Introductions

• We are…
  • Alyssa Bunn, Contract and Grant Officer
  • Kassie Obelleiro, Training Officer

• Please tell us…
  • Name and department
  • Have you worked on a proposal budget? If so, how many?
Learning Objectives

After today’s training session you should:

• Know the common direct cost **budget categories**
• Know the various **indirect cost rates and bases** used at UC Davis
• Understand the different **types of collaborators**
• Know the **basic formulas** for preparing a proposal budget
Today’s Handouts

• Proposal Budgeting Basics Workbook
• Common Proposal Budget Formulas
Class Outline

• Common Direct Cost Budget Categories
  • Definitions
  • Basic Formulas
• Other Basic Formulas
• Indirect/Facilities and Administrative (F&A) Costs
• Resources
Common Direct Cost Budget Categories and Formulas
Personnel Line Items

Salary/Wages

- Determine Personnel Needs – Who will be on the grant
- Determine Salary (Annualized?)
- Calculate Effort Commitment
- Calculate Salary to Charge
# Salary and Wages: Determine Personnel Needs

<table>
<thead>
<tr>
<th>Position</th>
<th>Description</th>
</tr>
</thead>
</table>
| **(Lead) Principal Investigator/Project Director (PI/PD)** | • Required  
• Designs and conducts the project  
• Overall responsibility |
| **Co-Principal Investigator(s) (co-PI)** | • May not be allowed  
• Often has equal administrative authority with the PI |
| **Co-Investigator (co-I)**            | • Other senior personnel                                                   |
| **Consultants**                       | • “Brains and briefcase”  
• Should not include UC employees  
• Not responsible for completing the scope of work |
| **Unpaid Collaborators**              | • May or may not be listed as senior personnel depending on role  
• May provide as needed advice or be integral to project |
Salary and Wages: Determine Salary of Personnel

• Identify the **actual** salary and wages if possible
  • If unknown, use the UC Davis salary scales to estimate
  • UC Davis Staff Salary Scales: [http://www.hr.ucdavis.edu/Salaryscales](http://www.hr.ucdavis.edu/Salaryscales)

• Determine **wage adjustments**
  • Are there any known wage adjustments, such as merit increases
  • May escalate to standardize projected increases
    • 3 to 5% is the UCD standard

• Determine the **type of appointment** for each academic employee
  • Staff employees all have a 12-month appointment
  • Academic employees may have a 9-, 11- or 12-month appointment
  • Important for **annualizing salary** and calculating **effort commitment**
Salary and Wages: Determine Salary of Personnel

UC Davis uses annualized effort; consider using annualized salary for accuracy:

• Definition: A person’s total salary over 12 months (Academic plus summer)
  • Differs from the salary of someone’s 9- or 11- month appointment
• Why annualize?
  • Helps determine annual effort commitment
  • Identifies if someone will exceed a sponsor-imposed salary cap
• Formula
  1. \( \text{Salary} \div \# \text{ of Appointment Months} = \text{One Month Salary} \)
  2. \( \text{One Month Salary} \times \text{total number of months worked annually} = \text{Annualized Salary} \)
  • If estimating or projecting, use 12 months
Salary and Wages: Determine Salary of Personnel

Let’s Practice!
Professor Smith is paid $100,000 per year and has a 9-month appointment. She is allowed to work up to 3 summer months. What is her **Annualized Salary**?

Step 1: Calculate her monthly salary:

\[
\frac{\$100,000}{9} = \$11,111
\]
Salary and Wages: Determine Salary of Personnel

Step 2: Calculate her Annualized Salary

$11,111 \times 12 = \$133,333$

Short Cut

$\text{Salary} \div \text{of Appointment Months} \times 12 \text{ months (9 AY + 3 SMR)} = \text{Annualized Salary}$

$\$100,000 \div 9 \times 12 = \$133,333$
Salary and Wages: Determine Salary of Personnel

Let’s Practice!
Professor Jones has a base salary of $100,000, has an 11-month appointment. She is allowed to work up to 1 summer month. What is his annualized salary for this project?

