Research and Other Sponsored Activity
Sponsored Project Proposal Budget Guidelines

Background:
The on-line proposal budget templates are available to assist the Principal Investigator to develop a cost proposal (proposal budget) for the proposed sponsored project. The following guidelines are provided to furnish additional explanatory information on the cost proposal preparation. Narrative below is keyed to sections of the on-line form.

Type of Sponsored Proposal:
A prompt at the top of the page states “Select Type of Proposal from Menu.” Click in the box to the right and a pull down menu appears, which will customize the budget proposal template to the type of sponsored activity. The selection of the appropriate category of sponsored activity is essential to assure correct recording/reporting of activity by product line. The two product lines this form applies to are:

- Sponsored Research
- Support Activities

The definitions for all sponsored activity product lines can be found in Sponsored Programs Policy and Guidance Memo No. 16-20. Memo No. 16-20 along with the Naval Postgraduate School FY18 Reimbursable Rate Memorandum can be found on the Research website: https://my.nps.edu/web/research.

Header Information:
The header information for the budget of the proposed activity is completed once. The data input is transferred to subsequent pages of the proposal budget.

Proposal Title: Enter the full title of the proposal. This should be consistent with the title included on the proposal routing form. The full title will be used for reporting purposes and account set up.

Sponsor: Enter the sponsor of the proposed activity. If the proposal is being submitted after funding has arrived and the sponsor uses another agency to “send the funds,” do not list the “funder,” i.e. Washington Headquarters Services for many DoD sponsors, but rather the technical sponsor for the deliverable.

Principal Investigator: List the PI for the proposal.

Period Covered: List the full period of performance (POP) for the proposed work. If the work is proposed for more than the current fiscal year, a budget is required for each fiscal year plus a summary budget. Date format for the POP is MM/DD/YYYY.

Note:
1) The NPS Indirect Policy does not allow for grandfathering of the proposed indirect cost rate for those projects that span fiscal years and are subsequently funded. For the purpose of completing a multi-year proposal budget, please utilize the current year’s indirect rate, and...
understand that the indirect rate for each year will be adjusted to the rate that is in effect for the fiscal year of each year during the period of performance if the project is funded.

2) When proposing, if the following year indirect rate has been announced, that rate will be utilized for developing the subsequent year’s budgets.

3) The adjustment of the indirect rate each year may increase the total multi-year cost of the project. A revised budget requesting additional funding can be submitted to the sponsor if the recalculation of indirect reduces direct support to the project to the point that it cannot be accomplished.

Proposal Budget:

I. LABOR

A. Faculty Labor (PI/PD, Co-PIs/Co-PDs and Key Personnel): This section covers the senior personnel working on the project. Senior Personnel is a budget category subject to indirect cost recovery. In FY18, the total number of hours proposed by Senior Personnel will be utilized for the base of indirect recovery.

   Personnel: List individuals by name that will work on the project. If it is known that an existing employee will work on the project, but the specific person is yet to be identified, list name as “TBD.” If hire is pending and candidate is identified, list the potential hire by name. If hire is pending and candidate has not been identified, list name as “Pending Hire.”

   Role: Select the appropriate role that the individual will occupy in performance of the proposed work. Roles include:
   - Principal Investigator (at least one must be identified)
   - Co-Investigator
   - Other Senior Associates (research faculty, research associates, scientists, engineers, etc.)

   Days: List the number of days the individual will be working on the project to include time for safety related requirements such as planning and monitoring. The total associated number of hours will be automatically calculated in the subtotal line. Note that a maximum of 240 days may be worked per year for each person listed on the proposal.

   Hourly Rate: List hourly rate of each individual; this rate should include any special salary considerations. If personnel are listed as “TBD” or a “Pending Hire,” list the average rate for the role. For multi-year proposals, consider possible step/cost of living allowance (COLA) increases in hourly rate.

   Estimated Cost: This is an autofill field based on hours times hourly rate.
**Benefits Cost:** This is an autofill field using the benefits rate set in accordance with [2018 DOD Civilian Personnel Fringe Benefits Rates memo](#).

**Annual Leave (hrs/pay period):** Select the appropriate leave accrual rate for each person listed on the proposal. If the person is yet to be identified (“TBD” or “Pending Hire”), select TBD, which will result in 6 hours being charged.

