

Research Budgeting

A research budget will help you determine all the expenses that are required to successfully execute your research project. Budget expenses are often organized into expense categories.



Budget Terminology

The total budget (cost) of a research project is made up of both **cash*** and **in-kind*** contributions; the Tri-Agencies require that a minimum percentage of the total budget of a research project come from other sources (can be in-kind contributions).

Cash vs. In-Kind* Contributions

Cash contributions are *financial* contributions used for the direct costs of research and research related activities.

In-kind contributions are *non-monetary* goods or services that partners, sponsor organizations, or institutions provide that are essential to the research or research activities. In-kind contributions are assigned a financial value (the cash-equivalent which, if not donated, would have to be purchased with research funds) and included in the project budget. In-kind contributions include:

- Use of specialized equipment
- Time spent providing specialized skills
- Time attending meetings
- Office space and staff time

Tri-Agency grants only support the **direct*** costs of research; this is because the Tri-Agencies *also* administer a specific funding program – the Research Support Fund – which was designed to cover the **in-direct*** costs of research.

Direct vs. Indirect* Research Costs of Research

Direct costs are expenses that are directly related to research projects. They can be identified specifically and accurately with a specific research project. Direct costs include:

- Research-related travel
- Salary of research staff
- Honorarium for elders / knowledge holders
- Specialized equipment and supplies

Indirect costs are expenses that are not directly attributed or traceable to a specific research project. Indirect costs include:

- Library and computer fees
- Rent of office space
- Building operation costs (heat, electricity, janitorial)
- Insurance and legal services

Sometimes, a funding competition will require you to secure **matching funds**.*

Matching Funds*

Matching funds are cash or in-kind contributions to the project by sponsors other than the funding agency you are applying to. Matching funds are to be proportional to the amount of funding requested from the funding agency.

Preparing your Research Budget

The exact format of a research project will vary depending on the funding agency and the program. A good first step is to always prepare a research budget in software such as Microsoft Excel. This will allow you to easily change/modify your budget or adapt it to the format required by the funding program. General examples of research project budgets are provided in the Session 7 materials – the goal is to become familiar with budget categories, best practices, and common budget pit-falls.

Making a Research Budget: How-to

1. Make a list of everything that needs to be done as part of the research project
 - Interview 20 hunters
 - Collect 50 rain samples along the Dempster Highway
 - Analyse 35 soil samples from Yellowknife for trace metals
 - Travel to Ulukhaktok, Fort Liard, and Wrigley for community meetings
 - Present findings at the NWT Teachers Association meeting in Yellowknife
2. Check the Rules!
 - Read the funding agency's guidelines. Contact the funding agency or your institutions research services office for clarification if you still have questions.
 - Ensure that the expenses you listed are eligible expenses. Some programs may not fund salaries, some programs fund equipment only up to a certain dollar amount.

Note in the table below (Figure 1), salaries and benefits are not eligible expenses (you can not use grant funds to pay for research staff or your salary)

Eligible expenses

The table below describes the eligible expenses for Applied Research Tools and Instrument Grants.

Type of expense	Eligibility of expense
Salaries and benefits	Not eligible
Equipment (new or used) or installation	Purchase or rental (to the full value of the grant)
Installation of equipment	Eligible
Training	Only training fees for the purchased equipment are supported
Travel	Only travel required by college personnel to commission the equipment or for training purposes is supported
Others (transportation costs for purchased equipment, extended warranty purchased with the equipment, brokerage and customs charges for the importation of equipment)	Eligible
Insurance costs for equipment and research vehicles	Not eligible

Figure 1: Table of Eligible expenses for an NSERC Applied Research Tools and Instruments Grant (ARTI). Retrieved from: https://www.nserc-crsng.gc.ca/professors-professeurs/rpp-pp/ARTI-ORIA_eng.asp

- The cost to purchase or rent and install equipment is eligible (you can use grant money to purchase and install new equipment that is directly related to the research)
 - More examples are discussed in the video that accompanies this session
3. Cost each item
 - For each item on your list, find a reasonable cost for it
 4. Put it in a Spreadsheet:

