

## AMFDP 2016 Budget Preparation Guidelines

### *Overview*

An important component of the submission process is the preparation of a budget worksheet and a detailed budget narrative, which links the requested funding with specific elements of the proposed project. These guidelines are provided to assist in the preparation of these sections. Best judgment should be used when projecting program expenses.

Every budget submitted to the Robert Wood Johnson Foundation for review must be accompanied by a budget narrative. The narrative portion of the budget should provide a description of and justification for each line item requested on the budget worksheet. The information in the narrative should be complete enough to allow someone not familiar with the project to be able to reconstruct the budget.

Select one of the links below for specific information.

- [Personnel](#)
- [Other Direct Costs](#)
- [Purchased Services](#)
- [Indirect Costs](#)
- [Contract Budget and Fact Chart](#)

Foundation funds are to be used to support stipends and research activities of the Scholar during the grant period. The total four-year budget, including the research allowance and indirect costs, may not exceed \$420,000.

All research plans and budgets must be reviewed by members of the National Advisory Committee, the National Program Office, and Foundation staff regarding the appropriateness of the budget for the proposed project. All final decisions will be made by the Foundation. National Advisory Committee members do not negotiate budgets with applicant institutions.

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Please note that budget revisions during the course of a four-year award are possible, but are not required unless one or more of the following conditions are true: (1) the Foundation Program Officer or Program Financial Analyst requires it, (2) your organization requires it, (3) your grant is a technical assistance and direction grant for a Robert Wood Johnson Foundation (RWJF) national program, or (4) your grant is expenditure responsibility (ER). Applicants are informed if a grant is ER during the review process before the grant is awarded.

For guidelines for making a revision request go to [Budget Revision Guidelines](#).

Also visit [Frequently Asked Questions](#).

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## Personnel

We recommend that you insert a table in the budget narrative that provides complete salary and FTE information instead of listing the information under each position.

**Scholar:** Provide the Scholar's full name and title. Scholars may budget up to a maximum of \$75,000 per year for the stipend. Please include a detailed description of the activities, base annual salary, and FTE (full-time equivalency or percentage of effort) as it relates to the project and include FTE charged to RWJF. Include cost-of-living adjustment percentage, or any other increases, being applied to the base salaries for each year of the project, if applicable. The total stipend for four years may not exceed \$300,000. If for some reason, the salary/stipend requested is significantly less than \$75,000, please provide an explanation and list other sources of compensation.

**Project Staff:** Time or salary costs attributable to project staff such as project manager, project coordinator, case manager, communications manager, etc. who provide direct input to the project. This sub-category includes staff titles with roles directly related to the technical and professional aspects of the project, such as nurses, epidemiologists, graduate students, research associates, scientists, research analysts, statisticians, economists, etc. Positions falling under the Project Director/Principal Investigator, Administrative Staff and Other sub-categories are excluded from the Project Staff sub-category. Please indicate the name, title, base salary, percent of effort on the project, and percent of salary charged to the grant for each person. In addition, please include a detailed description of the activities under the project. Include cost-of-living adjustment percentage, or any other increases, being applied to the base salaries for each year of the project, if applicable.

**Admin Staff:** Administrative support positions (e.g., receptionist, administrative assistant, program assistant, secretary), general clerical help, temporary help, coders, data entry, phone bank staff, etc. Please indicate the name, title, base salary, percent of effort on the project, and percent of salary charged to the grant for each person. In addition, please include a detailed description of the activities under the project. Include cost-of-living adjustment percentage, or any other increases, being applied to the base salaries for each year of the project, if applicable.

**Other Staff:** Any salary costs not covered under the other Personnel sub-categories (e.g., Web Designer). Please indicate the name, title, base salary, percent of effort on the project, and percent of salary charged to the grant for each person. In addition, please include a detailed description of the activities under the project. Include cost-of-living adjustment percentage, or any other increases, being applied to the base salaries for each year of the project, if applicable.

**Fringe Benefits:** It is anticipated that the Scholar's institution will pay for fringe benefits. If the institution does not pay any of the fringe benefits or only a portion thereof, this item becomes negotiable with the National Program Office. If the Scholar is receiving the full stipend allowance, then fringe benefits must come out of the funds budgeted for research activities and indirect costs. If different rates were used for different individuals, please explain the calculation for each individual. If the rate exceeds 35%, please provide a complete list of the benefits and percentages for each that are included in the budget.