**Leave Costs:** These are autofill fields based on selection of Annual Leave (hrs/pay period) times the Hourly Rate. Annual leave is calculated based on selection. Sick leave is set at 4 hours per pay period. Holiday is set at 3 hours per pay period.

**Benefits + Leave Cost:** This is an autofill field which adds the Benefits Cost to all Leave Cost types.

**Total Cost:** This is an autofill field that provides the full labor cost of the individual listed. Full labor cost is salary plus benefits and leave cost.

**SUBTOTAL—Faculty Labor:** This section autofills and displays the subtotals of Estimated (Salary) Cost, Benefits + Leave Cost and Total Cost.

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**B. Support Labor (Other Key Personnel):** This section covers the support personnel working on the project. The associated costs of support personnel are subject to indirect cost recover.

**Personnel:** List individuals by name that will work on the project. If it is known that an existing employee will work on the project, but the specific person is yet to be identified, list name as “TBD.” If hire is pending and candidate is identified, list the potential hire by name. If hire is pending and candidate has not been identified, list name as “Pending Hire.”

**Role:** Select the appropriate role that the individual will occupy in performance of the proposed work. Roles include:
- Other Professional (technicians, lab personnel, etc.)
- Administrative/Clerical
- Student/Intern

**Days:** List the number of days the individual will be working on the project to include time for safety related requirements such as planning and monitoring. The total associated number of hours will be automatically calculated in the subtotal line. Note that a maximum of 240 days may be worked per year for each person listed on the proposal.

**Hourly Rate:** List hourly rate of each individual; this rate should include any special salary considerations. If personnel are listed as “TBD” or a “Pending Hire,” list the average rate for the role. For multi-year proposals, consider possible step/COLA increases in hourly rate.
**Estimated Cost:** This is an autofill field based on hours times hourly rate.

**Benefits Cost:** This is an autofill field using the benefits rate set in accordance with [2018 DOD Civilian Personnel Fringe Benefits Rates memo](#).

**Annual Leave (hrs/pay period):** Select the appropriate leave accrual rate for each person listed on the proposal. If the person’s accrual rate is unknown, select TBD, which will result in 6 hours being charged.

**Leave Costs:** These are autofill fields based on selection of Annual Leave (hrs/pay period) times the Hourly Rate. Annual leave is calculated based on selection. Sick leave is set at 4 hours per pay period. Holiday is set at 3 hours per pay period.

**Benefits + Leave Cost:** This is an autofill field which adds the Benefits Cost to all Leave Cost types.

**Total Cost:** This is an autofill field that provides the full labor cost of the individual listed. Full labor cost is salary plus benefits and leave cost.

**SUBTOTAL—Support Labor:** This section autofills and displays the sub-totals of Estimated (Salary) Cost, Benefits + Leave Cost and Total Cost.

**C. Total Faculty/Support Labor:** This section autofills and displays the total Estimate (Salary) cost of faculty/support labor, the total Benefits + Leave Cost and Total Cost.

*Indirect: All Labor costs (base wages, benefits and fringe) are subject to indirect cost recovery.*

*In house: All Labor costs (base wages, benefits and fringe) are included in the 51% in house calculation.*

## II. OTHER DIRECT COSTS

### A. TRAVEL

**A1. NPS Travelers:** This section will cover travel requirements of NPS personnel (faculty/staff/students) in support of the proposed work.

**Traveler:** List by name those individuals that are proposed to travel in support of the proposed work. If all travelers cannot be identified at the time of the proposal, list “role” of traveler from labor section above. If students are travelling, it is not necessary to identify them by name. Simply indicate “students” in the traveler column.

**Destination:** List the destination for trips planned in support of the proposed work. If destinations are unknown, i.e. data collection sites have not been confirmed, then simply state “data collection sites.”
**Purpose:** List the purpose of travel, i.e. data collection, conference attendance, field experiment, sponsor visit, etc.

