Tennessee Tech University

### Budget Justification Template

Agencies almost always require a budget justification to accompany the budget, but even when they don't, the Office of Research will still require it for its internal records. A carefully prepared budget and justification at the proposal stage can make life a lot easier when the award comes in. The proposal budget and budget justification should, as accurately as possible, represent a financial narrative of the project and align with the statement of work (SOW) outlined in the project narrative.

Just as the research process has to be very clearly articulated to the reviewer in the SOW, the budget and budget justification should be methodical as well in enumerating and explaining all reasonable, allowable and allocable project expenses so as to minimize prior approval requests and budget shortfalls before an award even begins.

It is important to remember that a budget isn't just a collection of numbers on a page. Should a proposal be awarded, the budget and budget justification will be used and referred to for a number of years by anyone administering the award.

The items contained in the below justification have been pulled from various budget justifications over the course of several projects and, therefore, do not represent one cohesive proposal. Please view this document as a menu and take what best suits your proposal and delete what is not needed. This document was built using NSF’s categories; therefore, Participant Support may not apply to your proposal. This is a starting point for your budget justification. If you are unsure and would like assistance, please contact our office.

Thank you and best of luck on your proposal!

**Tennessee Tech University Budget Justification**

***Project Title:*** Click or tap here to enter text.

**Project Dates:** Click or tap here to enter text.

# Total Salaries & Wages | $xxx

Labor rates for personnel are set strictly by their current rate of pay at Tennessee Tech University (Tennessee Tech). One month is 162.5 hours and one week is 37.5 hours. Faculty are on 9-month appointments which equals 1,462.50 hours. The budget includes an anticipated 3% increase for regular full-time employees to include salary increases effective August 1 and/or at the beginning of the Fall semester. Undergraduate student workers may be paid an hourly wage between the federal and state minimum wage of $7.25 and a maximum of $12. Pay rates above $12 per hour require the agency approval and will be clearly outlined below as needed.

Tennessee Tech defines “year” as their state fiscal year from 7/1 to 6/30.

* A calendar year is the 12 month period starting January 1 and ending December 31.
* A fiscal year is the 12 month period starting July 1 and ending June 30.
* An academic year is the 9 month period starting the last Monday in August and ending the first Friday in May.

## Senior Personnel | $xxx

The Principal Investigator, Dr. John Doe, Associate Professor in Research, is requesting $x over 24 months. The PI will commit 0.5 of an academic month each year of the project and is also requesting 1 summer month in Year 1 and 0.5 of a summer month in Year 2. Dr. Doe’s responsibilities include [**ADD DETAIL HERE**].

* **EXAMPLE:** Dr. Doe will be responsible for the overall coordination and supervision of all aspects of the study. This includes hiring, training, and supervising staff/students; recruiting study participants; coordinating treatment and assessment components; scheduling and staff assignments; and data management. In addition, she will conduct the orientation sessions, assist with statistical analyses, and be responsible for reporting the study’s findings.

## Other Personnel | $xxx

Funding for one Ph.D. graduate student is included during Year 1 and Year 2 at a stipend of $xxx per month during the academic year (9 months) on a Graduate Research Assistantship appointment. During the summer semesters, the budget includes $xxx a month for 3 months during each of Years 1 and 2 for the Ph.D. graduate student on hourly student payroll. Each student on a Graduate Research Assistantship is to work 20 hours a week on their assigned research when on a full assistantship appointment. The Ph.D. students’ responsibilities include [**ADD DETAIL HERE**].

Funding for one M.S. graduate student at 50% on a Graduate Research Assistantship is budgeted at a stipend of $xxx ($xxx x 50%) per month during the academic year (9 months) for each of the Years 1 and Year 2. During the summer semesters, the budget includes $xxx per month for 3 months during each Years 1 and Year 2 for the M.S. graduate student on hourly student payroll. Each student on a Graduate Research Assistantship is to work 20 hours a week on their assigned research when on a full assistantship appointment. The M.S. students’ responsibilities include [**ADD DETAIL HERE**].

Funds for one undergraduate student have been budgeted at $xxx over 24 months. The student has been budgeted to work xxx hours in Year 1 and xxx hours in Year 2 at an hourly rate of $xxx to $xxx per hour. The rate will be determined depending upon the complexity of the task being performed and the level of student. The undergraduate students’ responsibilities include [**ADD DETAIL HERE**].

## Fringe Benefits | $xxx

Faculty members are appointed on a 9-month appointment during the academic year. Benefits during that time period are FICA, Medicare, Group Insurance, and Retirement. Any time spent on research during the summer months does not carry the same benefit load since the group insurance is paid on the academic salary. Benefits assessed during the summer are FICA, Medicare and Retirement. Dr. Doe’s benefits are calculated at xxx% of summer pay and xxx% for work performed during the academic year or release time.

The University follows IRS rules in determining a student's exemption from FICA withholding. When eligible, Social Security is withheld at 6.2% and Medicare at 1.45%, for a total tax of 7.65%. Student workers will be exempt from these payroll taxes if the student is enrolled full-time, a minimum of 6 credit hours, during the time the work is performed. Per IRS guidelines, if a student is non-taxable in any part of the month, the entire month is non-taxable.

 These rates are not negotiated with the Division of Cost Allocation in the US Department of Health and Human Services, but are based on actual benefits paid as a percentage of salary. The project will be charged actual expenses.

