

DEVELOP YOUR BUDGET

A budget reflects the costs of the activities needed to carry out the **goals and objectives** of the proposed project. It should include **best estimates** of the **required resources** and must **comply with University, CSU, and sponsor policies** (ex. federal grants follow Office of Management and Budget [cost principles](#); costs must be allowable, allocable, and reasonable).

Activities and resources referenced in the proposed activities should be aligned with budget line items and vice versa.

A well-developed budget is integral to the University internal routing and approval process as it provides chairs/directors, deans/VPs and other campus administrators with a broad view of the project and helps them understand the level of support and resources required to carry out the proposed project. Additional information can be found on the [Research Gateway](#).

All sponsored projects are managed by the [CSU Fullerton Auxiliary Services Corporation](#) (ASC), who act as the administrator and fiscal liaison for all externally funded sponsored programs.

Tips for Getting Started

- **Create a project timeline** or workplan and determine *who* will be doing *what*, *when*, and *how*
- **Obtain estimates/quotes** for equipment, materials and supplies, software, or other tools/services

Instructions

- The following pages describe major budget categories and provide *general* budget item examples typically requested for funding. While this is not an exhaustive list, it is meant to be a starting point when thinking about and preparing your budget.
- **Using the attached worksheet, please enter anticipated budgetary needs for your project within the applicable budget categories.** This worksheet will be used by the Grants and Contracts Officer to prepare your budget.

COST CATEGORIES

Budget costs are divided into two categories:

1. **Direct costs** are specific costs in a budget directly charged to the project such as personnel costs, supplies, and travel, and;
2. **Indirect costs** (also called Facilities and Administrative costs or overhead), are incurred for the general support and management of research. Indirect cost rates are federally negotiated and determined by project activity.

SPONSOR REQUIREMENTS & LIMITATIONS

Some sponsors have very clear allowable and unallowable costs. These can vary from mandatory travel for PI meetings, a specified allocation towards evaluation, or limits to indirect cost rates. Please determine and note any sponsor limitations or requirements while preparing your budget with the Grants and Contracts Officer.

DIRECT COSTS – Major Categories

CSUF Personnel

- *Project Team*: Who will be working on the project and how many hours will they dedicate to completing the proposed activities?
 - CSUF faculty and staff can get reassigned time or additional pay
 - Reassigned time for faculty includes course buyouts
 - [Additional pay](#) can be during academic ([overload](#)) and non-academic time(summer)
 - CSUF students who will work specifically for this project will be hired via ASC; they can work no more than 20 hours during the academic year and up to 40 hours during non-academic time
 - New employees (Research Associates, Project Coordinators, etc.) can be hired as exempt/non-exempt employees with full, partial, or no benefits

*Tip: If proposed activities include extensive administrative oversight, consider budgeting administrative support such as a Project Coordinator, if allowed.

Note: [Fringe benefits](#) (health insurance, retirement benefits, etc.) are applied on all personnel costs.

External Collaborators

- *Subaward Institutions*: Are you collaborating with faculty at another institution who will carry out a portion of the proposed project? Consider their scope of work.
- *Consultants/Independent Contractors*: Will you have consultants/independent contractors on the project? A consultant is a member of a particular profession or who possesses a special skill or expertise to serve as “expert advisor” for a specific project. See [Independent Contractor Determination](#) and [Independent Contractor Agreements](#).

For more information, please see [Sponsored Programs Subrecipient Policy](#).

Major Equipment | Defined as ≥ \$5,000/system

- What equipment does your project need? Does it require special installation and/or annual service? Obtain an estimate from the vendor with your specific configuration.

Travel | Mileage reimbursement, airfare, lodging, meals & incidentals, etc.

- *Data Collection*: Does your project require travel for data collection?
- *Dissemination*: If results will be presented at conferences or to stakeholders, please identify conferences and/or meeting locations.

Please refer to [Employee Travel Policy and Procedures](#) for current mileage reimbursement rates, etc.

Other Costs | Expenses Specifically Associated with the Project

- What other costs are required to complete your project? Other costs can include:
 - *Materials and Supplies*: such as pipettes, chemicals, laptops, etc.
 - *Services*: such as evaluation, transcription, data storage, etc.
 - *Electronic items*: such as microphones, recording devices, etc.
 - *Hospitality*: such as venue rental, food and beverage costs, etc. (if allowed)
 - *Marketing/Publications*: such as costs to cover open access publishing fees

Participant Costs | Incentives, Stipends, Scholarships, etc.

- *Incentives*: Does this project include participants who will receive an incentive for their time (survey completion/focus group)?
- *Student Stipends & Scholarships*: Will the project support student scholarships, stipends, or allowances for books, housing, and travel?

See the difference between hiring a student and giving them scholarship at [Student Salary vs. Scholarship](#).

INDIRECT COSTS – Applicable Rates

Indirect cost rates are negotiated between the University and the Federal Cognizant Agency; these rates are based and applied on activities related to the proposed project. These activities, generally, are defined as:

- *Organized Research*: used for research and development activities sponsored by federal and non-federal agencies and organizations; including training individuals in research techniques
- *Instruction*: used when the primary purpose of the project involves training, curriculum development, instruction, demonstration, or efforts to improve pedagogical methods
- *Other Sponsored Activities*: used for other activities such as health service projects, community service programs, and other projects.
- *Off-Campus*: if more than 50% of a performed off-campus, the off-campus rate will apply to the project and a [justification form](#) must be completed and submitted prior to internal routing

See [Indirect Cost Negotiation Agreement](#). For additional information, see [Application of F&A](#).