NSF Budget Tips

- Read the specific Program Solicitation (also known as RFP, RFQ, etc.) budget information section thoroughly. Work with your OSP Fiscal Manager early and often in the budget process.

- Use the OSP Information Sheet for appropriate indirect cost rate (IDC) also known as facilities and administrative or F&A for some federal sponsors. The information sheet also has current travel allowances, estimate of benefits, DUN’s and TIN numbers.

- An accurate and reasonable budget is important for a proposal to be competitive. Federal sponsors sometimes limit the amount of transfers between categories and moving between budget categories can affect your indirect costs calculation.

- Salaries and wages: Include all MSU personnel paid on the project such as faculty, senior personnel, post doc’s, grad students and under grad’s.

- Fringe Benefits: Estimates vs. Actual. Estimates are average benefits of all campus employees found on the OSP Information Sheet; actual benefits of a current individual employee are on the SAIS Report “Payroll and Benefits by Index/Org”.

- Equipment: Any items over $5,000 - indirect costs are not calculated on equipment.

- Travel:
  - Use reasonable amounts for airfare, hotel and conference registration.
  - State of Montana travel rules govern MSU employees and students.
  - Use the current lodging and meal per diem rates for in-state and out-of-state.
  - Fly America Act.
  - Some federal awards/programs don’t allow foreign travel.
  - If foreign travel is allowed (includes Canada and Mexico), it should be stated in the budget at proposal time or approved by the sponsor prior to travel.

- Participant Support: Not a common budget expense on NSF proposals. NSF defines participants as non MSU employees or students.

- Other Direct Costs: Materials & Supplies, Publication Costs, Computer Services; allowed if directly allocable to the project.

- Consultant Services vs. Subaward: Consult with your OSP Fiscal Manager. Must be determined at proposal stage.

- Awards: Student tuition and fees (includes health benefits). For the most up to date estimates go here: http://catalog.montana.edu/expenses/

- Indirect costs: Typically federal research rate of 44%, based on Modified Total Direct Costs (MTDC). Total direct costs less equipment, participant support, subaward expenditures over $25K and awards (student tuitions & fees).

- The budget justification explains the different costs in the budget. It’s usually a page or two.

- OK to include a reasonable annual inflation increase (3-5% is typical). Note the percentage you use in the budget justification.

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