

NDSU NORTH DAKOTA
STATE UNIVERSITY

Indirect Costs/F&A?

Subaward/Consultants?

Salary Savings?

Budgets

Fringe Benefits?

Allowable/Unallowable Costs?

Cost Share?

Project Budget

List of anticipated project costs that represent the PI's best estimate of funds needed to support work described in a proposal.

$$\$100,000 + \$33,750 = \$133,750$$



All Proposed Costs Must be:

- **Allowable**
Consistent with federal regulations, sponsor guidelines and NDSU policies
- **Reasonable**
Reflects costs that a “prudent person would accept”
- **Allocable**
 - Costs can be assigned to a project objective in a “reasonable and realistic proportion”
 - Costs are allocable to a proposal when incurred solely for the benefit of the sponsored project
- **Consistently Treated**
Handling similar costs in the same manner as either a direct or indirect cost

Direct Costs

Direct costs are defined by the federal government as "costs that can be identified specifically with a particular sponsored project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easy with a high degree of accuracy." Examples include:

- Personnel (salaries and fringe benefits)
- Equipment
- Travel
- Professional Services/Consortium/Contractual Costs
- Materials & Supplies
- Other Direct Costs (e.g., tuition, publications, service center costs)

Fringe Benefits

If you are budgeting employee salaries to be paid from a sponsored project, you must also budget a proportionate amount for fringe benefits.

Fully Benefited Positions:

Annual Salaries (above \$100,000):	30%
Annual Salaries (between \$75,000 and \$99,999):	30 - 38%
Annual Salaries (between \$50,000 and \$74,999):	38 - 48%
Annual Salaries (between \$25,000 and \$49,999):	48 - 78%
Annual Salaries (below \$24,999):	78%

Non-Benefited Positions:

Full-time graduate or undergraduate students: (Students taking classes during the semester they are employed.)	3%
Part-time staff/students that do not meet ACA guidelines : (Includes students NOT taking classes during the semester they are employed, such as summer.)	10%
Part-time staff/students that do meet ACA guidelines :	10% + \$4,564

Indirect Costs/F&A

Indirect costs/F&A, are charges that cannot be directly tied to a project. However, a portion of these costs are recovered by NDSU through our federally negotiated F&A rate agreement. Types of activities (research, instruction, other) are defined in [NDSU Policy 813](#).

Indirect costs are charged as a rate and include expenses that cannot be charged directly to grants and contracts, such as:

- lights and heat
- snow removal
- office supplies
- building maintenance
- the services of administrative offices (e.g., Sponsored Programs, Library)

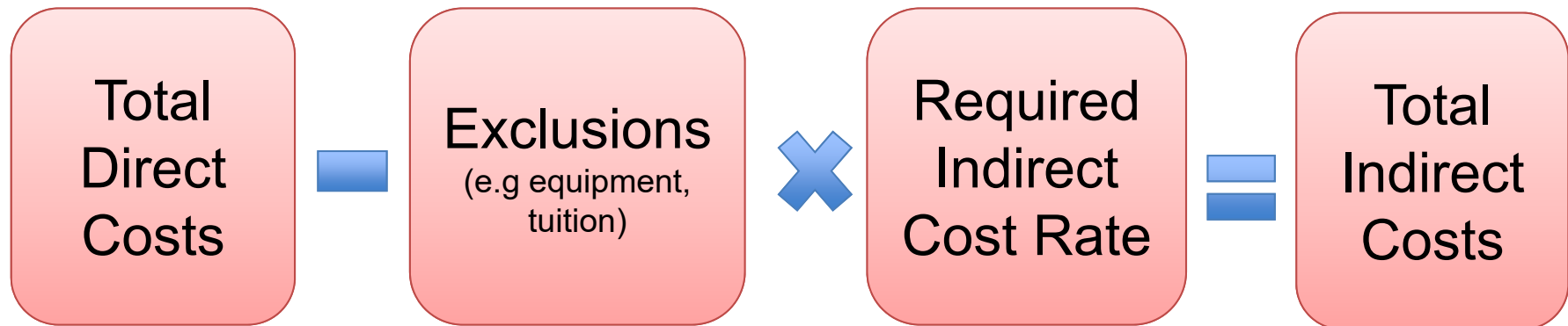
NDSU Federally Approved Indirect Cost/F&A Rate

Current NDSU F&A Rates

Sponsored Activity	On Campus	Off Campus
Research (effective 7/1/2014-6/30/2022)*	45.0% of MTDC	26.0% of MTDC
Instruction (effective 7/1/2014-6/30/2022)*	50.5% of MTDC	26.0% of MTDC
Other Sponsored Activity (effective 7/1/2014-2022)*	43.2% of MTDC	26.0% of MTDC
*Effective dates are for projects starting within the date range specified.		

How to Calculate Indirect Costs/F&A

$$\$100,000 - \$25,000 \times .45 = \$33,750$$



Budget Justification

- Ties budget into workplan
- Explains why each cost is essential to performing the project
- Explains how project costs were estimated
- Explains any special circumstances applicable to the project
- Is concise and easy to read
- Be organized and follow the detailed budget page
- Most importantly, check to be sure math is correct
- Templates are available on RCA website

Frequently Asked Questions

- Should I include salary support for myself?
- What are salary savings?
- Are there costs I can't include in a budget?
- How much should I pay students, post-docs etc...?
- What happens to the indirect costs that are collected?
- Does NDSU waive indirect costs?
- Can I include cost share in my budget?
- What are participant support costs?
- What is a consultant vs a subaward?

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