type.

**Consultants:**

Include the consultant's name, rate, number of days, and total cost per consultant. Provide a brief statement outlining each individual's expertise and justifying the anticipated need for consultant services.

**Subcontracts:**

Include the subcontractor's name, amount, and total cost. Provide a brief description of the work to be performed and the basis for selection of the subcontractor. A separate budget and corresponding budget justification should be completed by the subcontractor. In addition, OSPA requires a signed transmittal letter stating the amount of the subcontract and a scope of work as well.

**Other Expenses:**

Use this category for expenses that do not fit into the above categories including tuition, honoraria, etc. It is important to make sure that all items are clearly listed and explained.

**Facilities and Administrative Costs (Indirect Costs):**

Please list the indirect cost rate used and how it was applied (ie: modified total direct costs vs total direct costs). If a rate other than the full and allowable rate is used, please be sure to justify the rate and include documentation with the GoldSheet.