**# Trips:** List the number of trips planned for the intended purpose.

**Cost/Trip:** Provide the estimated cost per trip.

**Estimated Cost:** Autofill of total cost of trip listed times number of trips.

**A2. Invitational/Fund Cite:** This section will cover the travel of those invited to participate in the sponsored activity. If a non-DoD employee is requested to travel, an Invitational Travel Order will be required. If the traveler is from another DoD agency, a Fund Cite can be issued that allows the traveler to charge travel against an NPS line of accounting. Note: Travel for support contractors is not included in this section. Travel for support contractors must be included in the contract as an “other direct cost.”

**Traveler:** List by name those individuals that are proposed to travel in support of the proposed work. If all travelers cannot be identified at the time of the proposal, list purpose of the ITA/Fund Cite, i.e. research collaboration, seminar speaker, etc.

**Destination:** List the destination for invited trips planned in support of the proposed work. Normally it will be the location of the PI/PD, but it is possible that invitees will meet at a location other than that of the duty station of the PI/PD.

**Purpose:** List the purpose of travel, i.e. collaboration, review, etc.

**# Trips:** List the number of trips planned for the intended purpose.

**Cost/Trip:** Provide the estimated cost per trip.

**Estimated Cost:** Autofill of total cost of trips listed times number of trips.

**SUBTOTAL—Travel:** This section autofills and displays the subtotal of all travel proposed in support of sponsored project.

*Indirect:* All Travel costs (NPS employee/student travel, invitational travel and direct cite travel) are subject to indirect cost recovery.

*In House:* Only NPS employee/student travel is included in the 51% in house calculation.

**B. Equipment and Supplies:** This section includes all equipment, supplies, parts, consumables, printing, photocopying required in support of the proposed work.

**B1. Equipment/Hardware/Software:** List all equipment/hardware/software required for proposed work.

**Description:** Specifically list items over $3k each. Items under $3k can be grouped into type of equipment, i.e. miscellaneous test equipment. Include safety items such as enclosure walls, fencing, alarms, etc.

**Purpose:** List use of equipment in support of proposed work.
**Units:** List how many units will be procured for each item. If miscellaneous equipment is lumped into one line item, the unit is one, not the number of items lumped together.

**Cost/Unit:** List the cost per unit.

**Estimate Cost:** Autofill total of cost per unit times number of units.

### B2. Supplies

1. **Supplies/Materials:** Provide estimated cost of supplies/materials required for completion of proposed work. Include safety items such as hazmat/battery cabinets, personal protective equipment (PPE), etc.

2. **Printing/Photocopying & Page/Print Charges:** Provide estimated cost of printing/photocopying materials required for completion of proposed work. If applicable, also include journal publication page charges.

3. **Premium Shipping:** Provide estimated cost of premium shipping required for completion of proposed work.

**SUBTOTAL—Equipment and Supplies:** This is an autofill field that displays the subtotal for all Equipment/Supplies required for project.

**Indirect:** Equipment/Supplies are not subject to indirect recovery.

**In House:** Only Equipment/Supplies that remain NPS property at the conclusion of the project are included in the 51% in house calculation.

### C. CONTRACT SUPPORT LABOR

This section will cover contracts for requirements that directly support sponsored project activities. In general, this can include management, technical, administrative/clerical or other types of support. The contract requirement is essentially the procurement of labor to fulfill the deliverables by NPS of what was proposed by the NPS PI/PD. This type of contract can have tangible deliverables, i.e. a report of an analysis of data. The differentiation between this type of contract and one that is not subject to indirect is its direct relationship in a support capacity to the proposed work. While data analysis, software testing, literature searches, etc., all produce a tangible deliverable in that a report of the results is provided, that deliverable is a sub-set of the tasks that the NPS PI/PD is responsible for performing. Another critical factor in differentiating this type of contract is the specificity of tasks outlined in the statement of work. When a contract is considered the procurement of labor, the government is providing technical direction of the expected outcomes of the contract and defining the tasks and deliverables to be performed by the contractor. While the government cannot provide direct supervision, a government employee could perform the work being procured if the conditions were different. When the funding for the support services being procured is sponsored, the longevity of continued funding is not known which precludes the “support” requirement from being obtained through government employment. The support services procured may not equate to work that could be performed by a government FTE which can also lend to procurement rather than hiring.
**Type of Support:** Select the type of support the contractual procurement will provide. The categories include:

1. **Management:** This would include contractual support necessary to assist in monitoring project progress/deliverables or coordinating activities.