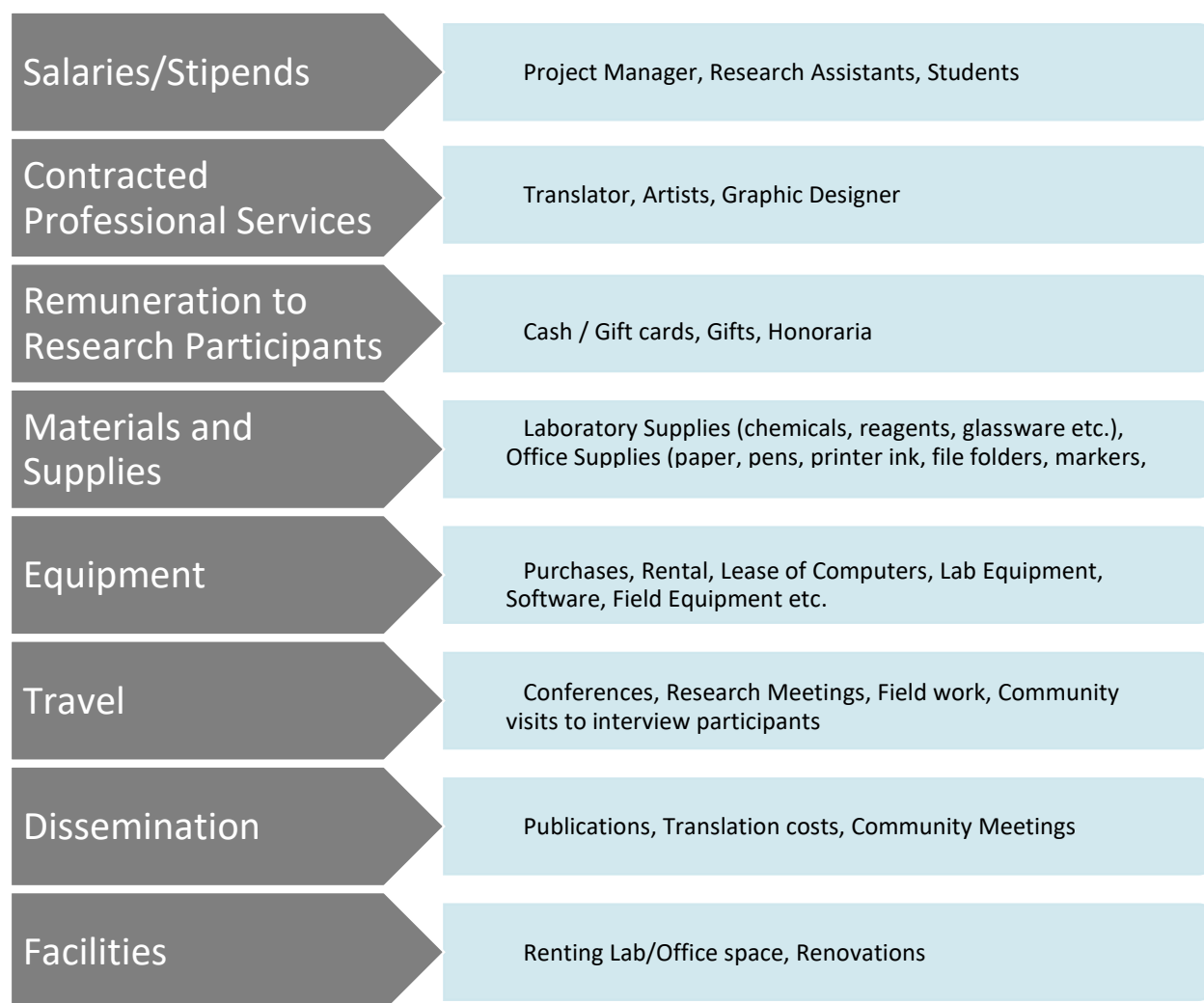
Example:
“Analyze 35 soil samples from Yellowknife for trace metals”

- Gas to travel to collect samples – (\$100)
- Zip lock baggies to collect samples – (\$14.99 Canadian Tire)
- Cooler to transport samples (\$52.99 Canadian Tire)
- Delivery of samples to ALS Environmental in Yellowknife (\$50 Courier Service)
- Trace metal analysis (\$55.65 per sample – ALS Environmental)

PI Name:		
Proposal Title:		
	Item	Amount
A. Personnel		
1.		
2.		
3.		
4.		
5.		
Category Total:		\$0.00
B. Equipment		
1.		
2.		
3.		
4.		
Category Total:		\$0.00
C. Supplies/Expenses		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
Category Total:		
D. Travel		
1.		
2.		
3.		
Category Total:		\$0.00
TOTAL		\$0.00

A spreadsheet will help you add/subtract, multiply/divide, generally keep your math correct and organized.