For the remaining categories, up to \$30,000 per year may be budgeted to support research activities under the grant, including indirect costs. Indirect costs may not exceed 12% of direct costs in any one year, and may not exceed \$45,000 over the four years of the grant.

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### Other Direct Costs

The following are the types of expenses that should be included in Other Direct Costs. You may omit some of these categories if they do not apply to you.

**Office Operations (Research):** This subcategory includes Research Supplies, Printing/Duplicating, Telephone, Postage, Software, Computer Usage (payment for costs associated with processing information on a mainframe computer or server), directly related to the project. List the quantity and cost of each type of supplies needed for your project. Identify any other items that are not covered in the above-mentioned areas. In the budget narrative, list the items (Supplies, Printing/Duplicating, Telephone, etc.) being funded under this subcategory and the amount budgeted for each item. Describe these items, their costs, and the relationship to the research activity. Computers themselves should be listed under Equipment.

**Communications and Marketing:** This subcategory includes manuscript preparation costs and page charges.

**Travel:** Every budget must include a line item for the Scholar's participation in the annual meeting of the Scholars. (One Mentor per Scholar is invited for the first and second years of the Scholar's award; the Mentor's travel costs are NOT paid through the Scholar's grants, but rather are reimbursed through the NPO.) The figures shown below include average air and ground transportation, meals, and hotel for the purpose of estimating the costs. Please include this amount in your budget and use these figures in your narrative.

#### A. Annual Meeting of Scholars:

Airfare and baggage:	\$ 500
Lodging	\$ 450
Meals:	\$ 200 (\$100 per day)
Ground Transportation	<u>\$ 150</u>
Total	\$1300

One annual meeting each year should be budgeted. Your first meeting will be in October, 20167.

**B. Professional Meeting(s):** Scholars are allowed and encouraged to budget up to \$975 per meeting (\$1950 total) for two professional meetings per year. Give the name of the meeting, how it is pertinent to the research, and the city where it will take place (as far as this information has been made public). Please state whether travel will occur in U.S. because RWJF does not support international travel (see below).

**Note about international travel:** As a matter of policy, the Foundation does not support international travel, which includes Alaska, Hawaii, Puerto Rico, Canada and Mexico. Only in extraordinary circumstances will the Foundation consider approval of international travel. Any request to attend international meetings using grant funds must be submitted in writing well in advance of the meeting and must have received approval prior to commencement of travel. No retroactive approvals will be granted. The written request must contain a complete explanation of the proposed expenditure detailing how it relates to the accomplishment of the goals and objectives of the grant. Requests should be submitted to the National Program Office ~~and the Foundation's finance office simultaneously~~. It is extremely rare for such requests to be granted.

**Polls and Surveys:** Costs associated with conducting polls or surveys that do not fall under Personnel or Purchased Services budget subcategories. These include fielding and administrative costs, design and development of survey instruments, mailing of questionnaires, expenses related to telephone surveys (e.g., toll calls, 800 lines, additional temporary phone lines), printing and dissemination of findings.

**Equipment:** Purchased or leased equipment, including but not limited to desktop or laptop computers or printers. Itemize the equipment, provide unit and total costs, list personnel who will use the equipment and provide justification for why equipment is needed for the project. Typically, the Foundation supports the purchase of equipment in a multi-year project only in the first year of the project. A quote is not needed, but you should have supporting documentation if further clarification is needed. The Foundation generally does not support the purchase of cell phones or tablets. However, under certain limited circumstances, we may support the portion of monthly service agreements for these products that are directly related to the project. If approved, these expenses should be budgeted under Office Operations.

**Other:** Includes any cost not previously covered under Other Direct Costs. If applicable, include costs for data collection and subject reimbursement costs. Describe their relationship to the research activity. Purchased information would be included here, such as the purchase of data, purchase of mailing lists, purchase of manuscripts and publications, subscriptions to periodicals, magazines, journals, newsletters, etc. required as part of the project.

