

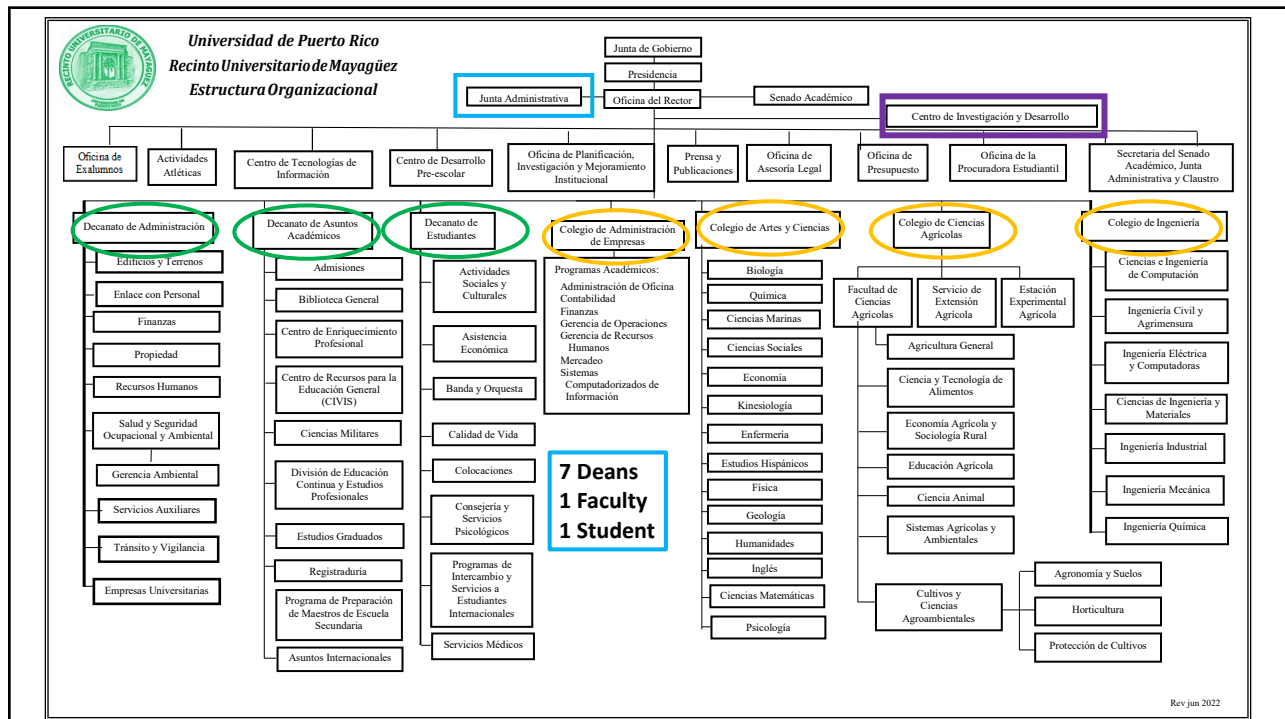


Budget Preparation at UPRM

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Components of UPRM Research Ecosystem

- Special Advisor to the Chancellor for Research
- Research Academy
- Institutional Research Committee
- Comité Institucional de Asuntos Relacionados a la Investigación (CIARI)
- **Centro de Investigación y Desarrollo (CID) – R&D Center**
- Estación Experimental Agrícola (EEA) – Servicio de Extension Agrícola (SEA)
- Centro de Negocios Universitario y Desarrollo Económico (CNDE)
- Plan de Práctica Intramural Universitaria en el Recinto del Mayaguez (Cert. JA 20-21 137)

BUDGET

- A blueprint for spending the project's funds.
- Your budget is an **estimate** that reflects the costs required to perform the work statement you propose.
- If funded, the budget will become the **financial plan** used by the funding agency to provide support.
- Get reasonable estimates from the internet, catalogs, vendor quotes, etc... and keep them!

Guidelines vs. Budget Needs

Read the funding opportunity announcement

- Program Guidelines tell you:
 - The dollar limit
 - Allowable costs
 - Are matching funds required?
- Assessing your budgetary needs:
 - Does the scope of your project fit the solicitation?
 - Will the cost of the project exceed the allowable dollar limits?
- Is **cost share or matching** required?
 - If yes, what type is allowed?
- Are **indirect costs** allowed?
- Are certain costs excluded or limited?
- Are certain costs required?
- What are the maximum and minimum amounts allowed?
- What is the anticipated budget period?

Allowable expenses

- **Reasonable** and **necessary**
- **Allocable** to sponsored projects
- **Consistently treated**
- Conform to any Federal and institutional limitations or exclusions
- Defined: Office of Management and Budget (OMB)
<https://www.whitehouse.gov/omb/>

Types of costs

Direct costs

- can be specifically and easily identified with a particular project or activity and are allowable under the sponsoring organization's guidelines.

