

Fiscal Policies and Budget Guidelines for Full Proposals

(Allowable items, descriptions of funding categories, etc.)

Below are the general guidelines regarding allowable budgetary items for your project budget. Please review the descriptions, and note the requirements regarding how to describe these items in your budget justification. Please keep in mind that the costs you are requesting must directly be allocable to the project you are working on. This same rule applies to cost-share funds. All funds requested from Sea Grant or committed as cost-share costs must be reasonable and necessary.

Personnel Costs

Describe the extent and purpose of each person's involvement in this project. Explain how many months of effort each person will be contributing to the project, by year (the total PI effort listed here should match what you list on the Project Record Form).

Describe how much is being requested from Sea Grant and, if appropriate, how much is committed as cost-share for each person, as well as the source of this cost-share.

Describe and include anticipated salary increases.

Investigators (Principal, Co- or Associate)

The project's lead Principal Investigator (PI) is responsible for the overall administration, progress and budget of the project and will be NYSG's point of contact regarding the conduct of the project.

The lead PI is responsible for maintaining close contact with all co- and associate investigators in order to ensure that progress reports and required financial documentation cover all portions of the project.

If this responsibility is shared equally with another PI, he/she should be shown as a Co-Principal Investigator (Co-PI).

An Associate Principal Investigator (AI) is a professional person who is full-time on the faculty or staff, but generally does not have direct control over the budget or overall direction/administration of the project.

A Collaborator is a professional person who may be from another institution, agency or private organization who assists with the conduct of the project. They do not have control over the budget or overall direction/administration of the project.

Limit on recovery of salary for PIs: Principal and associate investigators with appointments providing nine or more months of support annually are generally not allowed to receive more than two months' total salary from NYSG per year. Other eligible principal and associate investigators will generally be allowed to receive only up to six months' salary from NYSG per year. Under all circumstances, the amount of salary support requested or provided as cost-share must be warranted by the effort needed to conduct the project. These limits may be relaxed under

exceptional circumstances, with prior approval from NYSG.

Research Associates and Research Technicians

These are professional persons participating in the project who are full- or part-time employees, persons retained solely for the project, or staff members of participating organizations.

Note: Consultants are included under "Other Costs," and are not listed as project personnel.

Post-Docs

These may be listed in this category on the budget page.

Sea Grant Scholars

The Sea Grant Scholar Fellowship Program is intended to promote education, training and research in fields related to coastal resources. Sea Grant Scholars must be registered full-time students working toward a recognized degree and enrolled in an approved graduate program, under the supervision of one of the project's principal investigators.

A Sea Grant Scholar is expected to work as an investigator (not simply a laboratory helper or inexpensive laborer on the NYSG project). The Scholar is not considered an employee, so no hourly requirements are to be set. The primary activities of all Scholars should be working on the project, learning and pursuing their degrees.

To afford the most benefit to students moving forward in their degree programs, Sea Grant Scholar Fellowship appointments must be at least one semester in duration.

The stipend level may vary depending on the prevailing rates of the student's department at the time of proposal submission. If you just need the help of a graduate research assistant, instead of a Scholar, insert the campus-determined dollar figure for the support of the student under the Graduate Research Assistant line.

Sea Grant Scholar Fellowship funds are administered directly by NYSG, and are exempt from fringe benefits and indirect costs. An optional health insurance plan is available for Sea Grant Scholars who may not have access to other health insurance, at the current rate of about \$2,600/yr for individual/no dependents coverage (contact NYSG for additional information on rates, if necessary).

Most students have alternate health insurance options available to them through their universities or under family plans. However, it is strongly recommended that PIs consider this cost when determining an appropriate stipend level as the cost of health insurance will be borne by the student (e.g., deducted from the student's stipend paycheck). See the New York Sea Grant Scholar Policy Document for more information regarding health insurance.

For more information on the Sea Grant Scholar program, and its policies, see the Sea Grant Scholar Policy Document.

Tuition/Fees/Waivers

Tuition and student fees cannot be requested on NYSG budgets. However, tuition waivers may be available to Sea Grant Scholars, depending upon local campus policy. It is the responsibility of the project's principal investigator(s) and Scholar to determine whether this is available from their campus. Check with your campus to obtain correct amounts for tuition waivers.

Tuition waivers are allowable as cost-sharing for federal funds under a NOAA award as long as they directly benefit the project for which they are being used as cost-sharing. This direct benefit to the project should be specifically addressed in the budget justification of the project's proposal. The requirements regarding documentation and verification of these costs and how they are applicable to the project are the same as if they were paid from the NYSG portion of the project's funds.

