

Budget Justification Best Practices

The **purpose** of the justification is to explain all expenses required to achieve the project aims and objectives.

It should:

- Follow sponsor proposal instructions, providing as much detail as needed (while staying within any page limits).
- Explain why each of the requested items in the budget is necessary to accomplish the proposed research.
- Approach the budget from the perspective of what the sponsor needs to know.
- Be organized in the same order as the budget.
 - Tip: Use headers that match the budget page terms.
- Unless sponsor requires it, it is not necessary to include dollar amounts in the narrative

Use the following as a general guide for the categories of your budget justification:

KEY/SENIOR PERSONNEL

For each PI, Co-PI, or Project Director, list name, title, amount of time to be spent on the project and what s/he will accomplish.

Example: Dr. PI will serve as principal investigator and will commit two summer months of effort to this project and will primarily be responsible for....

OTHER PERSONNEL

Include undergraduate research assistants, if allowed. When known, list name, title, amount of time to be spent on the project and what they will accomplish.

Example: One undergraduate student will be hired to work on this project. This individual will commit _ hours/week to this research. The student's focus will be on...

BENEFITS

Ask the Grants Coordinator for the appropriate rate for the individual.

TRAVEL

Explain the need for travel - how the travel will benefit the project's aims - and your calculations of travel costs for domestic and foreign travel. Break down by airfare, hotel, per diem, etc. Note

that the cost estimates for per diem, mileage, etc. are based on MSUN Travel and state and/or federal travel rates.

Example: Domestic Travel – Dollar Amount Support is requested for Dr. PI and Dr. Co-PI to attend the X conference in project year 2 to share results. This estimate is based on \$500 airfare per person, \$185 hotel per night per person for four nights, and standard per diem rates used by Montana State University-Northern.

EQUIPMENT

Equipment is an item of durable value with an acquisition cost over \$5000. List the equipment you are requesting, including model name/number and price quotes from a vendor. Explain the necessity of the equipment to the project.

Example: In order to complete Aim #2, a high power microscopy lens is required. This powerful lens will enable researchers to detect the presence and number of damaged protons. This information will enable faster analysis and reengineering of the experiment.

SUBCONTRACTOR

The MSUN justification should focus on what the subcontractor is responsible for and why they were chosen over any other subcontractor. The subcontractor should provide the budget justification narrative for their own budget. These justifications should not be intermingled, i.e., the personnel section should NOT include MSUN personnel and Subcontractor personnel.

Example: Funds are requested for X University to perform Y work. X University was chosen because Dr. Fantastico is the leading expert in XYZ because abc. A detailed budget narrative for X University's budget request is included for reference.

OTHER COSTS

Costs can only be charged directly to a sponsor if they can be readily and specifically identified with that project. Costs that are essential to the project's research and which will be used solely for the project may be budgeted with proper justification, so be as specific as possible. Always explain why purchases are essential to the project's aims and dedicated only to research on this project.

Example: Materials & Supplies: Test tubes, beakers, chemicals and lab consumables are required for this project to complete the blood tests and analysis.

