



**RESEARCH & SPONSORED PROGRAMS ADMINISTRATION**

**BOOT**



**CAMP**



**PROPOSAL & AWARD BUDGETS**

**Budget** = An estimate of the anticipated costs/expenses needed to complete a project over a set period of time.

Principal Investigators are responsible, working with their department and college administrators, for preparing compliant budgets and managing their award budgets.

PI:		Award #:									
Awarding Agency:		Banner #:									
RA Log#:		Fund/Account #:									
ch Admin. Contact:		Obligation Period:									
A Finance Contact:		Start Date	End Date								
KEY PERSONNEL	ROLE	INST. BASE SALARY	Inst Salary Cap	SALARY Amount	Academic Months 61010	Summer 61013	12 Mos Appt	FT/PT FTE	FRINGE BENEFITS - Cost	TOTAL SALARY PLUS FRINGE	
John	PI	\$200,000		\$65,767	0	4		FT	\$16,442	\$82,208	
Eva	Co-PI			\$0				FT	\$0	\$0	
Jim	Co-PI			\$0				FT	\$0	\$0	
Beau	Co-PI	\$0		\$0				FT	\$0	\$0	
Ginny	Other	\$0		\$0				FT	\$0	\$0	
<b>Other Personnel</b>											
0	Post Doc - 61130			\$0					\$0	\$0	
0	Graduate - 61050			\$0					\$0	\$0	
1	Undergrad	\$200,000	n	\$66,667	0	4	0		\$5,100	\$71,767	
0	Other - 61130			\$0					\$0	\$0	
		<b>Total Salary</b>		<b>#####</b>			<b>Total Fringe</b>		<b>\$21,542</b>	<b>\$153,975</b>	
<b>CONSULTANT COSTS - Professional Services Other - 74800</b>											
Name:									\$0	<b>Consultant Costs</b>	
Name:									\$0	<b>Consultant Costs</b>	
<b>Capital Equipment (Greater than \$5000)</b>											
73003 - Lab									\$0		
73005 - Computers									\$0		
73012 - Fabricated Equip									\$0	<b>Capital Equipment</b>	
<b>Other Direct Costs</b>											
74517 Tuition									Excluded from base	\$0	
73066 Computer Softwa									\$0		
73301 Office Supplies									\$0		
73820 Maintenance									\$0		
73304 Scientific Supplies									\$0	<b>Other Direct Costs</b>	
<b>TRAVEL - 73021</b>											
Domestic Travel - 73021					Foreign Travel - 73030						
Name:									\$0	<b>Travel</b>	
<b>PARTICIPANT SUPPORT COSTS</b>											
74600 - Stipends									\$0		
74601 - Other									\$0		
Number of Participants:									0	<b>Part. Support Costs</b>	
<b>CONSORTIUM/SUB-AWARD COSTS - 78050-78059</b>											
1st Sub Institution							\$0	\$0	\$0	\$0	
2nd Sub Institution							\$0	\$0	\$0	\$0	
3rd Sub Institution							\$0	\$0	\$0	\$0	
4th Sub Institution							\$0	\$0	\$0	\$0	
<b>Sub-Awards</b>											
<b>TOTAL Direct Costs</b>											
<b>\$153,975</b>											
<b>*To be completed by NU-RES Grants Officer</b>											
<b>COMMITTED COST:</b>		<b>Type</b>	<b>Perce</b>	<b>Source</b>	<b>Account</b>	<b>TOTAL AWARD OBLIGATION:</b>					
<b>TOTAL Cost-Share</b>		Mandatory	0%	Provost/SVFP		<b>On-Campus</b>					
<b>\$1,000.00</b>		Voluntary Committed	0%	Over Cap Amount Total - Inings	\$ 42,792	<b>\$87,766</b>					
<b>Inderecover of FE:</b>			0%	Select College		<b>\$0</b>					
						<b>\$241,741</b>					
		IDC Base	MTDC	\$153,975							
Adjusted for first \$25,000 on Subawards											
Please fill in yellow spaces as applicable											
Excluded from MTDC base			Check if excluded from Base			Dropdown menu selection			Included in Base		
					To be completed by NU-RES Grants Officer			MTDC, F&A and Total Award Costs verified by RAF			