Step 1: Calculate his monthly salary:

\[
\frac{\$100,000}{11} = \$9,090
\]
Salary and Wages: Determine Salary of Personnel

Step 2: Calculate his Annualized Salary

$9,090 \times 12 = \$109,080

Short Cut

Salary ÷ of Appointment Months x 12 months (11 AY + 1 SMR) = Annualized Salary

$100,000 ÷ 11 \times 12 = \$109,080
Salary and Wages: Calculate Effort Commitment

- PI is responsible for determining amount of effort commitment
  - Estimating is OK
- May be included as a % of annual effort or number of person-months
  - Depends on sponsor requirements
  - Federal sponsors require person-months
Salary and Wages: Calculate Annual % Effort Commitment

- If the PI is providing the same level of effort for an entire project period/year, no calculation is needed.
- What if the annual effort if the PI is providing specific effort during the academic and/or summer months?
- Converting non-annualized effort to annualized effort
  1. Convert Academic Effort to Annual Effort
     - \((\text{Academic Appointment Months} \times \text{AY Effort\%}) \div 12 = \text{AY Effort\%}\)
  2. Convert Summer Effort to Annual Effort
     - \((\text{Summer Months} \times \text{Summer Effort\%}) \div 12 = \text{Summer Effort\%}\)
  3. Determine Total Annual Effort
     - \(\text{Effort\% for Academic Months} + \text{Effort\% for Summer Months} = \text{Total Annual Effort\%}\)

Note: Academic and Summer Effort should be listed on two separate lines on the OR Budget Template
Salary and Wages: Calculate Annualized % Effort Commitment

Let’s Practice!
Professor Smith has a 9-month appointment and can work up to 3 summer months annually. She will commit 3% effort during the academic months and 50% effort during the summer. What is her total Annualized Effort commitment for this project?

Step 1: Calculate her effort commitment based on her academic year effort.

\[
\left( \frac{9 \times 3\%}{12} \right) = 2.25\%
\]
Salary and Wages: Calculate Annualized %Effort Commitment

Step 2: Calculate her effort commitment based on her summer months effort.

\[
\left( \frac{3 \times 50\%}{12} \right) = 12.5\%
\]
Salary and Wages: Calculate Annualized %Effort Commitment

Step 4: Calculate her total annual effort commitment.

2.25% + 12.5% = 14.75%
Salary and Wages: Calculate Annualized %Effort Commitment

Enter onto OR Budget Templates as two lines, each showing annual effort:

<table>
<thead>
<tr>
<th>Name/Role:</th>
<th>Annual Salary</th>
<th>Project Period % Effort</th>
<th>Salary Basis and Type</th>
<th>Escal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base</td>
<td>Summer</td>
<td>Total</td>
<td>Per 1</td>
</tr>
<tr>
<td>1  Dr Smith - AY</td>
<td>100,000</td>
<td>33,333</td>
<td>133,333</td>
<td>2.3%</td>
</tr>
<tr>
<td>2  Dr Smith - Summer</td>
<td>100,000</td>
<td>33,333</td>
<td>133,333</td>
<td>12.5%</td>
</tr>
<tr>
<td><strong>Total Salaries</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefits by Person</th>
<th>FY Split: 9/3</th>
<th>0/0</th>
<th>0/0</th>
<th>0/0</th>
<th>0/0</th>
<th>0/0</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Dr Smith - AY</td>
<td>Faculty, Acad, MSP, Safety</td>
<td>38.3/39.4</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>2  Dr Smith - Summer</td>
<td>Faculty Summer-A</td>
<td>10.2/10.5</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
</tbody>
</table>

**Total Benefits**

**Total Personnel**
Let’s Practice!

Professor Jones has a 9-month appointment and can work up to 3 summer months. She will commit 10% effort during the academic months and 20% effort during the summer. What is her Annualized Effort commitment for this project?

Step 1: Calculate her effort commitment for the academic months.

\[
\left( \frac{9 \times 10\%}{12} \right) = 7.5\%
\]
Salary and Wages: Calculate %Effort Commitment

Step 2: Calculate her effort commitment for the summer months.

\[
\left( \frac{3 \times 20\%}{12} \right) = 5\%
\]
Salary and Wages: Calculate %Effort Commitment

Step 3: Calculate her total annual effort commitment.

