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Bringing the Budget Into Focus with Proactive Planning

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Learning Objectives

After this session learners will be able to:

• Establish a realistic timeline with the PI
• Obtain a place at the project planning table
• Formulate questions for the PI to elicit information required to build an accurate financial representation of the project
• Identify hurdles at outset
Budget Building is a Partnership

I NEED A BUDGET ESTIMATE FOR MY PROJECT, BUT I DON’T HAVE A SCOPE OR A DESIGN FOR IT YET.

OCKAY, MY ESTIMATE IS $3,583,729.

YOU DON’T KNOW ANYTHING ABOUT MY PROJECT. THAT MAKES TWO OF US.
Budget Building is a Partnership

Shared Challenges

• Advance notice of deadlines
• Access to timely information
• Adequate lead time to add value
Soft Skills

- Accessibility/Approachability
- Proactive Communication
- Persuasiveness
- Follow-up and follow-through
Technical Skills

Allowable & Allocable

• Do the guidelines specify mandatory budgetary items?
• Identify budget items prohibited by the Uniform Guidance or disallowed by the sponsor

Reasonable Costs

• Does the budget accurately reflect the needs of the project scope?
• Would a “prudent person” include these costs?

Think in Narrative Terms

• Consider project needs in narrative terms rather than dollar amounts
• Ask questions to elicit key information/identify gaps
High Level

- Know the award ceiling if applicable
- Educate PI about IDC and set aside those funds
- Establish a timeline:
  - Receipt of subaward or collaborator materials
  - Finalization of budget before approvals
- Make determination between contractor or subrecipient
- Know & explain the UG and Institutional Policies
Budget Busters

• What things do PI’s generally forget about?
• How can we put these at the forefront before it’s too late to modify scope?
• Ask, “Have you thought about?”:
  • Evaluation and Assessment costs (GPRA)
  • Publication costs
  • Dissemination activities (more travel)
Oddities to ID with Timeline Impact

- Overload Pay
- IDC Waivers or Reductions
- Matching documentation & approvals
- IRB or IACUC advance approval requirements
- Collaborator materials
- Participant Support Costs
Oddities to ID with Timeline Impact

- Overload Pay
- IDC Waivers or Reductions
- Matching/Cost Sharing
- Collaborator Materials
- Participant Support Costs
- IRB or IACUC pre-approvals
Granular Detail (SF424A List)

• Personnel & Fringe: AY vs. Summer
  • Distinguish between release time/buyout and overload
  • Overload – know your policy and the UG
  • New Hires – know your full fringe if not in NICRA

• Travel:
  • Who? How many? How long? Purpose & destination if known
    • Offer to do detailed projections of per diem and other hidden costs (long term parking, surface transportation, etc.)
Granular Detail (SF424A List)

• Equipment: ($5,000 or more)
  • Where to be housed? Mods required to existing facility? Installation/calibration & maintenance costs?

• Supplies:
  • Observe $5,000 for equip- place all other items here
  • Reagents and disposable lab supplies
  • No general use items unless fully justified
Granular Detail (SF424A List)

• Contractual – discuss roles and make determination vs. sub
  • PI must select and be willing to live with this distinction (decision matrix)
• Construction – usually N/A
• Other – could be:
  • Subawards
  • Express shipping
  • Printing of large jobs
  • Food Service internal to institution
  • Others seen often?
Budget Justification is Critical

- Not an afterthought
- Boosts credibility: matches budget with goals
- Should be precise and thorough
- Follow sponsor’s format exactly
- Use unit costs if applicable, explain efficiencies
- Proofread/edit as time allows
Final Takeaways

- Offer to attend planning sessions
- Set expectations early about the timeline
- Send many iterations of the budget
- Be extremely responsive
- Go the extra mile!
Thank you

Questions?
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