**Direct Costs** = costs that directly benefit the project and are:

**Allocable**

+ **Necessary**

+ **Reasonable**

= **Allowable**



## Guidance

- **Uniform Guidance – 2 CFR Part 200 – Cost Principles**
- **Funding Agency Guidelines & Policies**
- **FOA Terms & Conditions**
- **NU Policies**
- **DHHS Rate Agreement**

## Budget Types

- Detailed
- Modular

## Budget Justification

The budget justification describes the proposed costs and rationale for the costs. Budget Justifications explain how the proposed budget supports the projects aims.

Costs listed in the budget or the budget justification are “quantifiable” -- i.e., expressed or measured and, therefore, are considered committed resources.

## Budget Costs

- Direct
- Indirect



## Cost Categories

### Personnel

- Principal Investigator
- Senior/Key
- Other NU Project Personnel

### Consultants

### Subrecipient Investigators

### Supplies

### Equipment

### Travel

### Trainee Stipends

### Tuition

### Participant Support

### Human Subject Research

### Payments

### Publication Costs

### Other

## Federal Regulations Related to Personnel Costs

- **2 CFR § 200.430 - Compensation – Personal Services**
- **No expectation of Cost Sharing, 2 CFR 200.36**
- **HHS Salary Cap does not constitute Cost Share**
- **Documentation of Institutional Base Salary (IBS)**

## Measurable Effort

Memoranda 01-06 --  
Clarification of OMB A-21  
Treatment of Voluntary  
Uncommitted Cost Sharing  
and Tuition Remission Costs

January 5, 2001

M-01-06



## Proposed Levels of Commitment

- **Proposal Review: Is there sufficient effort to complete the aims?**
- **Overlap/Over Commitment?**
- **Changes in Level of Commitment/Status**
- **Commitment and OMB Functions: Research, Instruction, Other Sponsored Activities**
- **Concurrent Effort**

# Proposed Levels of Commitment

## Measures of Proposed Level of Commitment

- Person Months
- % Effort

Allocating proposed effort between the Academic Year & Outside the Academic Year (OAY/aka Summer)

# Proposed Levels of Commitment – Person Months

## Person Months

The metric for expressing the effort (amount of time) PD/PI(s), faculty and other senior/key personnel devote to a specific project. The effort is based on the type of appointment of the individual with the organization; e.g., calendar year, academic year, and/or summer term; and the organization's definition of such. For instance, some institutions define the academic year as a 9-month appointment while others define it as a 10-month appointment. See also [Frequently Asked Questions Regarding the Usage of Person Months](#).

<https://grants.nih.gov/grants/glossary.htm#P>

**Note:** Northeastern's Maximum Allowable Effort on Extramurally Funded Awards 95% AY; or 80% OAY(Summer).\* For example, a faculty member with an 8 month AY appointment and no supplemental appointments should not have more than  $7.6 \text{ (AY)} + 3.2 \text{ (OAY)} = 10.8 \text{ PM}$  charged to awards during a 12-month budget period.

\*If your faculty member has a supplemental administrative appointment please contact NU-RES for guidance related to University caps on SSOG.

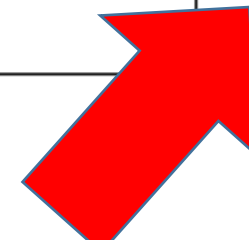
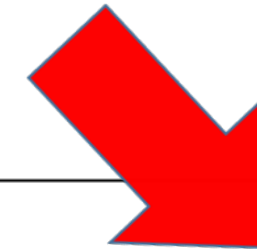
# LEVEL OF COMMITMENT & MEASURABLE EFFORT

Investigators are expected to propose levels of commitment that correspond to the level of effort they will spend on a specific project.