7.5% + 5% = 12.5%
Salary and Wages: Calculate Salary to Charge to the Grant

- Use the percent or person-months effort
- Annual Salary
  1. \( \text{Annual Salary} \times \text{Annualized Effort} = \text{Salary to Charge to Grant} \)
Salary and Wages: Salary to Charge

Let’s Practice!
Professor Smith has a 9-month appointment. She will commit 10% annual effort and her annualized salary is $133,333. **What amount should be charged to the grant for her salary?**

\[
\text{Salary to Charge} = \text{Annualized Salary} \times \text{Effort}
\]

\[
\text{Salary to Charge} = \$133,333 \times 10\% = \$13,333
\]
Salary and Wages: Salary to Charge

Let’s Practice!

Professor Smith has a 9-month appointment and a base salary of $100,000. She will commit 10% academic year effort. **What amount should be charged to the grant for her salary?**

Remember 10% during the academic year does not equal annual effort:

\[
\text{Annualized Salary} \times \text{Effort} = \text{Salary to Charge to Grant (annually)}
\]

\[
\$100,000 \times 10\% = $10,000
\]

Annualize salary and effort first:

\[
\text{Annualized Salary} \times \left(\frac{9}{12} \times .10\right) = 7.5\%
\]

\[
\$133,333 \times (9/12 \times .10) = 7.5\% = $10,000
\]

Professor Smith is committing 7.5% annual effort.
Salary and Wages: Calculate Effort Commitment in Person Months

**Person Months Effort**

1. Calculate the number of months to be worked. Use 12 months to estimate:
   
   \[ \text{Appointment Months} + \text{Summer Months} = \text{Total Months Worked} \]

2. Multiply the number of months worked by the % effort to calculate person-months effort.
   
   \[ \text{Total Months Worked} \times \text{Effort}\% = \text{Annual Committed Effort in Person Months} \]
Salary and Wages: Effort Commitment in Person-Months

Let’s Practice!
Professor Smith has a 9-month appointment. She will commit 3% effort during the academic year. What is her effort commitment in person months for this project?

Step 1: Determine the number of Appointment Months.
Salary and Wages: Effort Commitment in Person-Months

Step 2: Calculate her effort commitment in person-months.

\[ \text{Effort} = \text{Number of Appointment Months} \times \text{Effort for Academic Months} \]

\[ 9 \times 0.03 = 0.27 \text{ person months effort} \]
Salary and Wages: Effort Commitment in Person-Months

Professor Smith has a 9-month appointment. She will commit 10% annual effort. What is her effort commitment in calendar/person months for this project?

\[
\left( 9 + 3 \right) \times 0.10 = 1.2 \text{ calendar months effort}
\]
Professor Smith has a 9-month appointment. She will commit 10% effort during the academic months and 20% effort during the summer. How many person months is she committing to the project?

\[
\begin{align*}
\text{Effort} &= \text{Person Months Effort} \\
\text{Academic Months} &= \frac{9}{12} \times 0.10 \\
\text{Summer} &= \frac{3}{12} \times 0.20 \\
\text{Annual} &= \left( \frac{9}{12} \times 0.10 \right) + \left( \frac{3}{12} \times 0.20 \right) \\
\end{align*}
\]
Personnel Line Items

Fringe Benefits

• Identify Benefit Code and Rate
• Calculate Fringe Benefits
Calculating Fringe Benefits

Identify Benefit Group and Rate

<table>
<thead>
<tr>
<th>CBR Group</th>
<th>Personnel Category</th>
<th>FY 19/20 Rate</th>
<th>FY 20/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCOMP Faculty &amp; SNSM</td>
<td>SOM Faculty and Senior Management</td>
<td>25.3%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Nurses and Physicians</td>
<td>Nurses, Nurse Practitioners and Clinical Physicians</td>
<td>30.2%</td>
<td>31.1%</td>
</tr>
<tr>
<td>Faculty, Acad, MSP, Safety</td>
<td>Non-SOM Faculty; Other Academic appointment such as project scientists and specialists; MSP positions such as directors; and safety services such as Fire and Police officers.</td>
<td>38.3%</td>
<td>39.4%</td>
</tr>
<tr>
<td>Faculty Summer Salary</td>
<td>Faculty Summer Salary</td>
<td>10.2%</td>
<td>10.5%</td>
</tr>
<tr>
<td>All Other Staff</td>
<td>Staff including analysts, SRAs, programmers</td>
<td>52.7%</td>
<td>54.3%</td>
</tr>
<tr>
<td>Service Staff</td>
<td>E.g., Janitors</td>
<td>65.4%</td>
<td>67.4%</td>
</tr>
<tr>
<td>Postdoc Employees</td>
<td>Postdocs</td>
<td>25.9%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Grad and Undergrad</td>
<td>GSRs and Undergrads</td>
<td>1.9%</td>
<td>2%</td>
</tr>
<tr>
<td>Limited Benefits</td>
<td>Employees not eligible for full benefits (e.g., FTE % is too low)</td>
<td>17.2%</td>
<td>17.7%</td>
</tr>
<tr>
<td>No Benefit Eligibility</td>
<td>E.g., not eligible based on appointment type</td>
<td>3.8%</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