2. **Technical:** This would include contractual support for analysis, engineering, data collection, literature searches, programming, modeling and simulation, editing, safety assessment, etc. It would also include procured support for assistance in a laboratory utilized in the performance of the sponsored activity.

3. **Administrative/Clerical:** This would include administrative support that is necessary for the performance of the project and cannot be provided through departmental resources. An example of this type of support would be a project that requires considerable travel arrangements or other collaborative facilitation beyond what can be handled by the support staff of the academic unit of the PI/PD. In the case of reimbursable education, admin/clerical support could include the facilitation of course materials for the distant students enrolled in a program.

**Vendor:** If the vendor is known, i.e. sole source, existing IDIQ contract, or incremental funding on an awarded contract, list name of the vendor. If this is a new requirement that will be competed, leave this column blank.

**Estimated Labor Cost:** The total estimated labor cost of the hours anticipated for support must be included even though there could be more than one FTE in any of the type of support categories and that the estimated labor category costs can vary. This part of the budget will list the total estimated costs of each type of support anticipated. Detailed information can be provided in the Budget Narrative section.

**ODCs (Other Direct Costs):** Other direct costs related to the contract support labor cost should be listed here such as travel, material and supplies, or safety and environmental items required to complete the support.

**Estimated Cost:** This is an autofill section that displays the sum Estimated Labor Cost and ODCs.

**SUBTOTAL—Contract Support Labor:** This section summarizes the estimated labor costs of all the types of support categories, the other direct costs and the total estimated cost for contractor support.

*Indirect:* Contract Support Labor is not subject to indirect cost recovery.

*In House:* All Contract Support Labor costs are outside of the 51% in house calculation.

**D. CONTRACTS (Other than for Support Services):** This section of the budget will detail contractual requirements for services other than support labor.
The Estimated Cost for each of the contract category will be input. Details regarding the specific contract should be included in the Budget Narrative. Details should include at a minimum the vendor and the purpose of the requirement.

1. **Licenses:** Contracts for licenses for the use of software or other tangible products will be included here. Details should be included in the Budget Narrative.

2. **Maintenance:** Contracts for maintenance of a procured piece of equipment will be included here. Details should be included in the Budget Narrative.

3. **Subscriptions:** Contracts for subscriptions to newsletters, journals, etc. will be included here. Details should be included in the Budget Narrative.

4. **Lease or Rental of Equipment or Real Property/Utilities:**
   a) Contracts for the lease or rental of equipment will be included here. Details should be included in the Budget Narrative.
   b) Contracts for the lease or rental of property will be included here. Details should be included in the Budget Narrative.
   c) Contracts for utilities paid will be included in this section. Details should be included in the Budget Narrative.

**SUBTOTAL—Contracts (Other than Support Services):** This is an autofill field that displays the total estimated costs for Licenses, Maintenance, Lease of Rental Equipment or Real Property, Utilities, Registration Fees, and Other contract categories.

*Indirect:* Contracts (Other than Support Services) costs are not subject to indirect.

*In House:* All Assistance Agreement costs are outside of the 51% in house calculation.

E. **ASSISTANCE AGREEMENTS (Grants/Cooperative Agreements):** This section will list all assistance agreements anticipated as separate line items. If assistance agreements are anticipated but a potential grantee has not been identified, then notation should indicate Grant 1, Grant 2, etc. Detail on type of assistance required should be included in the Budget Narrative.

*Indirect:* Assistance agreements are not subject to indirect.

*In House:* All Assistance Agreement costs are outside of the 51% in house calculation.

F. **TUITION AND FELLOWSHIPS:** This section will include those payments for either tuition or a fellowship that were budgeted for students and/or post-docs directly supporting the sponsored project activity.
1. **Tuition (NPS):** NPS tuition for graduate students directly supporting the sponsored project will be listed here. It is understood that graduate students may support more than one sponsored activity of the PI. In such cases, the tuition would be pro-rated among the projects supported according to the level of effort by the student for each. Details on student/degree program should be included in the Budget Narrative.

2. **Tuition (Non-NPS Degree):** Tuition for graduate students directly supporting the sponsored project, which is paid to an institution other than NPS, will be listed here. It is understood that graduate students may support more than one sponsored activity of the PI. In such cases, the tuition should be pro-rated among the projects supported according to the level of effort for each. The student and the institution where tuition will be paid should be detailed in the Budget Narrative.

