



Building a Proposal Budget

This flyer describes typical proposal budget line-item categories and explains how these costs are estimated. Our CSS RA Liaison develops the proposal line-item budget and associated budget justification and delivers the PI-approved, final documents to our Campus Shared Services Research Administration (CSS RA) team for inclusion in the proposal application.

SALARIES AND WAGES

Our CSS RA Liaison will provide the Principal Investigator (PI) with accurate estimates for compensation costs for employees participating in the proposed project. Cost estimates are based on the percentage of effort and the duration of that effort in months for each individual. For vacant positions where a future recruitment will be needed, our CSS RA Liaison or PI will consult with the appropriate Berkeley Law HR expert for title code and salary range recommendations. Our CSS RA Liaison understands the faculty-PI effort allowed by UC Berkeley policy on sponsored projects and can coordinate any necessary approvals for policy exceptions. Our CSS RA Liaison can also advise the PI about eligible administrative or clerical salary costs for the proposed project.

FRINGE BENEFITS

Our CSS RA Liaison will apply the appropriate UC Berkeley Composite Benefit Rate (CBR) to each UC Berkeley employee participating in the proposed project, based on the combination of their job code, earnings code and BELI number as recorded in HRMS. Our CSS RA Liaison will also calculate GAEL assessment costs for proposals to non-federal funders. The cost of monthly leave accrual is no longer included in proposal budgets.

GRADUATE STUDENT FEES AND TUITION

If Graduate Student Research (GSR) Assistants are included in the proposed project, our CSS RA Liaison will provide the PI with information about hourly rates and allowable % effort, including thresholds triggering partial and full fee remission costs.

SERVICES

For each **named** supplier and independent contractor providing goods and/or services to the project, our CSS RA Liaison will obtain a written cost estimate and compile other required information, including documentation of the reasonableness of pay rates.

SUPPLIES

Our CSS RA Liaison will obtain cost estimates for project-related supplies and will group them into the appropriate budget line-item categories.

TRAVEL

Our CSS RA Liaison will provide the PI with cost estimates for travel expenses and properly describe/align these budget line items with how these costs are recorded in the campus financial system. UC policy applies to all project-related travel, regardless of the traveler's affiliation with UC Berkeley.

COLLABORATORS

Our CSS RA Liaison will consult with SPO, as needed, to determine if the third-party organization or individual who will provide project-related services should be classified as a subrecipient, independent contractor or supplier, and will build these proposal budget line items according.

If services meet the criteria for a subaward, our CSS RA team will work with each subrecipient to obtain the required Subrecipient Commitment Form (external to UC) or Multi-Campus Commitment Form (UC campus), Scope of Work narrative, line-item budget, and budget justification. If the sponsored agreement is a contract, our CSS RA team will also facilitate completion of the required Fair and Reasonable Cost Analysis assessment for each subrecipient.

OTHER DIRECT COSTS

Project-related expenses such as stipends, honoraria, printing/photocopying, food and beverages, group lodging paid directly to the hotel by the host, facility rental fees, communication services, and allowable computer and telephone charges are included as other direct costs in proposal budgets.

INDIRECT COSTS (or F&A)

Indirect costs – also called Facilities and Administrative Costs (F&A) or overhead – represent project expenses that cannot be easily identified with any specific sponsored project, but are incurred for common or joint objectives related to all sponsored projects at UC Berkeley. Our CSS RA Liaison will apply the appropriate indirect cost rate and basis to budget line items, and will confirm these rates with SPO when building the proposal budget.

Our CSS RA team will obtain a copy of the sponsor's policy on overhead if indirect costs are disallowed entirely or if a different rate is to be applied on submitted proposals.

COST SHARING OR MATCHING FUND COMMITMENTS

Some sponsors require the University to demonstrate its financial commitment to a proposed project by sharing costs. Cost sharing refers to those project costs not borne by the sponsor. Cost sharing represents a binding commitment by the University to the sponsor – **project costs should be shared only when absolutely necessary**. The most appropriate cost sharing contribution to projects is University-funded salaries of faculty and other employees directly engaged in the proposed project. If cost sharing must be included in the proposal, our CSS RA Liaison will ensure that all relevant requirements are met.

Our CSS RA team will also review the proposal to ensure that the PI hasn't unintentionally committed to cost sharing.

BUDGET JUSTIFICATION

The budget justification provides the rationale for proposed project expenditures. Our CSS RA Liaison will compose the initial draft of the budget justification, on behalf of the PI, incorporating standard content required by SPO and properly aligning the proposal budget line items and budget narrative with the sponsor's requirements.