Calculate Fringe Benefits

Annual Salary Charged x Fringe Benefit Rate = Annual Fringe Benefits to Charge

Example:

$3,600 \times .383 = \$1,378.80$
Round to: $\$1,379$
Equipment and Capital Asset Line Items

**Equipment**
- Capitalized and excluded from F&A
- Non-expendable
- Standalone
- Normal useful life is 1 year or more
- Cost is more than $5,000

**Software**
- Capitalized and excluded from F&A if:
  - Software purchase price is $5,000 or more per copy
  - Licenses where no period mentioned if the cost is more than $5,000 per license and useful life exceeds 1 year
- Included as hardware costs
- Treated as supplies and subject to F&A:
  - Annual license fees and maintenance costs

**Renovations/Facility Improvements**
- Capitalized and excluded from F&A
- Improvements or betterments
Supply and Expense Line Items

Materials and Supplies
- Tangible items
- Laboratory
- Project
- Specialty

Expenses
- Tuition and registration fees
- Event registration fees
- Facility recharges
- Publication Fees
- Participant Support Costs
Participant Support Costs

Costs paid to or on behalf of trainees/program participants who are not employees

✓ Participants may be students, national scholars and scientists, private sector representatives, agency personnel, teachers, and others who attend and participate in the conference, workshop, or training activity supported by a particular award. University employees cannot be participants. Participants perform no work or services for the project or program other than for their own benefit. A participant is not involved in providing any deliverable to the University or a third party.

✗ Not employees
✗ Not paid speakers
✗ Not the same as participants in a research study (human subjects)
  • Excluded from the F&A base
Subaward Line Items

• Outgoing Subawards = Subawards

• Another organization is performing a portion of the project and:
  • Their Scope of Work is intellectually significant and separable from the overall project’s programmatic effort,
  • They have programmatic decision making,
  • Their work could result in the development of intellectual property or publishable results, and/or
  • They will need animal and/or human subjects’ approval.

• Vendor agreements/procurement contracts are categorized as expenses
<table>
<thead>
<tr>
<th><strong>Subaward</strong></th>
<th><strong>Vendor</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Subaward organization <strong>lead is senior personnel</strong> on the project</td>
<td>Management at organization is <strong>not senior personnel</strong></td>
</tr>
<tr>
<td>Subject to <strong>federal audit requirements</strong> associated with Prime Award</td>
<td>Work at organization is <strong>not subject to audit monitoring</strong></td>
</tr>
<tr>
<td>Typically issued to an organization such as a <strong>university or other non-profit</strong></td>
<td>Issued to <strong>individual or organization; entity may or may not be identified on proposal</strong></td>
</tr>
<tr>
<td>Requires a <strong>detailed statement of work</strong></td>
<td>Requires a statement of work, but <strong>might be less detailed</strong></td>
</tr>
<tr>
<td><strong>Budget is detailed and effort of senior personnel is specified</strong></td>
<td>Budgeted amount is usually only a <strong>lump sum or by sample cost</strong>; personnel not usually listed</td>
</tr>
<tr>
<td><strong>Intellectual property ownership is shared</strong> when jointly created; <strong>publication is encouraged</strong></td>
<td>Service provider does <strong>not own (or create) intellectual property</strong> stemming from sponsored project</td>
</tr>
<tr>
<td>Subrecipient performs <strong>substantive programmatic work</strong> as described in the proposal</td>
<td>Service provider provides the services to many different purchasers as part of its <strong>normal business operations</strong></td>
</tr>
<tr>
<td><strong>Services are not commercially available</strong> on the open market</td>
<td>Operates in a <strong>competitive environment</strong>; services are <strong>commercially available</strong> on the open market</td>
</tr>
<tr>
<td><strong>Subrecipient bears responsibility for programmatic decision making</strong> and has <strong>measurable performance requirements</strong></td>
<td>Organization <strong>does not make programmatic decisions</strong> related to the project; UC Davis does not provide oversight or management over activities performed at subrecipient</td>
</tr>
<tr>
<td><strong>Terms and conditions flow down from prime</strong></td>
<td><strong>Terms and conditions do not flow down</strong></td>
</tr>
<tr>
<td><strong>Subrecipient has responsibility for adherence to applicable program compliance requirements</strong> (IACUC, IRB, COI)</td>
<td>Vendor is <strong>not subject to compliance requirements</strong> of the program</td>
</tr>
</tbody>
</table>
Subaward Line Items