If using a tuition waiver as cost-share, you must clearly state that the waiver will be used for the Sea Grant Scholar, and that the education and training of the Sea Grant Scholar are an inherent objective of the proposed work. PIs are encouraged to seek tuition waivers for their Scholars, but NYSG cannot guarantee the availability of waivers at recipient institutions.

Graduate Research Assistants

These are part-time or full-time students who hold at least a bachelor's degree or equivalent, are enrolled in a program leading to an advanced or professional degree, and are integral to the project as research assistants.

See Sea Grant Scholar section up above for another option.

Pre-Bachelor Students may be employed as aides or helpers on a Sea Grant project either on salary as part-time employees, or on an hourly basis. These undergraduate students are enrolled either part- or full-time in a program leading to an undergraduate degree. PIs should follow institutional guidelines regarding the maximum number of hours a student may work.

Professional School Students are students enrolled in medical, legal, and other professional schools.

Secretarial/Clerical

This category is for office personnel. Secretarial/Clerical salary support is generally not allowable as a direct charge. However, exceptions may be made in some circumstances (e.g., projects which involve extensive data accumulations, analysis, entry, surveying, tabulation, etc.; projects whose principal focus is the preparation and production of manuals and large reports, books and monographs; or projects requiring project-specific database management, individualized graphics or manuscript preparation, etc.). It is necessary to clearly justify any secretarial/clerical salary included in your project in the budget justification. If these costs are not adequately justified to satisfy federal requirements, they will be disallowed from the project's

budget. This level of detail is also required when these costs are proposed as cost-sharing.

Technical/Shop

This category is for shop or lab technicians and other persons with special but non-professional skills.

Miscellaneous Personnel

This category on the budget page may be used for "other" persons not included in categories above, but must be clearly identified within the project's budget justification.

Note: Consultants are included under "Other Costs," and are not listed as project personnel.

Does the budget justification address the following questions?

- Is each individual identified by name and position?
- Are time commitments such as hours/weeks/months per year indicated for each position?
- Are total charges for each person listed along with an explanation of how the costs were calculated?
- Do the time commitments and charges appear reasonable?
- Are the individuals' employees of the applicant organization? (If not, explain)
- Are any salary/personnel costs unallowable (i.e., federal employees or legislative personnel)?

Fringe Benefits

These are budgeted according to the receiving institution's policy. For example, Cornell University would apply the fringe benefits according to their approved rates, but a subcontract on the project to another institution would have fringe benefits applied in accordance with the subcontracted institution's approved rates. Please provide rate and base detail per year. These must match the institution's current approved or provisional rates for the intended period of project support.

Does the budget justification address the following questions?

- Are fringe benefits identified as a separate item?
- Are all the elements that comprise fringe benefits indicated?
- Are the total charges for each person listed along with an explanation of how the charges were calculated?

- Are the fringe benefits charged to Sea Grant requested funds and matching categories in the same proportion as salaries?
- Include copy of your institution's approved rates with your proposal.

Equipment and Supplies

Permanent Equipment

Permanent equipment is defined by the Department of Commerce as items having a life of more than one year and a cost in excess of \$5,000. For any items that meet the definition of equipment, a description of the item and associated costs are required. Cost includes necessary modifications, attachments, accessories, or auxiliary apparatus, as well as freight, duty, installation, in-transit insurance, etc. In the budget justification section, please clearly describe what each item is, how the equipment will be used in the project, as well as a justification for purchase rather than lease. Also, please explain why similar equipment existing on your campus (if applicable) cannot be used for your project.

The purchase of a computer must be clearly justified, describing the particular need for the project. If a computer is less than \$5,000 (with all components combined), it should be listed under supplies.

Note: Institutions with lower equipment value thresholds may include equipment costs at those standards. However, this must be explained in the budget justification.

Does the budget justification address the following questions?

- Is each item of equipment (over \$5,000) listed?
- Is there a description of how the equipment will be used in the project?
- Has a lease vs. purchase analysis been completed?
- Is each item of equipment necessary for the successful completion of the project?
- Are the charges for each item reasonable and realistic?

Expendable Supplies and Equipment

Supplies necessary for the completion of the project must be itemized in the budget justification section by type of material or nature of expense. Greater detail is necessary only for supplies costing over \$1,500 or 5% of an award, whichever is greater.

Exception: General office supplies are generally not allowable (they are considered an indirect cost), unless they are identified as being consumed solely by the funded project and their specific need is described. For other specific supply categories, list the number of units, cost per unit, and total cost.

Does the budget justification address the following questions?

- Are supplies itemized by type of material or nature of expense?
- Is the number of units, cost per unit and total cost specified?
- Are the charges necessary for the successful completion of the project?
- If requesting general office supplies, are they identified as being consumed solely by the funded project and is their specific need described?