Measurable effort should be listed on research projects. This effort is reported in person months and listed on the proposal budget and also other reports, e.g., NIH's Other Research Support reports.

## Format

<u>NAME OF INDIVIDUAL</u> <u>ACTIVE/PENDING</u>		
Project Number (Principal Investigator) Source Title of Project ( <i>or Subproject</i> )	Dates of Approved/Proposed Project Annual Direct Costs	Person Months (Cal/Academic/ Summer)
The major goals of this project are...		
<i>OVERLAP (summarized for each individual)</i>		



## Institutional Base Salary

**IBS = the total annual compensation paid by Northeastern for the employee's appointment (s), whether that individual's time is spent on research, teaching, service, administration or other institutional responsibilities.**

# Documentation & Determining IBS

## Institutional Base Salary

- Appointments
- Full Time Equivalent (FTE) Status
- Base Term of the Appointment (8, 9, 12)
- Compensation for the Appointment

Faculty holding joint appointments



Faculty holding multiple appointments

## IBS Calculation

Faculty Appointment, Full-Time, 8 months, \$80K

Annual Compensation = \$80K; IBS Per Month Rate = \$10K

Faculty Appointment, Full-Time, 8 months, \$80K

Administrative Supplement, Full-Time, 12 months, \$12K

IBS =  $80K/8 = \$10K +$

$12K/12 = 1K$

Annual Compensation = \$92K, IBS Per Month Rate = \$11K

## Calculations:



- **PM** = FTE x Level of Commitment % x Budget Period (in months)  
or
- **% Effort** = FTE x PM/Budget Period (in months)
- **IBS PM RATE** = COMPENSATION/BASE TERM +
- **SSOG** = PM x IBS PM RATE

## Budgeting SSOG:

- **ACADEMIC YEAR**
- **OUTSIDE ACADEMIC YEAR (OAY/SUMMER)**



# Salary Support on Grants

- **STEP #1**
  - Establish the individual's IBS
  - Calculate the Corresponding IBS Per Month Rate
- **STEP #2**
  - Establish the Proposed Level of Commitment (Effort)
  - Convert % Proposed Level of Effort into Person Months
    - Academic Year Period and, if any,
    - Outside-Academic Year (OAY)/Summer Period
- **STEP #3**
  - Multiply the PMs x IBS Per Month Rate = SSOG
- **STEP #4**
  - Identify any issues that may complicate Steps 1-3 (e.g., HHS Salary Cap, joint and/or multiple appointments)

## Personnel Costs:

$$\text{SSOG} = \text{IBS Monthly Rate} \\ \times \\ \text{PM}$$



## BUDGETING PMs AY/OAY(SUMMER)

RESEARCH & RELATED BUDGET - Budget Period 1

Delete Period

CMB Number: 4040-0001  
Expiration Date: 10/31/2019

ORGANIZATIONAL DUNS:  Enter name of Organization:

Budget Type:  Project  Subaward/Consortium Budget Period: 1 Start Date:  End Date:

### A. Senior/Key Person

Prefix	First	Middle	Last	Suffix	Base Salary (\$)	Months			Requested Salary (\$)	Fringe Benefits (\$)	Funds Requested (\$)
						Cal.	Acad.	Sum.			
<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Project Role:

Add Additional Key Person

Additional Senior Key Persons:  Add Attachment Delete Attachment View Attachment Total Funds requested for all Senior Key Persons in the attached file   
Total Senior/Key Person

### B. Other Personnel

Number of Personnel	Project Role	Months			Requested Salary (\$)	Fringe Benefits (\$)	Funds Requested (\$)
		Cal.	Acad.	Sum.			
<input type="text"/>	Post Doctoral Associates	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Graduate Students	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Undergraduate Students	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	Secretarial/Clerical	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input checked="" type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Add Additional Other Personnel

