Budget Information Session
For Faculty of Arts
HDR Candidates
Monday 22 March 2010

(NB: this presentation is based on application to external funding bodies, with emphasis on ARC Discovery Projects. It should be used only as a basic guide for Departmental grant applications. HDR Candidates are encouraged to discuss budget specifics with their Supervisors.)

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Manager, Research Grants
Research Office
Application Budgets:

• Generally speaking, most grant applications allow you to apply for support for the direct costs of the project.

• Which means …
Budget:

- You *can* apply for this:
  - Personnel (salaries and oncosts)
  - Teaching relief for CIs (only where well justified)
  - Equipment
  - Maintenance
  - Travel
Budget:

• But you *can’t* apply for this:

  • Capital works and general infrastructure
  • Salaries of CIs and PIs, except where the funding body allows this.
  • Special studies programs (eg OSP)
  • Research support for investigators not resident in Australia
  • International students’ fees and HECS/HELP liability
  • Basic facilities
  • Publication costs, except where this is allowed by the funding body.
Before you start:

- Ask yourself how you intend to do your work?
- The answer equates to the Approach and Methodology section of an application
- And this in turn relates inextricably to the budget.
Budget:

- Direct Costs
  
  - can be specifically documented as necessary to conduct your particular research project, eg:
    
    - salaries;
    - operating expenses (printing, consumables);
    - travel (rate per kilometre, fares, lodging, sustenance);
    - equipment;
    - etc.
Budget:

• Some funding bodies ask you to include Indirect Costs, ie costs that cannot be easily identified as specific to a particular project, but which are nonetheless real costs, eg:
  • utilities;
  • maintenance of space and equipment;
  • security;
  • computer services;
  • legal services;
  • accounting services;
  • payroll services;
  • access to library facilities.
Budget:

- Don’t inflate figures (but don’t undercut yourself either)

- Make accurate calculations and include them in the budget section.

- Equipment requests should be at current prices (obtain a formal quotation as back-up)
Budget Justification

• Justify every item. Do not merely restate proposed expenditure.

• Explain why items are essential in relation to the aims and methodology of the project.

• Explain why they are essential in meeting the objectives of the proposal.
Budget Justification

• Ask yourself the following questions:
  - What would I not be able to do if I didn’t have these budget items?
  - How would my project suffer if I didn’t have them?

• The answers will form the basis of your justification.
Personnel

• Research Assistants

• Research Associates

• Senior Research Associates

• Technicians
Salary Calculation (fractional)

• Applicable Salary Rate
  \times
• Time Fraction
  =
• Total Salary Cost

(Example: $55,000 \times 0.3 = $16,500)
Salary Calculation (casual)

• For long period: estimate full-time equivalent time fraction if to be employed; then calculate as for fractional
  (Example: 3 days per week for 26 weeks
  FTE = 3/5 \times 26/52 = 0.6 \times 0.5 = 0.3)

• For short period: use an hourly rate
  (Example: $50 \times 70 \text{ hours} = $3,500)
Salary Calculation

- Salaries must include oncosts, i.e., the percentage of the salary that covers things like annual leave, sick leave, worker’s compensation, etc.
- For ARC applications, the rate is 28%.
- Example: position requested has a salary of, say, $55,000; after oncosts have been included, the requested amount would be $70,400.
Personnel Justification

• Justify level of expertise and experience required

• If you have a person in mind for the position, justify the position rather than the person

• Justify the time required
Fellowships Justification

- Why is a full-time commitment required?

- If applying for a 75/25 ARC Australian Postdoctoral Fellowship, why has the teaching/research option been selected?
Teaching Relief Justification

• Normally, a special condition of the award, so must be fully justified
• Why is it needed to achieve a successful project outcome?
• What needs to be done by the CI that can’t possibly be delegated to another participant in the research
**Equipment**

- Normally, this means hardware and software items costing more than $1000
- Include cost ex GST (depending on funding body requirements) and any installation costs
- Avoid guestimates - get recent quotations
- Large, costly pieces of equipment more appropriate to the ARC Linkage Infrastructure Equipment and Facilities (LIEF) scheme
Equipment Justification

• Must be project specific

• If costs more than standard, specify the features vital for the project

• Identify specific methods and/or experiments for which specialised equipment is required
Equipment Justification

• Why is existing equipment not suitable; or available?

• Why can’t it be accessed elsewhere?

• Provide details of manufacturer, supplier, cost and installation based on quotations.
Equipment Justification

• Quotation requirements are as per the Macquarie University purchasing procedure guidelines (please see http://www.mq.edu.au/policy/docs/purchasing/pro\cEDURE.html#quotation for details).

• All equipment purchased with research grants remains the property of Macquarie University
Maintenance / consumables

- Consumables

- Equipment costing less than $1000

- NB: Don’t use this category for computer equipment or data entry personnel. These items should be listed under Equipment or Personnel
Maintenance/Consumables
Justification

• Make sure that supplies requested mesh with methods and experiments

• A carefully detailed and justified supply budget helps to convince that you are capable of managing the project
Travel

- Local travel (based on rate per kilometre)
- Airfares (economy)
- Lodging (realistic cost of modest accommodation, or conform to per diems)
Travel Justification

• What is the purpose of the travel?
• Why the need to travel in the first place, in the age of emails, webcams, webinars, etc
• Number of travellers, origin and destination
• Airfares, accommodation, sustenance
• Field expenses
Other

• Any other direct costs that can’t be placed in the categories listed above

• For example:
  - access to workshop services
  - AQIS permits
  - transport of samples into Australia
Infrastructure Levy:

- If applying to a non-ACGR (Australian Competitive Grants Register) scheme, an infrastructure levy of 15% applies.

- See the list of ACGR schemes from the link at http://www.innovation.gov.au/Section/Research/Pages/AustralianCompetitiveGrantsRegister(ACGR).aspx
Infrastructure Levy:

- **Minimum amount to be collected is 10% of gross income, distributed as follows:**
  - 5% to University Operating Budget; increases to 10% where there is no Research Office involvement in processing a funding application.
  - 5% to Research Office where a funding application was processed by the Research Office.
  and further amounts as follows:
  - 5% to Faculty; may be waived by the Exec Dean.
  - 5% additional if a grant proposal has not been sighted by the Research Office or Financial Services prior to it being sent to the granting body.
Infrastructure Levy Exemptions:

• The Office of Financial Services applies a contribution to infrastructure charges to all income derived by financial units except where an exemption has been obtained.

• For full details of the University’s policy see http://www.ofs.mq.edu.au/budget_process/financial_planning/infrastructure_charges_on_income.htm
Overall, make sure you:

• Read the scheme’s Funding Rules

• Consult the scheme’s Instructions to Applicants when completing the form

• Consult the relevant salary scales

• Important information links available from the Research Office web pages, starting at [http://research.mq.edu.au/about/research_office](http://research.mq.edu.au/about/research_office)
Bottom Line:

• Read the Scheme Funding Rules AND Instructions to Applicants

• Accurate Costings are Important

... BUT

• Justification is Paramount
Application/Budget Questions?

• **Consult your Faculty Research Manager:**
  - gill.ellis@mq.edu.au, X4496

• **Or email the Arts Faculty Research Office:**
  - artsro@mq.edu.au
Application/Budget Questions?

- Consult the Research Grants Team in the Research Office:
  - Manager, Research Grants: jennifer.newton@mq.edu.au, X8609
  - Research Grants Officer: georgina.chinchen@mq.edu.au, X4462