



PROPOSAL BUDGET PREPARATION

Area:	Research Services and Sponsored Programs	Number:	RSSP-202
Applies to:	University	Issued:	May 31, 2013
Sources:	Research; Research Services and Sponsored Programs; GSU Research and Service Foundation; Office of Research Accounting	Revised:	June 1, 2017
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Policy Owner:	Research	Page(s):	2

I. Purpose

The policy ensures that proposal budgets are accurate and meet university, federal, state and sponsor policies and standards.

II. Policy Statement

The proposal budget is a plan for expenditure of project costs by specific categories. Budgets may not be presented to a funding agency without ORSSP review.

All proposal budgets submitted for external funding must comply with Georgia Southern University policy, which mandates compliance with federal requirements defined in the U.S. Office of Management and Budget Uniform Guidance 2 CFR 200 as revised. To be considered allowable, project costs must also comply with the terms and conditions of the proposal/award, sponsoring agency, and university policy per [RSSP-201, "Proposal Processing and Submission."](#)

Allowable costs must meet the following criteria, set forth in 2 CFR 200, Uniform Guidance:

- The cost must be **reasonable**; that is, necessary for project performance; reflecting the action a prudent person would take under like circumstances; and able to withstand public scrutiny.
- The cost must be **allocable** to the project; that is, incurred solely to support or to advance it.
- The cost must be **allowable**; that is, both reasonable and allocable to the specific project.
- The cost must be **consistent**; that is, like expenses must be treated the same in like circumstances.
- Multiyear project budgets must include an appropriate inflation factor for succeeding years to allow for wage and price increases (3% is generally acceptable).
- The budget justification should briefly explain the need and/or rationale for the proposed expenditures, according to agency guidelines, to ensure adequate funding.
- The budget must include all appropriate direct costs, correctly applied fringe benefit and indirect cost rates, and funding source requirements.

III. Exclusions

None.

IV. Procedures

- A. Principal Investigators (PIs) should consult the grant coordinator early in the proposal development process to ensure an accurate budget. Many agencies provide budget forms or require specific formats. The grant coordinator will assist with the preparation of the budget and budget forms.
- B. Budget items should be determined, and cost estimates obtained. Review the [budget detail information](#) and contact the grant coordinator to discuss these costs.
- C. Budget items should follow university and sponsor guidelines regarding budget development, allowability, limits and restrictions, allowable indirect costs, budget format, and justification format.
- D. Rates most commonly needed for budget preparation are the university's indirect cost rate, fringe benefit rate, the travel per diem rate, mileage allowance, graduate student stipend and graduate tuition rate. Contact the grant coordinator for assistance in obtaining these rates.

Additional information is available on the Office of Research and Sponsored Program website at: <https://research.georgiasouthern.edu/orssp/develop-proposal/budget-development/>