Total Number Other Personnel Total Other Personnel   
Total Salary, Wages and Fringe Benefits (A+B)

## Personnel Costs - Notes:

- **Tolerable Variance**
- **Inflation Factor**
- **HHS Salary Cap**
- **NSF Salary Limitation**
- **Fringe Benefit Rates**

## DHHS Salary Cap

2020 Executive Level II \$197,300

**Allowable Capped SSOG** = (Salary Cap / Appointment Base Term) x PM



**NU Contribution** = (IBS Monthly Rate x PM – Allowable Cap) x Fringe x  
Applicable F&A Rate

## SALARY CAP & LIMITATIONS

### NSF: History, UG & Updated Rebudgeting Authority

As a general policy, NSF limits the salary compensation requested in the proposal budget for senior personnel to no more than two months of their regular salary in any one year. This limit includes salary compensation received **from all NSF-funded grants**. This effort must be documented in accordance with 2 CFR § 200, Subpart E, including 2 CFR § 200.430(i). If anticipated, any compensation for such personnel in excess of two months must be disclosed in the proposal budget, justified in the budget justification, and must be specifically approved by NSF in the award notice budget.<sup>17</sup> Under normal rebudgeting authority, as described in Chapters VII and X, a recipient can internally approve an increase or decrease in person months devoted to the project after an award is made, even if doing so results in salary support for senior personnel exceeding the two month salary policy. No prior approval from NSF is necessary as long as that change would not cause the objectives or scope of the project to change. NSF prior approval is necessary if the objectives or scope of the project change.

## RESOLUTION OF NSF'S CONFLICTING GUIDANCE

I OIG said that “Payroll transactions incurred after NSF revised its policies and procedures (December 26, 2014) will be audited against those procedures, which now permit awardees to unilaterally increase salary budgets for senior personnel in excess of two months of their regular salaries. The revisions were prospective and do not apply to payroll transactions made before December 26, 2014.”

# Fringe Benefit Rates



ORGANIZATION: Northeastern University

AGREEMENT DATE: 8/27/2020

## SECTION I: FRINGE BENEFIT RATES\*\*

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2020	6/30/2021	26.00	All	Fully Benefited Emp.
FIXED	7/1/2020	6/30/2021	7.65	All	Temp/Part-Time Emp.
PROV.	7/1/2021	Until amended	26.00	All	Fully Benefited Emp.
PROV.	7/1/2021	Until amended	7.65	All	Temp/Part-Time Emp.

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.



## Other Costs

Consultants

Subrecipients\*\*

Supplies

Purchased Services

NU Core Services or Facilities

Equipment\*

Travel

Trainee Stipends\*

Tuition\*

Participant Support\*

Human Subject

Research

Payments

Publication Costs

Other

## Indirect Costs aka Facilities & Administrative Costs aka Overhead

F&A costs are those expenses that are incurred by a grantee for common or joint objectives and that, therefore, cannot be identified readily and specifically with a particular project or program.

These costs also are known as “indirect costs.”

The total costs requested in the budget will include allowable direct costs (related to the performance of the grant) plus allowable F&A costs.

Unless otherwise specified by the funding agency, F&A costs are determined by applying the current negotiated F&A rate to the modified total direct cost (MTDC) base.



## **F&A Costs**

**Cognizant Federal Agency = DHHS**

**Federally Negotiated Rate Agreement (F&A and Fringe)**

**F&A Bases:**

**% of Total Award**

**Stipulated F&A Rate x Total Direct Costs**

**DHHS F&A Rate x Modified Total Direct Costs**

## Excluded Costs from MTDC Base

### \*BASE

Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.



