

Massachusetts Life Sciences Center
Cooperative Research Matching Grant Solicitation

Appendix C - Budget Form Instructions

The budget must include any and all costs associated with activities required to achieve the project goals, with the exception of those funds provided by the research institution itself. MLSC reserves the right to reject any application without further review if the budget is not prepared in compliance with the following instructions. The cost proposal (budget) may be the basis of contract negotiation.

A. General Instructions

The budget for years 1, 2 and 3 must be submitted on MLSC's Budget Form. The budget spreadsheet provides a tab for each year. Please be sure to fill out budget information for each year. For years 2 and 3, estimated costs should be listed along with any assumptions used to project any increases to rates.

1. In general, **green cells are entry cells, and yellow cells are calculation cells. Do not edit yellow cells.**
2. All budget information should be described to the greatest extent possible by attaching a description to the budget template that specifies the type of equipment or other direct costs anticipated for the project.
3. MLSC will only reimburse general administration/overhead rates which are approved by NIH or as calculated based upon the Federal Acquisition Regulations, Subpart 31.
4. With each cost category, identify the amount coming from each funding source (i.e. MLSC grant funds, Industry cash match, or Industry in-kind match, as applicable)

B. Applicant Information

Provide the name of the applicant, the title of the proposed project and the project timeframe.

C. Direct Labor and Fringe Costs

These categories are for the time and payroll expense of the applicant's employees that will be performing tasks directly related to the project. List each individual or category of labor required to complete the project.

1. Input the **actual** annual salary or **actual** hourly labor rates for each individual or category of labor. Direct Labor should **not** be based on a billable rate that includes overhead/indirect costs or a profit margin.
2. Indicate the quantity of hours or percentage of effort that will be required of each individual or category of labor.
3. Fringe Costs- include the actual approved rate of fringe benefits associated with the labor category of employees that are performing direct services related to this project. Two categories of fringe rates are provided in the budget template for different employee classes. The first fringe rate currently calculates as a total of the direct labor so if you only use one rate no further input is necessary. If you

use the second fringe rate field, you will need to create formulas (in columns I and J) that sum the salary line amounts that apply to **each** rate and multiply by the applicable fringe rate (in column h) for the employee class.

D. Direct Costs

This category is for purchased items uniquely associated with the proposed project including research materials, reagents, supplies, and software; equipment which is limited to 10 percent of the total project costs; and the purchase and care of laboratory animals. The Other Direct Cost line item is for other direct project costs related to the project. These items should be broken out by type and may include printing, postage, telephone, publications, graphics, etc. required for the project. The basis for each of these costs should be specified in the line item or in a supporting document.

E. Travel

This category is for travel costs related to the applicant.

1. MLSC will accept as a direct charge only that travel which is required to achieve the project goals and to complete activities identified in the project plan. Mileage expenses will be accepted at the current federally approved rates.
2. Include a description indicating the need for the proposed travel, who the traveler is expected to be, the estimated number of person-trips required, destinations, mode of travel, and cost basis of the transportation.

F. Indirect Costs

This category is for indirect costs related to the overhead, administration and management of the project. MLSC will allow NIH-approved rates, or a rate as the Grantee may periodically calculate consistent with the Federal Acquisition Regulations, *whichever is lower*. Grantee must provide information that specifies the type of indirect cost being applied (e.g. general indirect or laboratory costs), the percentage rate, and the dollar amount of the cost base (e.g. total grant costs or modified direct costs) for each type of indirect costs. Please define any indirect cost terms used in this section. Attach documentation showing approval of the rate from NIH or other supporting documentation for the rate if the NIH rate is not being used.

G. Cost Permissibility

The fact that a cost request is included in the Project Budget does not ensure a determination of permissibility. The Grantee is responsible for insuring that all costs charged to the Grant meet all required cost principles under applicable federal guidelines, primarily the Federal Acquisition Regulations, Subpart 31.

H. Match

These columns are for the cash, or in-kind contributions, from the industry sponsor related to the project. List the dollar amounts by type of cost that will be covered with the funds provided by the industry sponsor in accordance with the solicitation requirements for allowable cash or the category of the in-kind contributions.

The Administrative Section on the bottom of budget is for MTC use to determine whether key solicitation budget criteria are met. If there are any NO answers in the "criteria met" column, please review the criteria and revise the budget accordingly to prevent the need for budget adjustments if your award is approved.