

Budget Guidelines

1. The office of Budget and Grants Administration (BGA) is service-oriented and can assist you with the entire process of grant budget development. For this to happen, you need to meet with BGA **early** in the process. BGA 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 grant budget narratives, we will assist with both.
2. Get an early start in preparing your budget. Budget development can be an effective tool to help you conceptualize your project from beginning to end. Think about the daily activities associated with your project. If there will be substantial administration involved, be certain to arrange and budget for release time or hiring administrative help. If there is an assessment phase in the middle or at the end of the project, allot sufficient time and resources to undertake the assessment(s).
3. Make sure your budget is realistic. Get discounted prices from vendors. Reviewers generally will know the prices of equipment and supplies. Unrealistic prices will harm your chances of being awarded the grant. Butler's Purchasing Department can assist with price estimates.
4. Grantors frequently require cost-sharing, in the form of a cash or in-kind match, as evidence of institutional commitment to a project. Matching funds must be approved in advance by your Department or Program Chair and College Dean (or appropriate supervisor if you are not faculty), as well as the Provost and Vice President of Finance before a proposal is submitted. It is a good idea to get this commitment early in the process—even before you have begun formally writing your proposal. Matching funds, in the form of smaller cash matches, are also available through the Butler Institute for Research and Scholarship (BIRS). For more information, contact the director of BIRS.
5. Many grantors allow for general Facilities and Administrative costs, (also called "indirect costs," "overhead costs," or simply "F & A"). If a grantor allows for these costs, the University prefers to budget them at the maximum rate allowed 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 BGA and the grant program guidelines to ensure that you are applying the correct rate.
6. The university's fringe benefit rate is 30% during the academic year for full-time employees and 8% for graduate students, part-time employees, and full-time faculty who are on a nine month contract and are seeking funding for the summer. Faculty on twelve-month appointments should use the 30% rate year-round. There are no fringe benefit costs associated with full-time undergraduate students.
7. Avoid general language and categories. Use budget categories which describe in detail the item or activity being purchased. For example, instead of "faculty development" use terms such as "travel, conference registration, food and beverage." Also, avoid use of undefined "miscellaneous" and "other" categories. The BGA can provide you with the list of current and suggested account categories.
8. If the grantor requests a budget in a form incompatible with Butler's chart of accounts, the BGA will require a parallel internal budget, which translates the proposed budget into a form compatible with Butler's accounts. Both of these budgets must be completed and reviewed by the BGA **before** the proposal is submitted.
9. An *Authorization for External Funding* form must accompany all applications submitted to off-campus entities. This form has a brief description of the grant and space to detail any cost-sharing or other University commitments. The Butler Institute for Research and Scholarship and the BGA can assist with filling out this form and routing it to the appropriate individuals on campus. The form can be found on the Butler Institute for Research and Scholarship's website at <http://www.butler.edu/birs>.
10. **All grant applications (including proposal narratives and budgets) must be submitted with the *Authorization for External Funding* form to the Butler Institute for Research and Scholarship a minimum of two weeks before the application deadline.** This procedure allows adequate time to ensure that you have a fully-developed application and also ensures that the University has approved of any cost-sharing requirements or 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 or missed submission.