### Graduate Student Maintenance Fees | $xxx

No fringe benefits are charged on graduate student stipends. The Graduate Student Maintenance Fees are paid from Employee Benefits and are budgeted for the Ph.D. and M.S. graduate students for each of the two years of the project and are part of the Graduate Research Assistantships. The graduate student maintenance fees are estimated to be $xxx per year per graduate student appointed full time during academic Year 1. Fees are calculated at the in-state rate of 9 credit hours each semester and include a $xx/credit hour charge for those enrolled in Engineering courses. While current rates are published on the Tn Tech website, the calculation for fees includes an expected increase of 6% each year.

## Equipment |$xxx

Funds are being requested for the purchase of a server in year one. The requested amount for this equipment is based on currently contracted vendor-provided pricing and consultation with Tn Tech’s Information Technology Services group. The server is needed to store sensitive experimental data. The server will serve as a secure staging local repository for development of low scale and short-term data and analysis. Data from classroom recordings also needs to be secured and isolated both physically and logically and from the general campus network to ensure no personal data is exposed. In addition to access controls like authorization and authentication, the server will be placed in a secure area with limited access.

No equipment requested. To meet the definition of equipment, the property must have a useful life of more than a year and an acquisition cost of more than $5,000 per unit.

## Travel | $xxx

Travel costs are set by the State of TN Dept. of Finance and Administration regulations and Tennessee Tech policy with all in-state travel having its special set of limits. At present mileage is reimbursed at the rate of $0.47/mile. Out of-state travel limits are set by CONUS rates on the government website and may include ground transportation, air fare, baggage, fees, lodging, per diem, parking and registration.

The PI along with the Ph.D. student will attend smart materials related conferences to disseminate research results which is estimated at $xxx per trip.



**Note:** Meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense in the FOA.

## Participant Support Costs | $xxx

To support this effort and the participating students, a total of $xxx is budgeted for Year 1 with years 2 and 3 including a x% escalation on food and lodging. The following estimates are based on current rates and assumes students will be housed in double rooms. A summer program is planned consisting of 8 students which will be trained over 8 weeks.

**Stipends – $xxx**: Each student will be given a stipend of $xxx/week for a total of $xxx for each student or $xxx/year total for 8 students.

**Lodging – $xxx**: Housing for double room occupancy on the Tennessee Tech campus is $xxx/week or $xxx per student for 8 weeks. If a student decides to stay in campus housing, the housing will be paid directly by internal transfer. If they choose to stay off-campus, this will be paid in installments along with their stipend. A x% escalation has been included for years 2 and 3.

**Meals – $xxx**: Each student will receive $xxx/day for 7 days for 8 weeks to include $xxx for breakfast, $xxx for lunch and $xxx for dinner as provided by Chartwells, Tennessee Tech’s dining services. The students may purchase their own meal plan if they choose. Half of this will be paid at the beginning of the program and half will be paid at the beginning of the second 4-weeks.

**Travel – $xxx**: Each student will be reimbursed up to $xxx to cover the cost of 1 round trip to/from Tennessee Tech at the most economical means for a total of $xxx/year. Travel to conferences to present the students work after the 8 weeks has been budgeted at $xxx over 36 months.

## Supplies and Other Direct Costs | $xxx

* **Materials and Supplies | $xxx**

A total of $xxx is being budgeted for materials and supplies to be broken down as $xxx in year 1 to develop and reproduce recruiting materials and $xxx in years 2 and 3 to reproduce recruiting materials as needed.

* **Consultant Services | $xxx**

Stipends are included for those mentoring the scholarship students as shown below:



* **Subawards | $xxx**

A total of $xxx is being requested for the subaward, Subaward University, over the project period. Year 1 is budgeted at $xxx, year 2 at $xxx, year 3 $xxx, year 4 $xxx and $xxx in year 5. Years 1-3 will support coPI Dr. Subaward, marketing, recruitment and 10 ETE interns at Subaward University.

* **Other | $xxx**

A total of $xxx each year is being requested for software license to set up a collaboration site on Slack for the project.

## I. Indirect (Facilities & Administrative) Costs | $xxx

Tennessee Tech’s current predetermined federally approved on-campus Facilities and Administrative Cost rate as approved by the Department of Health and Human Services effective July 1, 2021, through June 30, 2023, is 42.0% of Modified Total Direct Costs. The Modified Total Direct Costs are the Total Direct Costs less capital expenditures (buildings, individual items of equipment, alterations and renovations), that portion of each subaward in excess of $25,000 and flow-through funds.

Tennessee Tech’s current predetermined federally approved off-campus Facilities and Administrative Cost rate as approved by the Department of Health and Human Services effective July 1, 2021, through June 30, 2023, is 11.5% of Modified Total Direct Costs. The Modified Total Direct Costs are the Total Direct Costs less capital expenditures (buildings, individual items of equipment, alterations and renovations), that portion of each subaward in excess of $25,000 and flow-through funds.

The portion of indirect costs (F&A) that were not allowed by the sponsor is being considered waived indirect costs or unrecovered facilities and administrative costs and is being counted as Grantee Participation.

Tennessee Tech University is a State Controlled Institution of Higher Education that is submitting this proposal for consideration under the Cooperative Ecosystem Studies Unit Network”], which has a Department of the Interior-approved indirect cost rate cap of 17.5%.

**Total Project: $xxxx**