Travel

For foreign, domestic and local travel, each trip must be listed and described in the budget justification section along with the destination, method of travel, estimated auto mileage/rate, duration, number of travelers, per diem rate for meals and lodging, etc. If actual trip details are unknown, describe what the basis is for the proposed charges. In other words, how did you arrive at the proposed charges?

Important Notes Regarding Travel:

Foreign travel is not permitted on a grant unless it has been described in the proposal's budget, or if not originally anticipated, approved in writing by NYSG before the travel takes place.

Recipients of Sea Grant funding must comply with the Fly America Act.

Sea Grant or cost-share funds must not be used to pay for any portion of a federal employee's travel or other expenses.

Does the budget justification address the following questions?

- For foreign and domestic travel, is each trip listed along with the destination, estimated mileage, method of travel, cost per mile and duration, number of travelers, per diem rate for meals and lodging?
- If actual trip details are unknown, what is the basis for the proposed travel charges?
- Is the requested travel directly relevant to the successful completion of the project?
- Are the travel charges reasonable and realistic?

Publications and Documentation Costs

NYSG expects that investigators and Sea Grant Scholars will publish the results of NYSG-funded work in peer-reviewed journals, proceedings, trade press, etc. Whether or not publication funds are requested from NYSG's Communications Office, it is expected that NYSG support will be acknowledged in all resulting publications, and that NYSG will be notified of these publications (even after the project has ended). Under NYSG's current "publications policy," NYSG will provide financial support, separate from the PI's Sea Grant budget, for the publication of journal articles resulting from any NYSG-funded research project for page charges and reprints as described below. Typically, NYSG can only support 1-3 publications per project beyond what is budgeted here.

a. Page charges: NYSG's Communications Office will provide funds to cover page charges. Because funds are limited, investigators will be asked to seek a waiver of page charges from publishers prior to seeking support from NYSG. Knowing that journal waivers are not always possible, the total cost for page charges can be billed to NYSG, even if the project has already terminated.

b. PDF Reprints and Open Access: At the time of the reprint order request, the lead principal investigator should inform NYSG Communications of the availability of an on-line pdf version for the requested reprint. Many journals now provide a free link to the pdf or the pdf for a fee which varies from journal to journal. Many journals also provide open access to articles for a fee. NYSG will cover the cost of the pdf and/or open access fees depending upon availability of funds.

While other publications costs may be included in this category on your budget, costs for manuscript preparation services (e.g., graphics, typing, etc.) should be included under technical services.

Other Costs

Clearly identify all budgeted items, whether requested from Sea Grant or proposed as cost-sharing. All costs must be allocable to this project, so clear explanations and justifications for all items will reduce the amount of questions regarding your budget by technical reviewers, administrative staff, and the federal sponsor.

Computer Costs

Only include costs (e.g., fees for usage, software, etc.) that are directly allocable to the project. Computer usage fees may be included as cost-sharing (if documentable).

The purchase of a computer must be clearly justified, describing the particular need for the project. Do not include the purchase price of a computer here. It should be included under equipment (if over \$5,000) or supplies (if less than \$5,000).

Equipment Rental

Equipment rental costs may be included if the costs are directly allocable to the project. Waived rental costs may be included as cost-sharing (if documentable).

Maintenance

Costs of maintaining equipment used for the project may be included here if the costs are directly allocable to the project.

Technical Services

Technical or specialized services are performed by an individual or company - paying for a service - not a salary.

Support Services

Support services include project-related utilities such as phone, postage, photocopying, etc. These costs may be included only if they are clearly justified in the budget justification as being directly allocable to the project. For example, telephone costs may be included for a project which will be conducting a large telephone survey; postage may be included for a project which will be conducting a large mail survey, to ship samples to a lab, etc.

If these costs are not adequately justified as being needed specifically for the project, they will be excluded from the project's budget.

Consultants

Consultants may be paid for personal services where there is no employee-employer relationship. The budget justification should include the name (if known), daily rate, number of days, and scope of work to be accomplished.

Subcontracts

Each subcontract must be listed separately. A subcontract must have its own budget page, budget justification, and scope of work that describes the products/services to be acquired, as well as its applicability to the project. An authorized official from the subcontracted institution must sign the proposal's secondary title page, which is to be included in any proposal submission. The total cost of the subcontract (the bottom line on its budget page) should be included on the project's primary budget and title pages, and charged overhead in accordance with your institution's policies. Please include:

- Separate budget page(s)
- Separate scope of work
- Separate budget justification
- Authorized signature on secondary title page

Other Costs

Include other project-related expenses not included elsewhere, such as ship time. Be sure adequate descriptions and detail are provided in the budget justification.

