

Guiding Questions for Developing an NIH Budget - Faculty

Meet with the Department Administrator

Arrange a time to sit down with the Department Administrator to outline the budget. They can be of assistance in helping to determine salary levels and the cost of other expense categories.

The best blueprint to follow in preparing a grant budget is form page 4 from the PHS 398 application kit. It is available at <http://grants1.nih.gov/grants/funding/phs398/phs398.html>

Use the following questions to guide your conversation with the Department Administrator and assist you in noting the appropriate expenses and completing the budget form.

Personnel

The personnel section is typically the largest section of an NIH budget. Answering the following questions will guide you toward completing this section.

- Who will work on the project?
- What percentage of their time will be spent on the project?
- Will the individuals and the time they devote be consistent for all years?
- Will their salary be paid by another source? Other sources include a fellowship, training grant, and/or departmental funds.
- Will new positions be created? Any new position that may be created and does not yet have a specific person assigned should be designated as "To be hired."

Consultants

A consultant is an individual with a specific expertise who participates on a limited level.

- Will any individual contribute to the project in the role of consultant?
- Will the participation be at the same level for all years?
- Will the individual be paid for their service and, if so, at what rate?
- Will travel expenses for the consultant be included in the budget?

Note: Paid consultants may not be members of the Hospital staff. Hospital staff may be non-paid consultants. If payment is required, they must be listed in the personnel section.

Equipment

According to the NIH, equipment is an item costing more than \$5,000 with a useful life of more than one year.

- Will new equipment be necessary?
- Will new equipment be purchased in future years of the project?

Supplies

Supplies include various categories, such as chemicals, reagents, glassware, disposable plastic ware, vertebrate animals, among others.

- What general categories of supplies will be necessary?

Note: Supply categories tend to be budgeted in round numbers, often to the nearest \$100.

- Allowing for normal inflation, will the supply needs remain constant each year?

Travel

Travel tends to fall into two categories: 1) specific trips to collect data or collaborate with other investigators; 2) attendance at annual scientific meeting to present data.

- What project-related travel expenses will be included in the budget?
- Who will travel?
- Will travel be consistent for all years?

Patient Care

Few budgets contain patient care expenses. If such expenses are planned, determine what tests or procedures will be performed, and how many times per patient. Determine if the cost of overnight hospitalization will be included. Budgeting for patient care is fairly complicated, so once you have the specifics, contact your OSP grant officer for further assistance.

- Will patient care expenses either inpatient or outpatient be included in the budget?
- Will they be included for all years?

Alterations & Renovation

This category is virtually never used, except in very unusual circumstances. NIH assumes that applicants are already located in appropriate facilities.

- Will the budget include a request for funds to perform major modifications to lab space?

Other Expenses

Typical types of expenses that generally fall into this category are as follows: publication costs, service contracts, shipping costs, long distance telephone costs, graduate student compensation, and animal board charges, etc.

- What other miscellaneous expense are anticipated?
- Will these expenses vary from year to year?

Consortium Contractual Costs

Consortium Contractual Costs represent the costs incurred at another institution that is collaborating with a Children's Hospital investigator on this project. While NIH uses the terminology "Consortium Contractual Costs," others refer to these costs as those that are associated with a subcontract.

- Will funds be provided to another institution to support the activities of a collaborator on the project?
- Will this arrangement, typically called a subcontract, be for all years of the project?

Note: If yes, a separate budget must be submitted by the other institution. It must be signed in the other institution's OSP office. Subcontract costs are divided on the NIH budget page. Direct costs and facilities and administration costs are entered on separate lines.