- Terms are influenced by the prime agreement
- The first $25,000 of each Subaward is subject to F&A if MTDC
- **Except** for Subawards to other UC Campuses
  - Do not apply F&A on UC Davis budget
  - Included in Subaward budget
Other Basic Formulas
Escalations

- Consider including escalations for costs that increase over time
- Only escalate when allowed by the sponsor
  - Read the guidelines
- May escalate by:
  - Project Year or
  - Fiscal Year
- Escalate by 3% to 5% for most direct costs
  - Salary
  - Fringe Benefits
- Escalate up to 10% for tuition and fees
- Subawards may include their own escalations
  - Do not add any other escalations
Escalating Salary and Wages

Let’s Practice!
Professor Smith has a 9-month appointment. She will commit 2.7% effort (previous calculation), and her annualized salary is $133,333. Based on the previous calculation, $3,600 is to be charged the grant annually.

\[
\text{Salary to Charge to Grant (no escalation)} \times 2.7\% = \text{Salary to Charge to Grant (escalated)}
\]

\[
$133,333 \times 2.7\% = $3,600
\]

Now, let’s factor in a 3% increase.

\[
\text{Salary to Charge to Grant (escalated)} + \text{Salary to Charge to Grant (escalated)} \times 3\% = $3,708
\]
Calculating with Split Rates

- UC Davis Fiscal Year (FY): July 1 – June 30
- Use split rate calculations for project periods spanning multiple FYs
- Steps
  1. Determine one month of costs. 
     \[
     \text{Annual Costs} \div 12 = \text{One month of costs}
     \]
  2. Determine the number of months at Rate 1.
     \[
     \text{Months before end of the FY (before June 30th)}
     \]
  3. Calculate the costs to charge at Rate 1.
     \[
     \text{One months of costs} \times \text{Months at Rate 1} \times \text{Rate 1} = \text{Costs to charge at Rate 1}
     \]
  4. Determine the number of months at Rate 2.
     \[
     \text{Months after start of next FY (on or after July 1st)}
     \]
  5. Calculate the costs to charge at Rate 2.
     \[
     \text{One months of costs} \times \text{Months at Rate 2} \times \text{Rate 2} = \text{Costs to charge at Rate 2}
     \]
  6. Calculate the total costs for the project period.
     \[
     \text{Costs at Rate 1} + \text{Costs at Rate 2} = \text{Costs for FY}
     \]
Calculating with Split Rates

Let’s Practice!
Professor Smith’s salary charged to the grant for the first period is $3,708. The first project period begins on September 1, 2018 and ends on August 31, 2019. Her fringe benefit rate for FY 2018-19 is 38.9% and for FY 2019-20 is 40.1%. What is the total amount/cost for her fringe benefits for the first project period?

Step 1: Determine one months of costs.

\[
\frac{\$3,708}{12} = \$309
\]
Calculating with Split Rates

Step 2: Determine months at Rate 1.

Step 3: Calculate the costs to charge at Rate 1.

\[309 \times 10 \times 0.389 = 1,202\]
Calculating with Split Rates

Step 2: Determine months at Rate 2.

Step 3: Calculate the costs to charge at Rate 2.

\[
\text{Fringe Benefits at Rate 2} = 2 \times \frac{309}{2} \times 0.401 = 248
\]
Calculating with Split Rates

Step 4: Calculate the total cost at both rates.

