

# CONTENTS

Authors .....	3
Also Available from NCURA .....	4
Definitions and Acronyms.....	8
Sponsor Requirements and Cost Considerations.....	13
Sponsor Requirements .....	13
Allowability.....	13
Direct Costs.....	15
Direct Costs .....	15
Personnel Costs .....	16
Equipment Costs.....	19
Travel Costs.....	20
Participant Support Costs .....	21
Other Direct Costs.....	22
Indirect Costs .....	27
Indirect Costs (aka Facilities & Administrative costs).....	27
Negotiated Indirect Cost Rate Agreements.....	28
Multi-Year Budgets .....	36
Cost Sharing .....	39
Mandatory vs. Voluntary Committed Cost Share .....	39
Allowable Cost Share Expenditures.....	39
Faculty, Student, or Staff Effort .....	40
Equipment .....	41
Other Direct Costs.....	42
Indirect Costs .....	42
Third Party Cost Share .....	43
Unallowable Cost Share Expenditures .....	43
Budget Justification.....	45

Appendix I: Salary Limitations.....	48
Salary Cap.....	48
NSF Guidance Regarding Salary Contributed to a Project.....	49
Appendix II: NIH Modular Budget.....	50
Personnel Justification .....	50
Consortium Justification.....	51
Additional Narrative Justification.....	51
Appendix III: Select Sponsor/Program Considerations.....	52
NIH Career Development (K) Awards.....	52
NIH Institutional Training (T) Grants .....	53
Appendix IV: Industry Contracting.....	55
Clinical Trial Agreements.....	55
Industry Budgets .....	55
Side-by-side comparison of Federal (left) and industry-sponsored (right) budgets in which the indirect costs are included in each line item of the budget.....	56
Appendix V: Practice Calculations.....	57
Compensation .....	57
Direct Costs .....	58
Indirect Costs.....	60
Cost Share.....	62
Modular Budget .....	63
Appendix VI: Answers to practice Calculations.....	64
Compensation .....	64
Direct Costs .....	65
Indirect Costs.....	67
Cost Share.....	69
Modular Budget .....	71
Appendix VII: References and Resources.....	72