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## Purchased Services

**Consultants:** This line item represents fees or honoraria paid to individuals for a specific service provided based on an agreed per diem rate. Some examples are proposal review, technical assistance, speaking engagements, and service on an advisory committee or board. Fees and honoraria may be budgeted using the Foundation's approved rate of \$500 per day for a full day of work. If you are proposing a fee or honorarium of more than \$500 per day, a justification is required for the higher amount.

**Contracts:** Agreements entered into with specific deliverables and expectations negotiated by you for an agreed upon price over a specified period. For example, salaries and fringe benefits of

project staff who are not employees of the applicant organization are included under contracts. See “Deliverables” for more information. In the budget narrative, for each contract, complete all fields in the Contract Budget and Fact Chart.

In the Cost Justification field, explain how you determined the cost for the contract. For example, if you obtained two bids for the contract work, you can simply explain that you obtained two bids. Alternately, provide a list of costs and an explanation of how each is calculated like you did for the rest of your budget. If you haven’t researched the cost of each contract, it is important to do that research prior to submitting your budget.

The Foundation acknowledges you may not have complete information for each contract at the budget development stage. However, it is important to demonstrate you have a good understanding of the scope of work and/or deliverables to be accomplished by each contract, and provide a justification of specific costs and how those costs are calculated. If the specifics of the contract are not available during budget development, additional information may be required during budget negotiations.

Grant funds cannot be expended against any contract in your budget until you are advised to do so. If Foundation funds are the anticipated sole source of support for the project funded by your award, for all contracts, the start date should not be earlier than the start date of your award, and the end date should not be later than the end date of the award. Other funds must be used to pay for any contractual costs that begin earlier than the anticipated start date or end later than the anticipated end date of the project.

The terms and conditions of any contracts into which you enter should be consistent with the terms and conditions of the Foundation’s letter of agreement (LOA) with you, which, if your project is approved, will be the legal document governing your award from the Foundation (sample LOAs can be found by selecting the links below). The Foundation will not be a party to your contracts. You retain full responsibility for your contracts, which includes overseeing the work and deliverables, and reporting the expenses associated with the contract to the Foundation. We recommend that you consider including right to audit provisions and record retention expectations when negotiating contracts.

- [\*\*Organizations that are Public Charities, Exempt Operating Foundations and Governmental Entities\*\*](#)
- [\*\*Private Foundation Other than Operating Foundations\*\*](#)
- [\*\*Private Operating Foundations\*\*](#)
- [\*\*Organizations Not Exempt Under Internal Revenue Code Section 501\(c\)\(3\)\*\*](#)

**Deliverables:** Tangible or intangible product produced as a result of a project. If your project engages a contractor to design a Web page, the Web page is the deliverable. If your project engages a contractor to convene a series of focus groups, and then write a final summary paper, the final summary paper is the deliverable. Other examples include facilitation of a meeting, white paper or issue brief, training manuals, strategic plans, research reports, or provision of strategic advice.

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## Indirect Costs

Indirect costs of up to 12% of direct costs may be requested, and may not exceed \$45,000 over the four years of the grant. Indirect costs are overhead expenses incurred by the applicant organization as a result of the project but that are not easily identifiable with a specific project. These are administrative expenses that are related to overall operations and are shared among projects and/or functions. Examples include executive oversight, accounting, grants management, legal expenses, utilities, and facility maintenance.

The Foundation's approved rate is 12% of all RWJF costs (Personnel, Other Direct Costs, and Purchased Services) associated with the project. However, if the Purchased Services category equals more than 33% of the total of Personnel, Other Direct Costs and Purchased Services, RWJF allows 12% indirect on Personnel and Other Direct Costs, and 4% on Purchased Services. State the amount requested from RWJF and the amounts being provided from other sources.

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## Contract Budget and Fact Chart\*

Following is a sample of the Contract Budget and Fact Chart found in the Budget Narrative template (see Budget Narrative link on left of online system).

### Contract Budget and Fact Chart

<b>Contractor Name</b>	
<b>Contract Start Date</b>	
<b>Contract End Date</b>	
<b>Scope of Work</b>	
<b>Deliverables</b>	
<b>Total Cost</b>	
<b>Cost Justification</b>	

\*If contracts are a part of your proposed budget, you *must* complete one Contract Budget and Fact Chart for each contract. Enter "TBD" when information is not yet known. See Glossary & Instructions, Contracts and Deliverables sections for additional information.