$1,202 + $248 = $1,450
Indirect/Facilities and Administrative (F&A) Costs
Indirect/F&A Costs

• Associated with general operations of UC Davis
• Cannot be readily assigned to a specific project
• F&A Rates
  • Federally approved
  • Applicable to all sponsors
• Categories
  • Organized Research
  • Other Sponsored Activities
  • Clinical Trials (industry sponsored)
  • Instruction
  • Primate Center
• Bases
  • Direct Cost amount subject to F&A
## Indirect Cost/F&A Rates

<table>
<thead>
<tr>
<th>Category</th>
<th>Effective Period</th>
<th>On-Campus</th>
<th>Off-Campus</th>
<th>Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organized Research</td>
<td>07/01/16 – 06/30/18</td>
<td>57%</td>
<td>26%</td>
<td>MTDC</td>
</tr>
<tr>
<td>Other Sponsored Activities</td>
<td>07/01/16 – 06/30/18</td>
<td>39%</td>
<td>25%</td>
<td>MTDC</td>
</tr>
<tr>
<td>Clinical Trials (industry sponsored)</td>
<td>February 1, 2006 and beyond</td>
<td>26%</td>
<td>26%</td>
<td>TDC</td>
</tr>
<tr>
<td>Instruction</td>
<td>07/01/13 – 06/30/18</td>
<td>50%</td>
<td>26%</td>
<td>MTDC</td>
</tr>
<tr>
<td>Primate Center</td>
<td>07/01/13 – 06/30/18</td>
<td>54.4%</td>
<td>54.4%</td>
<td>MTDC</td>
</tr>
<tr>
<td>State of California</td>
<td>07/01/18 – 06/30/19</td>
<td>25%</td>
<td>25%</td>
<td>MTDC</td>
</tr>
</tbody>
</table>
Indirect/F&A Costs

• Bases: Direct cost amount subject to F&A
  • Modified Total Direct Cost (MTDC)
    • Excludes equipment, capital expenditures, charges for patient care, student tuition remission, rental costs of off-site facilities, scholarships and fellowships as well as the portion of each subgrant and subcontract in excess of $25,000.
    • $MTDC \times F&A \text{ Rate}\% = \text{Indirect Costs}$
  • Total Direct Cost (TDC)
    • Includes all direct costs
    • $TDC \times F&A \text{ Rate}\% = \text{Indirect Costs}$
  • Total Cost (TC)
    • Includes all costs
    • If direct costs are known:
      \[
      \frac{TDC}{1 - F&A \text{ Rate}\%} - TDC = \text{Indirect Costs}
      \]
    • If direct costs are unknown:
      \[
      TC - (TC \times (1 - F&A \text{ Rate}\%)) = \text{Indirect Costs}
      \]
Calculating F&A/Indirect Costs

Let’s Practice!

Calculate the indirect costs for the following budget. The F&A Rate is 57%, and the base is MTDC.

<table>
<thead>
<tr>
<th>Line Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>PI Salary, 10% Effort</td>
<td>$12,000</td>
</tr>
<tr>
<td>PI Benefits</td>
<td>$4,812</td>
</tr>
<tr>
<td>Microscope (equipment)</td>
<td>$10,000</td>
</tr>
<tr>
<td>Subaward to Stanford</td>
<td>$20,000</td>
</tr>
</tbody>
</table>
Calculating F&A/Indirect Costs

• What costs should NOT be subject to F&A using the MTDC base?
  • Microscope because it is equipment

• Sum the other line items to determine the Total Direct Costs (TDC). What is that amount?
  • $36,812

• Now, calculate the indirect costs.

\[ \text{Indirect Costs} = \text{TDC} \times \text{Factor} \]

\[ \text{Indirect Costs} = \$36,812 \times 0.57 \]

\[ \text{Indirect Costs} = \$20,983 \]
Resources
Websites and Online Documents

• **SPO Website**
  - Preparing a Proposal Budget Toolkit
  - F&A and Fringe Benefit Rates

• **CGA Website**
  - Cost Share Application
  - Effort Commitment System
  - Effort Reporting System
  - OMB Circulars and other related policies
Training Sessions Offered by SPO

• Most Thursdays from 9:00 – 11:00 am at the Office of Research (1850 Research Park Drive)
• Various topics related to research administration
• Laptops available for hands-on labs
• Partial credit for related SDPS classes
• Session list and registration: https://research.ucdavis.edu/proposals-grants-contracts/spo/spo-training/
Q & A

• What questions do you have?
Thank You!

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