

# Handout #2

## North Carolina State University Budget Justification

### **I. Salaries** (Includes a 3% inflationary increase in Year 2)

Funds are requested in order to support the Principal Investigator (PI) for one academic and one summer month annually. The Principal Investigator will utilize his/her time to manage the project and conduct the research stated in the proposed objectives #1, 2 and 3 (as outlined in the project narrative). The PI is on a nine month academic appointment. Funds are also requested in order to support the co-Principal Investigator (co-PI) for one and a half calendar months annually. The co-Principal Investigator will coordinate the statistical analysis portion of the project's objectives. The co-PI is on a 12-month calendar appointment. Support for one Graduate Research Assistant (GRA) is requested for each project year. The GRA will be responsible for the project's data collection and management, and will work under the direction of the PI. This position will earn \$20,000 for a half time, nine-month academic appointment. Additionally, an hourly employee will be needed, in order to create, update and maintain the project's website. This position will earn \$15/hour, and will be utilized for approximately 300 hours in Year 1 and 100 hours in Year 2. Said individual will be hired on a temporary employment basis.

### **II. Fringe Benefits**

NCSU faculty fringe benefits (Social Security, retirement, Worker's Compensation, unemployment, health insurance, etc.) are calculated at an estimated rate of 27% of total salary. Fringe benefits on the Graduate Research Assistant position have been calculated at an estimated rate of 15% of total salary. Hourly, temporary employee fringe benefits have been calculated at an estimated rate of 9.15% of total salary.

### **III. Travel**

As required by the Solicitation, one program team meeting in Washington, D.C. has been budgeted annually for the PI and co-PI. Travel expenses for this trip include (but are not limited to): airfare (estimated at \$300/person in Year 1 & \$315/person in Year 2); lodging (approximately \$78.05 per person per night for 3 nights); and subsistence (approximately \$37.50 per person for 3 days). Travel expenses for the PI and co-PI to attend one conference annually to present project results (as required by the solicitation) has also been budgeted. Conference expenses are projected at the same rate and number of days as the program team meeting. Mileage reimbursement has been budgeted for approximately 200 miles annually for project team meetings with the Subcontractor. Mileage expenses will be reimbursed using the University's approved rate at the time of travel. For informational purposes, NCSU's current mileage reimbursement rate is \$0.55/mile. Please note that lodging, subsistence and mileage reimbursement rates are subject to change by the direction of the State of North Carolina and will therefore be reimbursed at the rates effective at the time of travel. Additionally, a 5% inflationary increase has been budgeted in Year 2 in order to account for expected increases in gasoline rates that affect airfare and mileage pricing.

### **IV. Equipment**

The research team has budgeted \$20,000 in Year 1 for the purchase of a XYZ machine. This piece of equipment is not presently available at the University for use on the project. Said equipment is needed in order to conduct the data analysis as described in the project's Objective #1. Disposal of or University's ability to retain said equipment will be in adherence to the program's guidelines upon the project's completion/termination.

## Handout #2

### V. Other Direct Costs

**Materials & Supplies:** Project materials and supplies will be purchased annually for data collection & analysis as described in the project's Objectives #1 and #2. Three thousand dollars will be needed in Year 1 and one thousand dollars will be needed in Year 2. [Please list specific supplies and their costs (whenever possible). This cost category is closely reviewed prior to the award's issuance.]

**Contracted Services:** ABC Consulting has been selective, via a competitive selection process, in order to fulfill the solicitation's outside evaluation requirement. Approximately 50 hours of consulting will be utilized in Year 1 and approximately 100 hours of consulting will be utilized in Year 2. ABC's consulting fee is \$75 per hour. Another \$1,250 has been budgeted in Year 1 and an additional \$2,500 has been budgeted in Year 2 for ABC's travel to NCSU and the Subcontractor's site.

**Graduate Tuition:** In-state Graduate Assistantship tuition and the Graduate Tuition Offset (GTO) have been budgeted annually for the Graduate Research Assistant. Graduate Student Tuition is calculated using the estimated In-State tuition rate for 9 Semester hours (full time) plus the Graduate Tuition Offset (approximately 25% of the difference between in-state & out-of-state tuition). If an Out-of-state Graduate Student is hired to work on the project, the University pays the remaining difference between the in-state & out-of-state tuition. Please note that funds for the GTO will be re-budgeted if an in-state student is selected for the project. A 6.5% inflationary increase has been budgeted in Year 2 to cover the costs associated with anticipated tuition increases. Current tuition rates may be found online at: <http://www.fis.ncsu.edu/cashier/tuition/gradtuition.asp>

**Subcontract:** A subcontract to ABC University has been budgeted annually. ABC will primarily be responsible for the project's Objective #2 (as outlined in the project narrative). Co-PI, John Smith, will devote 1 month annually to the project. A 3% inflationary increase has been budgeted in Year 2 for his salary. ABC faculty fringe benefits are calculated at 20% of total salary. Mileage reimbursement to travel to NCSU for project team meetings has been budgeted annually. Mileage reimbursement will be made based upon ABC University-approved mileage rates at the time when travel occurs. For informational purposes, current ABC mileage reimbursement is \$0.55 per mile. Supplies required for the completion of project Objective #2 will be purchased annually (approximately \$4,000 in Year 1 and \$3,000 in Year 2). [Please list specific supplies and their costs (when possible).] ABC University's Federally Approved Indirect Rate is calculated at 49% of its Total Direct Costs.

### VI. Indirect Costs

The NCSU, federally approved Facilities & Administrative rate of 49% (for on-campus research) will be charged on all direct costs, with the exception of: equipment, Graduate tuition, and any subcontract amount greater than \$25,000. The University's Indirect Rate Agreement may be found online at: [http://www7.acs.ncsu.edu/cng/fac\\_admin\\_costs/july2006-june2010.asp](http://www7.acs.ncsu.edu/cng/fac_admin_costs/july2006-june2010.asp).