



Budget Basics 1: Planning

1 Gather Preliminary Information

The core information needed to start developing a budget will usually come from the Principal Investigator (PI), and the Funding Opportunity Announcement (FOA).

About the Project

- Proposed title
- Planned start date
- Duration
- Sponsor
- FOA number, title, and URL
- Award limits (if applicable)
- Sponsor due date for application
- Application type

About the People

UW salaries are generally the largest expense on a project, so tackle these as soon as possible, and verify them with the appropriate payroll coordinator.

To calculate salaries, ask the PI:

- Who is participating in the project?
- What role will they perform?
- What percentage of their time will they commit to the project?
- How long will they work on the project?

Additional Questions

- Location: Will the project be on or off campus? Will space need to be rented?
- Equipment: What equipment will be used?
- Supplies & Materials: What additional supplies are needed?
- Travel: Will any travel expenses be incurred?
- Subcontracts: Will any work be subcontracted out?
- Other personnel: Will any consultants be required?
- Services: What services (such as animal care, lab processing, histology, etc) will be needed?
- Cost Sharing*: Is your department committing resources or funds?

*The Budget Module does not currently support Cost Sharing.

2 Anticipate Hidden Costs

To avoid under-budgeting, you will need to anticipate hidden costs and include these items in your budget. In order to do this:

- Read the project's narrative. Are there any tasks described in the narrative for which no resources have been budgeted?
- Interview the PI about the roles on the project: if you examine the day to day tasks that will be required, does the budget account for what they will need to perform their tasks over the lifetime of the project?
- Compare your budget to similar past projects.
- Ask more experienced colleagues who may have better knowledge of your department's general work practices - are there any common practices or needed supplies that have not been budgeted?

3 Research Costs

Costs should be reasonable and realistic.

- Adhere to Sponsor and UW guidelines. List only allowable costs.
- Check OSP's website for the most recent UW facts and rates.
- Use similar past projects as a comparison or starting point (some figures may need updating).
- Call vendors your department recommends.
- Review figures with more experienced colleagues.
- Review the budget with the PI.

4 Use Available Tools & Resources

In addition to resources available within your department, you can access:

- [OSP's Budget Preparation Guide](http://www.washington.edu/research/osp) at: www.washington.edu/research/osp
- [The Researcher's Guide](http://www.washington.edu/research/guide) at: www.washington.edu/research/guide
- [SAGE's Budget Module](http://sage.washington.edu) at: sage.washington.edu

5 Make the Necessary Adjustments

Be prepared. The budget may need to be revised if:

- The project narrative is still under development - roles and tasks may change.
- The target amount is exceeded. Work with the PI to decide what can be cut.
- Prices change.
- Staff change - due to promotions, reclassifications, etc.

Review the final budget with the PI.