# On Campus/Off Campus F&A Rate

## COLLEGES AND UNIVERSITIES RATE AGREEMENT

EIN: 1041679980A1

DATE:08/27/2020

ORGANIZATION:

FILING REF.: The preceding agreement was dated 12/02/2019

Northeastern University  
 249 Richards Hall  
 Boston, MA 02115-5000

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

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### SECTION I: INDIRECT COST RATES

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RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PROV.	07/01/2020	Until Amended	57.00	On-Campus	Research
PROV.	07/01/2020	Until Amended	26.00	Off-Campus	Research

## On Campus/Off Campus F&A Rate

**On-campus** means that the extramurally funded research or sponsored activity is primarily conducted in facilities owned or paid for by Northeastern; i.e., the space costs associated with the specific award are not directly charged to the funding agency. Rather, the University covers the overhead costs (utilities, maintenance, etc.) associated with the space (lab, offices, etc.) and is able to recover a portion of these costs via the application of the on-campus F&A rate.

**Off-campus** means that the externally sponsored activities are conducted using space/facilities/ at locations that are not owned or leased by the University. These facility costs are directly charged to the funding agency. Accordingly, only the “administrative” portion of the negotiated indirect cost applies to an off-campus, externally sponsored proposal.



# Cost Sharing/Matching

## Mandatory

Direct Costs

Authorized Use of Unrecovered F&A

## Voluntary

Direct Costs



## FEDERAL REGULATIONS

- No expectation of Cost Sharing 2 CFR 200.36

may not constitute an expense.



### **§ 200.306 Cost sharing or matching.**

(a) Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. Criteria for considering voluntary committed cost sharing and any other program policy factors that may be used to determine who may receive a Federal award must be explicitly described in the notice of funding opportunity. Furthermore, only mandatory cost sharing or cost sharing specifically committed in the project budget must be included in the organized research base for computing the indirect (F&A) cost rate or reflected in any allocation of indirect costs. See also §§200.414 Indirect (F&A) costs,



# TYPES OF DIRECT COST SHARING



Mandatory/ Stipulated		Costs related to the project that must be paid by Northeastern as a condition of submitting the proposal.
Voluntary Committed		Costs related to the project that Northeastern voluntarily agrees to paid for as documented in the budget and/or budget justification. <i>Audited</i>
Voluntary Uncommitted		Costs incurred by Northeastern over and above what was committed and budgeted for in the proposal. Not audited.

# Northeastern's Contribution to Research

Capped Budgets

Cost Sharing

Under recovery of F&A

Stipulated

Voluntary

Future F&A Rate Agreements

## MEASURABLE EFFORT

In addition, *most Federally-funded research programs should have some level of committed faculty (or senior researchers) effort, paid or unpaid by the Federal Government. This effort can be provided at any time within the fiscal year (summer months, academic year, or both).* Such committed faculty effort shall not be excluded from the organized research base by declaring it to be voluntary uncommitted cost sharing. **If a research program research sponsored agreement shows no faculty (or senior researchers) effort, paid or unpaid by the Federal Government, an estimated amount must be computed by the university and included in the organized research base.** However, some types of research programs, such as programs for equipment and instrumentation, doctoral dissertations, and student augmentation, do not require committed faculty effort, paid or unpaid by the Federal Government, and consequently would not be subject to such an adjustment.

# Northeastern's F&A Rate Agreement



Indirect Costs of Research



= Negotiated Rate %

Direct Costs of Research \*

\*includes Cost Share and Attributed Effort

## **JIT and Revised Budgets**

### **Award Obligation Budget**

**Baseline**

**Revised/Increments/De-obligations**

**Prior Approvals**

### **Award Rebudgeting**

**Prior Approvals**

# **NU-RES Award Acceptance & Setup**

**NoA Terms & Conditions**

**Regulatory Compliance Monitoring (Verification & Tracking) Prior to Award Expenditures**

For more information please see

<https://research.northeastern.edu/nu-res/>

Northeastern University  
Research Enterprise Services

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