Indirect costs

- Incurred for common or joint objectives and cannot be easily and specifically identified with a particular sponsored project or any institutional activity.
- Also called: **facilities and administrative costs** (F&A) or **overhead**

DC-Personnel

Faculty

- Faculty with 9-month academic appointment.
 - Could request summer salary
 - Faculty could **buy-out academic time**, if allowed by sponsor and department
- Follow sponsor salary limitations.
- Fringe Benefits for Summer Compensations: 9.05%
- Fringe Benefits for buying academic time: full rate plus prorated health plan costs.

Technician, Postdocs, Special appointments

- Monthly salaries – limited by HR
- Has Full employee Fringe Benefits
 - Social Security, Medicare, State Insurance, Retirement Plan
 - Health Insurance (currently \$659.22 per month)
 - Christmas Bonus (currently \$600 to be paid as salary and **accrues** fringe benefits of 9.05%)
 - Unemployment Insurance 1.4% of first \$7,000 of salary

DC-Personnel Students

Graduate Research Assistantships

- Assistantships are a form of graduate student employment, earning a compensation package (may include both salary and tuition) for the performance of research
- See applicable graduate school regulations
- Remember to budget for **tuition costs**

Undergraduates

Hourly Wages

- Paid at federal minimum wage
- Get paid according to the number of hours worked
- Require time sheets and signatures
- Fringe benefits: 1.55% (State Insurance Fund)

Assistantships

- No set pay rates for undergrads
- Generally does not cover tuition costs
- No Fringe benefits

Other Direct Costs

- **Equipment:** Tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
- **Travel:** Distinguish between domestic and foreign travel, identified and justified.
- **Participant Support Costs:** Allowed only if clearly stated in the Program Announcement; **stipends, subsistence allowances, travel allowances, and registration fees** paid to or on behalf of participants or trainees (but not employees) in connection with sponsored conferences or training projects.
- **Materials and Supplies:** Consumable items that have a life span of less than a year (reagents, glassware, software, etc.)
- **Publications/Documentation**
- **Consultants**
- **Other** - Equipment maintenance, lab tests, services, graduate student tuition, etc.

Subawards

To include another institution in your budget/proposal, they must provide the following:

- Detailed budget in appropriate Budget Form
- Budget Justification
- Signed (by AOR*) Subaward Commitment Form
- Statement of Work
- Indirect Cost Agreement
- Link to their A-133 Audit

*AOR= Authorized Organizational Representative- authorized to submit proposals on behalf of the institution

Subaward vs. Procurement

Subaward

- Programmatic involvement identified as a separate scope of work, budget & organizational approval.
- Have responsibility for programmatic decision making.
- Responsible for compliance to sponsoring agency.
- Have right to publish results.

Procurement

- Not involved in programmatic work of project.
- Provides similar services/goods to many different purchasers.
- Not subject to terms & conditions of the sponsoring agency.

UPRM Indirect cost rates (F&A)

The rate is negotiated with the federal government Department of Health & Human Services (DHHS) and applies to Modified Total Direct Costs (MTDC)

50% On Campus Research

26% Off Campus

Excludes:

- Equipment
- Capital expenditures
- Patient care costs
- Tuition remission
- Rental costs of off-site facilities
- Participant support: Scholarships and fellowships [NOT Assistantships]
- Portion of each subaward in excess of \$25,000

Budget Justification

- Explains how costs were **calculated**
- Discloses all **personnel effort** devoted
- Identifies costs and explains **why they are needed**
- Reflects objectives of project
- Costs must be **itemized and justified**
- Follows the **same order** as that in the itemized budget or sponsor's **budget form**

Release Time (\$\$\$\$ sustitución de tareas)

- Associate Dean in each College oversees **release time** negotiation as substitution of tasks in the academic program (programa docente)
- Purchase your time with external funds (**buy-out**)
- Before submitting a proposal, requests must be **discussed with your deans and approve by your department director.**

$$R = \frac{IC+Equip+Student+etc}{\text{release time}}$$

Criteria:

- Budget
- Indirect costs
- Student assistantships
- Equipment
- Academic task, products, impact for UPRM

Departamento	Créditos Solicitados	Créditos Aprobados	Aportación por Salario	% del Total Otorgado
Biología	6	6	\$ 19,184.42	9.3
Ciencias Matemáticas	6	3	\$ 9,592.21	4.7
Estudios Hispánicos	12	9	\$ 37,773.55	18.4
Física	9	6	\$ 24,729.22	12.0
Geología	2	2	\$ 7,732.68	3.8
Humanidades	18	15	\$ 48,394.09	23.5
Inglés	18	15	\$ 58,306.70	28.3
Química	3	0	0	0
TOTAL	74	56	\$205,712.87	

Work WITH the CID staff

1. Very few program announcements require PIs to submit proposals as an individual; hence, most proposals are submitted on behalf of the institution by the Sponsor Research Office (SRO) = Center for Research and Development (CID).
2. Read the **Request for Proposal (RFP)** carefully in the program announcement.
3. Contact the Proposal Submission Unit (PSU) (psu@uprm.edu), at least **15 business days before** proposal is due.
4. Work with CID staff to prepare your proposal, especially **the budget.**

After analyzing the RFP and determining what is allowed start your budget. Your project should be feasible with \$\$\$ available.