Special Note on Structures and Vessels

New York Sea Grant funds, or any funds proposed as cost-share for NYSG-supported projects, may not be used for the construction or purchase of a dock, building, vessel, or vehicle, nor any renovation or alteration of an existing structure.

Cost-share for collaborators

In cases where a non-federal organization or company is willing to provide services which benefit your project at no cost (or reduced cost), the value of this service may be included as cost-share on your budget.

A letter confirming the commitment, with a statement of the value per year, must be included with the proposal. If funded, the lead PI will be responsible to provide documentation from the organization certifying that these services were rendered as part of the project's cost-share documentation requirement. These costs are exempt from the PI's indirect cost/overhead calculation.

Overhead Costs

Overhead

Overhead (a.k.a. indirect cost, or facilities and administrative) rates for your campus may be obtained from your research or business office. Both an on- and off-campus rate may be applicable. You may split between on- and off-campus rates in accordance with your work plans, schedule, and institutional policy. The distribution between these two categories should accurately reflect time and effort at each location. Be sure to list the percentage of the project to be conducted on- or off-campus in the budget justification section and on the budget forms.

If the overhead rate is based on a structure other than Modified Total Direct Costs (MTDC = total direct costs less equipment, tuition, participant support, and amounts over the first \$25,000 of each subcontract), describe how the figure is calculated. For example, if overhead is calculated on salary and fringe only, please indicate so in the budget justification section. In summary, please provide the following information:

- On-campus rate and Percent of time on-campus
- Off-campus rate and Percent of time off-campus
- Overhead rate charged based on: MTDC or Other (Explain)

Does the budget justification address the following questions?

- Is the correct rate being used? (If a lower rate than is authorized in the indirect cost rate agreement is being proposed you must explain why your organization is deviating from the approved rate).

- Is the rate applied to the correct base?
- Include a copy of your institution's facilities & administration (indirect cost) rate agreement.

Cost-Share (Matching Funds)

In the budget justification section, please describe all cost-share items as thoroughly as you would the Sea Grant requested funds.

Cost-Sharing (a.k.a. Matching Funds)

Sea Grant requires that cost-share in the amount of at least 50 percent of the Sea Grant funds requested be provided. In other words, \$0.50 non-federal for every \$1.00 requested from Sea Grant. Investigators are strongly encouraged to demonstrate this level of cost-share because the NYSG Director has the authority to reject any proposal that does not do so. No funds from federal entries can be used as match.

All cost-share must be from non-federal sources, each of which must be clearly identified in the budget justification section of your proposal. Letters verifying the commitment of cost-share, from each source (if source is other than PI's institution), must be included in your proposal submission. Cost-share funds are considered part of the total cost of the project, and must be documented and provided to NYSG regularly during the term of the project. If sufficient cost-share documentation is not provided in a timely manner, your award may be reduced accordingly.

All cost-share funds committed must be: allowable, allocable, necessary, and reasonable, meeting the same standards as the funds requested from Sea Grant for the project.

Cost-share cannot be credited to more than one Federal award (i.e., used as match under more than one grant).

Typical/Common Sources of Cost-Share

The most common source of cost-share on university-based proposals is in the form of academic year salaries, fringe benefits, and the associated indirect costs, of the project's investigators. Additional items include supplies, equipment, and services that the university will purchase during the term of the project, for the benefit of the project. Each item must be allowable, allocable, necessary and reasonable, meeting the same standards as the funds requested from Sea Grant for the project.

In cases where a non-federal organization or company is willing to provide services which benefit your project at no cost (or reduced cost), the value of this service may be included as cost-share on your budget. A letter confirming the commitment, with a statement of the value per year, must be included with the proposal. If funded, the lead PI will be responsible for providing

documentation from the organization certifying that these services were rendered or provided, as part of the project's cost-share documentation requirement.

Waived overhead costs on the Sea Grant portion of funding can be used as cost-share, provided that it is stated in the budget justification, and signed off by an authorized official at your institution.

Volunteer services (not common) must be valued according to the type of service being provided (not according to the position of the person providing the service), and the volunteer's time must be documented.

Donated land, facilities, or equipment must be valued at no more than fair market value at the time of donation. Donated services or supplies, such as use of boat time or a supply of fish, should be valued at the rate that would normally be charged to another user. The value of loaned equipment should be based on fair market rental value.

For questions, feel free to contact NYSG's Fiscal Officer, Jean Ann Johnston, at: New York Sea Grant, 125 Nassau Hall/ Stony Brook University, Stony Brook, NY 11794-5001/ E-mail: Jean.Johnston@stonybrook.edu / Phone: 631-632-6908.