Budgets are broken down according to categories – common budget categories are shown in the infographic below:



5. Review the Budget

- Ask a trusted, experienced colleague to review your budget
- Group expenses by categories that match the categories on the funding agencies application (eg. Travel, equipment, etc.)
- The budget you submit to the funding agency will be a condensed summary of your full detailed spreadsheet budget
- Figure 2, 3, and 4 (below) show examples of budgets submitted for different funding programs.

Proposed Work Budget Table

Categories	SHRF \$	Other \$	In Kind \$
1. Personnel Costs			
Nurse Study Coordinator (0.5FTE)	32,567.00	0.00	0.00
2. Research Costs			
Honoraria & Gifts	2,000.00	0.00	0.00
Software	8,000.00	0.00	0.00
3. Knowledge Sharing Costs			
Academic Conference	2,800.00	0.00	0.00
Academic Publications	2,000.00	0.00	0.00
Non-academic Events (Zoom)	270.00	0.00	0.00
Non-academic Publication	500.00	0.00	0.00
Total \$	48,137.00	0.00	0.00

Figure 2: Example budget from an application to the Saskatchewan Health Research Fund



Natural Sciences and Engineering
Research Council of Canada

Conseil de recherches en sciences
naturelles et en génie du Canada

Canada

EXPENSE BUDGET	
Provide a detailed list of budgeted expenses for the planned activity, as described in the previous section. Include as much information as possible.	
Refer to the Connect Grants Description and Checklist for examples of eligible expenses and the guidelines for Use of Grant Funds for more details.	
Please itemize the projected expenses:	Estimated amount:
1 Honorariums for presenters \$700 x 2	\$ 1400
2 Marketing and Communication	\$ 200
3 Facilitator (host)	\$ 200
4 Skip the Dishes - code for ordering (voucher / gift card) \$25 x 125	\$ 3125
5	\$
6	\$
7	\$
8	\$
9	\$
10	\$
TOTAL	\$ 4925
Provide additional information on the budget. For example: indicate whether other funders are included in the activity and the amount they will be contributing whether there will be registration fees, etc. Additional document(s) may be included to provide supplemental budget details.	
The amount we are requesting for NSERC for this online mixer event is \$4,925. This includes costs for presenters with a strong background in the hospitality and tourism industry and health. We have tentatively	

Figure 3: Budget from an application to the NSERC Connects funding program

Budget Breakdown

Expense	Description	Amount
Forum Planner	A trainee will be paid at a rate of \$37.50 (minimum U of T rate for graduate students, includes benefits) for 10 hours per week for 16 weeks to plan the forum.	\$6,000.00
Webinar Platform	A webinar platform subscription will be purchased to host the forum.	\$300
Materials for Forum Attendees	Materials (videos, infographics, executive summaries) will be developed based on previous research and municipal plans. These materials will be circulated to the attendees ahead of the forum.	\$1,200.00
Keynote Speaker	The keynote speaker will be given an honorarium (\$500).	\$500.00
Consortium Development	Web tools and resources will be created and posted on a newly developed consortium website. A directory of contacts will also be housed here.	\$2,000.00
Total Request from CIHR		\$10,000.00

Figure 4: Budget from an application to a CIHR funding program

Budget Justification

The budget justification is a separate document (or section of the application) that gives an explanation or purpose for every item listed in the budget. The budget justification can be strengthened by linking the costs to the objective of your project.