3. **Fellowships (NRC Post-Docs):** Fellowships for Post-Doctoral Associates directly supporting a sponsored project will be included here. The Budget Narrative should indicate if the support is for an anticipated associate who will participate in the project. If the Post-Doctoral Associate is on current tenure, he/she should be listed by name in the Budget Narrative.

**SUBTOTAL—Tuition and Fellowships:** This is an autofill field that displays the total the tuition (NPS and Non-NPS) and fellowship estimated costs.

*Indirect:* Tuition and Fellowships are not subject to indirect cost recovery.

*In House:* For Tuition and Fellowship costs, only NPS tuition costs included in the 51% in house calculation.

G. **MISCELLANEOUS:** This section includes direct costs associated with a sponsored program activity that cannot be easily included in any of the other budget categories of the proposed budget.

1. **Transfers to Other Federal Agencies:** This section will include the amount budgeted for all transfers to other federal agencies. Transfers to other agencies can include but not be limited to:

   - Transfers to other DoN/DoD agencies to provide for the labor costs of an employee of the DoN/DoD agency that is providing direct support to the NPS sponsored project. An example is the requirement for temporary engineering support available at the Naval Research Laboratory. NPS can provide the costs of the support of the NRL engineer through a transfer of funds via a NAVCOMPT Form 2275, Request for Work or Services. A transfer to non-DoN, DoD agency, would be accomplished via a DD Form 448, Military Interdepartmental Procurement Request. Certain FFRDC (Federally Funded Research and Development Centers) have the authority to accept fund transfers via a MIPR. Details on the purpose of the transfer and the name of the receiving agency should be included in the Budget Narrative.

   - Transfers to other DoN/DoD agencies to “piggy-back” on an awarded contract of the agency receiving the transfer. This can only be accomplished if the receiving agency confirms that the NPS
requirement is within scope of their awarded contract and if the agency has the authority and capacity to accept task orders from outside of their own agency. A fee is often associated with this type of a transaction. Details on the NPS requirement, name of agency, and contract number should be included in the Budget Narrative.

- Transfers to Other Federal Agencies can include the cost of the use of facilities at the other agency. Details on the purpose of the transfer and agency should be included in the Budget Narrative.

2. **Intergovernmental Personnel Act (IPA) Reimbursement:** When the job description and/or tasks of a detailee under an approved Intergovernmental Personnel Act Agreement directly support a sponsored project, the cost of reimbursement of the detailees’ salary and benefits can be included in the proposal budget. The amount included must be commensurate to the level of effort of the detailee on the project being proposed. The name and home organization of detailee should be included in the Budget Narrative.

3. **Honoraria:** List the sum of honoraria to be paid in support of the proposed project. Include details in the Budget Narrative, i.e. number of honoraria anticipated and purpose.

4. **Registration Fees:** Registration fees for NPS employees or students for conferences, symposia, workshops, training, etc. should be included in this section.

5. **Stipends:** Stipends are salaries or allowances to students or participants working on reimbursable projects (these are RARE).

**SUBTOTAL—Miscellaneous:** This is an autofill field that displays the total for Transfers to Other Federal Agencies, Intergovernmental Personnel Act Reimbursement, Honoraria and Registration estimated costs.

*Indirect: Miscellaneous budget items are not subject to indirect cost recovery.*

*In House: For Miscellaneous costs, only Registration Fees for NPS employees or students are included in the 51% in house calculation.*

**H. TOTAL OTHER DIRECT COSTS:** This is an autofill field that displays the total of all budget category sub totals included in Section II.

**III. INDIRECT:** Indirect for FY18 is 24.66%. This rate is applied to all the budgeted total Faculty/Support Labor costs (Section I) and total Travel costs (Section II). Indirect costs applicable to the proposed budget will be displayed.

**IV. BUDGET SUMMARY:** This section autofills and displays the totals for each budget category in the proposal budget the TOTAL PROPOSAL COST.
V. **BUDGET NARRATIVE:** This section is reserved to provide additional explanation for the costs outlined in the proposal budget. Narrative should be keyed to the appropriate section of the proposal budget.