For this discussion we will use the template in Excel provided by CID:

The Budget

1. **Rates:** Includes the current rates for tuition, fringe benefits, health insurance, retirement
2. **Researches:** Calculates in terms of base salary the amounts needed for the project
3. **Students:** Includes assistantships and hourly rates
4. **Administrative:** If need to calculate additional compensation for administrative support personnel
5. **Special Appointments:** Postdocs, special assistance, secretary for the project, managers, etc.
6. **Equipment:** Major instrumentation defined by federal guidelines (usually >\$5,000)
7. **Travel:** International and domestic supported by the project
8. **Participant:** Refers to participant support, students on stipends, travel, lodging and other expenses
9. **Other DC:** Here includes materials and supplies for the project, consultant services, tuition repayment, computer services
10. **Indirect Cost:** Variable, depending on the agency, the project and other regulations. The base for our Campus is 50%.
11. **Matching:** Variable, matching costs are offered by the institution if the agency requires it. Could be in-kind or in cash.

The screenshot displays an Excel spreadsheet titled 'PROPOSAL BUDGET' and 'Budget-Template-Rev-August-2022-2.xlsx'. The spreadsheet is organized into several sections:

- PROPOSAL BUDGET:** A summary table at the top with columns for 'Budget', 'Actual', and 'Variance'.
- Administrative:** A section with multiple rows for administrative support personnel, including columns for 'Rate', 'FTE', and 'Total'.
- Postdoctoral Support:** A section for postdocs, with columns for 'Rate', 'FTE', and 'Total'.
- Graduate Student Support:** A section for graduate students, with columns for 'Rate', 'FTE', and 'Total'.
- Researcher Support:** A section for researchers, with columns for 'Rate', 'FTE', and 'Total'.
- Other DC:** A section for other direct costs, with columns for 'Rate', 'FTE', and 'Total'.
- Indirect Cost:** A section for indirect costs, with columns for 'Rate', 'FTE', and 'Total'.
- Matricula Graduado Anual:** A detailed table for graduate credits, including columns for 'Materia', 'Credito', 'Plan (Basico)', and 'Total'.
- Rates:** A table listing various rates such as Fringe (9.05%), Health plan (6.20%), SS (6.20%), Medicare (1.45%), FSE (1.40%), Retirement (20.00%), Unemployment (1.40%), and Bonus (600.00).
- Notes:** A section containing notes about health plan changes, unemployment changes, and matricula costs.

The spreadsheet also includes a navigation bar at the bottom with tabs for 'Rates', 'Researchers', 'Students', 'Admin', 'Screenshots', 'Social Appointments', 'Equipment', 'Travel', 'Participant', 'Other DC', 'Budget', and 'Match'.

PI Name								
RELEASE TIME								
	Annual Salary	Rel. Time \$	FB	Health	Retirement	Bonus	SubTotal FB	R/T + FB
Year 1	69,660.00	17,415.00	1,576.06	1,382.00	3,483.00	-	6,441.05	23,856.05
Year 2	69,660.00	-	-	-	-	-	-	-
Year 3	69,660.00	-	-	-	-	-	-	-
Year 4	69,660.00	-	-	-	-	-	-	-
Year 5	69,660.00	-	-	-	-	-	-	-
TOTAL		17,415.00	1,576.06	1,382.00	3,483.00	-	6,441.05	23,856.05
BUY TIME								
	Annual Salary	B/T \$	FB with Unemploy	Health	Retirement	Bonus	SubTotal FB	Buy /T + FB
Year 1	69,660.00	52,245.00	4,826.17	4,145.99	10,449.00	-	19,421.16	71,666.16
Year 2	69,660.00	-	-	-	-	-	-	-
Year 3	69,660.00	-	-	-	-	-	-	-
Year 4	69,660.00	-	-	-	-	-	-	-
Year 5	69,660.00	-	-	-	-	-	-	-
TOTAL		52,245.00	4,826.17	4,145.99	10,449.00	-	19,421.16	71,666.16
SUMMER SALARIES								
	Annual Salary	Summer \$	FB with Unemploy	Health	Retirement	Bonus	SubTotal FB	Salary + FB
Year 1	69,660.00	15,480.00	1,498.94	-	-	-	1,498.94	16,978.94
Year 2	69,660.00	-	-	-	-	-	-	-
Year 3	69,660.00	-	-	-	-	-	-	-
Year 4	69,660.00	-	-	-	-	-	-	-
Year 5	69,660.00	-	-	-	-	-	-	-
TOTAL		15,480.00	1,498.94	-	-	-	1,498.94	16,978.94

Release Time	
Year 1	25.00%
Year 2	0.00%
Year 3	0.00%
Year 4	0.00%
Year 5	0.00%

Buy-Out Time	
Year 1	75.00%
Year 2	0.00%
Year 3	0.00%
Year 4	0.00%
Year 5	0.00%

Summer Month(s)	
Year 1	2.00
Year 2	-
Year 3	-
Year 4	-
Year 5	-

- Award are made for the INSTITUTION
- The PI executes the project
- The University puts the money forward; hence, it is university money subject to ALL regulations of UPR

Thank You !

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