

Budget Guidelines

1. The Budget and Grants Office (BGO) is service-oriented and can assist you in the entire process of grant budget development. For this to happen, you need to meet with BGO EARLY in the process. Provide a copy of the grant guidelines as provided by the grantor. BGO can advise on all budget and grants categories, including fringe benefits, indirect cost rates, summer salary rates, etc. If you are unfamiliar with budgets or with writing a grant budget narrative, we will assist in preparing the budget and narrative with you.
2. Get an early start in preparing your budget. Budget development can be an effective tool in helping you conceptualize your project from beginning to end. Think about the day-in-day-out activities associated with your project. If there will be substantial administration involved, be certain to arrange and budget for release time or hiring of administrative help. If there is an assessment phase at the end, leave sufficient time in your project timeline, and resources to undertake the assessment. Make sure your budget is realistic. Get discounted prices from vendors. Reviewers generally will know the prices of equipment, supplies, etc., and unrealistic prices will harm your chances of award. Butler's Purchasing Department can assist with price estimating.
3. Frequently, grantors require cost sharing or in-kind match as evidence of university commitment to the project. Matching funds must be approved in advance by the Department Chair, College Dean, Provost and Vice President of Finance before a proposal is submitted. It is a good idea to get this university commitment very early in the process – even before you have begun formally writing your proposal.
4. An External Grant Approval Form must accompany all grants to off-campus entities. This form has a brief description of the grant, and spaces to detail any matching or other university commitments. The Butler Institute for Research and Scholarship and the Budget and Grant Office can assist you in filling out this form and routing it to the appropriate individuals on campus.
5. Avoid general language and categories. Use budget categories which describe in detail the item or activity being purchased (e.g., instead of "faculty development" use terms such as "travel, conference registration, food and beverage"). The Budget and Grants Office can provide you with a list of current and suggested accounts. Avoid use of undefined "miscellaneous" and "other" categories.
6. Many grantors allow for general Facilities and Administrative costs (variously called "indirect" or "overhead" costs). If a grantor allows for these costs, the university prefers to budget these costs at the maximum rate allowable by the grantor. For federal grants, if a grantor requires Butler University's federally-negotiated Facilities and Administrative cost rate, that rate is 56% of salaries and wages excluding fringe benefits. In some cases a percentage of the total direct costs may be used on federal grants. Check with the Budget and Grants Office and the grant program guidelines.
7. The University's fringe benefit rate is 30% during the academic year for full-time employees and 8.0% for graduate students, faculty/summers, and part-time employees. There are no fringe benefit costs associated with full-time undergraduate students.
8. If the grantor requests a budget in a form incompatible with Butler's chart of accounts, the Budget and Grants Office will require a parallel internal budget which translates the proposed submitted budget into a form compatible with Butler's accounts. Both of these budgets must be completed and reviewed by the Budget and Grants Office before the proposal is submitted.
9. Notwithstanding any of the above, ALL GRANT BUDGETS, BUDGET NARRATIVES AND ACCOMPANYING GRANT PROGRAM GUIDELINES AND EXTERNAL GRANT APPROVAL FORM MUST BE RECEIVED IN THE BUDGET AND GRANTS OFFICE A MINIMUM OF TWO WEEK BEFORE THE PROPOSAL IS DUE TO BE MAILED/SENT. This is to allow adequate time to ensure that you have a fully-developed budget, and also to ensure that the university has agreed to any matching requirements and other grant-related commitments. Failure to submit these materials by the internal deadline will jeopardize chances of timely university approvals, and could result in a delayed submission.