



How do I prepare a **budget justification**?

The purpose of the budget justification is to demonstrate that all costs in the budget are reasonable and necessary for the implementation of the project. Your budget should include **only** those people and things that are required to implement the program and mentioned in your grant.

In this document, **sample language is written in green font**. Although grant requirements vary, you can use this language to prepare a **pro forma budget justification** for review with the BCC Grants and Partnerships Office. NOTE: Your pro forma budget justification should match the requirements of your grant relative to font type, type size, line spacing, and page limits.

Please always start with an overview that includes your project title, the overall amount requested, and for what purpose. As an example:

The Research Foundation of the City University of New York (RFCUNY), on behalf of Bronx Community College (BCC) is requesting **SHOW MUCH** over **HOW MANY** years to implement the **PROJECT TITLE** on our South Bronx campus. Our request includes the following:

PERSONNEL:

There must be a primary point of contact, i.e. Principal Investigator, who is responsible for ensuring the project is implemented as required by the RFP and approved by the funding source. Summarize in the budget justification the person's full name, title, roles & responsibilities as described in the proposal. For example,

Jane Doe, Ph.D. is the principal investigator and primary point of contact in this proposal. Her responsibilities will include overseeing project staff, recruiting and mentoring students, chairing the project advisory board, and coordinating cross-campus with the Offices of Admissions, Academic Advisement, and Financial Aid to ensure an effective program. Dr. Doe will be assigned to the contract as follows:

Following the description, provide how the salary/wage costs are calculated.

Faculty costs can be calculated as either or both:

Release Time - upon approval by the department chair, a professor may be released from instructional time to perform the work of the grant during the academic year and may be included in the budget as "release time." Release Time is estimated at \$4,350 per person per 3-credit course per semester.

Summer Salary – faculty can be paid for grant work they perform in the summer. Each month of summer salary is calculated as 1/9th of a professor's annual salary. Depending on the grant, 1-3 months may be requested.

Note: To qualify for release time, faculty must work on the grant during the academic year and get permission from their chair. To qualify for summer salary, faculty must work on the grant during the summer. The Grants and Partnerships Office can call Human Resources to get BCC faculty annual salary



with step increases over the grant period; please be sure to share faculty names as early in the process as possible.

Other (non-faculty) personnel costs are to be calculated this way:

Full-time employees are scheduled to work 70 or more hours per bi-weekly pay period and are paid on an annual basis.

Part-time employees are scheduled to work no more than 38 hours per bi-weekly pay period and are paid on an hourly basis.

NOTE: Stipends are given to participants, for example, students, who complete specific duties, i.e. a job/certain hours are required, and should be budgeted for under personnel and include fringe benefits. Awards can be given for participation in an activity and are included under OTPS.

FRINGE:

There are different fringe benefit costs for different salary/wage calculations. Use the rate that applies to your cost calculations:

For:	Use:	Calculated as:
Release Time	51%	x .51
Summer Salary	28%	x .28
Full Time Staff	35%	x .35
Part Time Staff	8%	x .08

OTHER THAN PERSONNEL (OTPS):

TRAVEL:

Travel must be necessary, reasonable and relevant. You must identify the specific conference, year and location (or give your best estimate) and calculate costs using GSA Rates here:

<https://www.gsa.gov/travel-resources>

Present travel costs as follows:

To mandatory agency PI Meetings. PI Doe and Co-PI Jones will travel to Alexandria, VA in May 2019 and May 2020. Costs are estimated as follows:

Item	GSA Rate	x Nights	x Persons	TOTAL
Flight				
Hotel	\$250	2	2	\$1,000
Conference Registration	\$100	2	-	\$200
Per Diem Meals	\$69	2	2	\$276
Local Travel	\$50	-	-	\$50
RT Airport Travel	\$100	-	2	\$200
Total per Year				\$1,726
Total all Grant Years				\$3,452



EQUIPMENT:

Only use this category for Equipment costs with unit prices over \$5,000. Computers, printers, lab equipment, etc. are considered supplies, even if the combined cost is equal to or over \$5,000.

SUPPLIES:

Supplies can be related to **program management** (e.g., laptop for the new project coordinator, ink cartridges), **program supplies** (e.g., materials for art class, textbooks), or **program marketing** (flyers, banners, etc.). Promotional items for the project are often not allowable expenses.

NOTE: If the funding source has MWBE requirements, you must consider whether supplies can be procured from minority- or women-owned vendor companies.

FURTHER: You must sign a financial disclosure form to indicate that you will not benefit financially from any goods or services procured through this grant.

CONTRACTUAL:

The cost of vendors, consultants, and subcontractors must be justified and the calculations behind the costs must be shown.

NOTE: If you are partnering with faculty from another institution, they are considered contractual (i.e., sub-awards) not personnel. You will need to put their institution's grant office in contact with BCC's Grants and Partnerships Office. We will need their salary, fringe rate, and institutional indirect cost as well as any travel, supplies or equipment costs attributable to them.

PARTICIPANT COSTS:

These are costs, if allowed, for student participant stipends or salaries and travel. Calculations for all costs must be shown.

OTHER:

MTA PAYROLL TAX: When submitting new proposals or renewals to sponsors, one must include in the proposed budget a separate line-item for this tax entitled – "MTA Payroll Tax" – for all planned full-time and part-time employees. This tax does not apply to release time or summer salaries. To calculate this tax, add up all full and part-time employee salaries and then multiply the total by .0034. For example, if total full and part-time salaries equal \$100,000, the MTA Payroll Tax is \$340 (.0034 x \$100,000).

TOTAL DIRECT COSTS:

Total all costs so far.

INDIRECT COSTS:

For public grants, BCC charges 71.50% on all direct costs except contractual (i.e., subcontracts, sub-awards) if possible.



Most funders specify lower indirect amounts and the majority of private funders will only award up to 15%: All BCC grants must have at least 8%, but higher is always preferred.

Indirect costs can be justified as follows:

BCC has a federally negotiated indirect cost rate of 71.50% that was negotiated with the U.S. Department of Health and Human Services (HHS) on June 2, 2015, and is applied to a base of the College's direct costs. These rates extend through 2019. The current Negotiated Indirect Cost Rate Agreement is attached.

TOTAL COSTS:

The total of Direct Costs plus Indirect Costs – which is your total request. Identify both your one-year request and your total for all the years of the grant.