Budget Justification Best Practices:

- Explain how the item relates to the objective of the project
- Verify the cost by describing the math that was used to determine the dollar amount
- Reference institutional policies as needed (e.g. honoraria costs)
- Justify the budget in the same order as items appear in the itemized budget

Budget Justification Examples:

Example 1: A researcher is planning to administer surveys territory wide soliciting input from elders about their medical travel experiences. The researcher receives quotes from multiple translators found on through the Government of the Northwest Territories Indigenous Language Interpreter-Translators. They have determined that translating the survey into each of the official NWT languages will cost approximately \$9,693.00 (based on quotes). The researcher includes \$10,000 for translation in the research budget.

Budget Justification: The Northwest Territories has 11 official languages, 9 of which are Indigenous languages. Participants will be provided the opportunity to complete the survey in their own language. We are requesting funds from the funding agency to support hiring local translators to facilitate two-way interpretation and understanding of surveys in the NWT official languages.

Example 2: A researcher is requesting funding to organize a one-day symposium to share knowledge about muskrat species in the Gwich'in Settlement Area. The researcher wants to bring together experts in both western science and Traditional Ecological Knowledge to exchange information, build connections, and shape future research and monitoring priorities. The researcher wants to include 20 Traditional Knowledge Holders and Elders in the meeting. The researcher is a research associate at Aurora Research Institute (ARI), they look up the honoraria policy and learn the ARI rate is \$225 per day. The researcher budgets \$4500 for honoraria in their budget.

Budget Justification: In the Northwest Territories it is customary to provide an honoraria to unsalaried Elders and knowledge holders. The honoraria recognizes the value of the knowledge they are sharing and compensation for participation in events. Honoraria rates are based on the Aurora Research Institute's established rate of \$225 per day.

Some additional considerations for a budget justification include:

- The high cost of travel in the NWT
- The remote and de-centralized distribution of NWT communities
- Employment environment and usual wages in the NWT

Tips for Proposing a Budget

Before you Start:

- Read the funding agency's guidelines. Ask the funding agency or your institution's research services office for clarification if anything is unclear
- Review the funding agency's guidelines to ensure that the expenses you are proposing are eligible expenses. Some programs may not fund salaries, some programs fund equipment only up to a certain dollar amount
- Find out if the funding agency requires a separate document called a 'Budget Justification'. This is a document, or section of the proposal, that details all of the items in a budget and provides enough information for reviewers to know how you determined the budget costs you did
- If you are budgeting for salary, follow your institution's human resources policies and guidelines (e.g., do you need to include vacation pay, northern living allowance, benefits, RRSPs, etc. in your budget consideration)
- If you have secured matching funds, be sure that the matching funds are eligible to be considered by the funding agency
- To start developing your budget, use Microsoft Excel (or another spreadsheet or budgeting program you are comfortable with)
- To submit your budget to the funding agency, use the funding agency provided budget forms. If the agency does not provide a budget template, your institution may have a budget template you can use to create your budget.

Preparing the Budget:

- Be realistic; don't over-inflate the budget in an attempt to secure more money, don't underestimate a project in hopes it will be funded. Reviewers may perceive a poorly put-together budget as a poorly planned project
- Be detailed and specific. List all budget items and clearly show the calculations you used to arrive at the dollar value for each item. Keep this list to remind yourself how the numbers were determined – in the event your proposal is funded, this will be a valuable resource that can be used for monitoring the projects progress and reporting as the project is undertaken
- If your budget has multiple funders (eg. SSHRC and a Community Organization), clearly separate the budget on your detailed worksheet to show the expenditures by funder. Ensure that the amounts of cash or in-kind support from each funder

match any amounts stated in the letters of support included in your submission package.

- Think about all in-kind contributions toward the project: keep in mind that in-kind contributions are all non-monetary goods and services that are provided. Include in-kind contributions under a separate budget category to ensure they are recognized as part of the total project cost.
- If the funding agency asks for a budget justification or a description of the budget, give an explanation (state it's purpose) of every item listed in the budget. Link the cost to the objective of your project if possible.

Adapted From: University of Guelph. [Budget Tips for Researchers](https://www.uoguelph.ca/research/for-researchers/funding/apply/budget-tips). Accessed November 3, 2020.
<https://www.uoguelph.ca/research/for-researchers/funding/apply/budget-tips>.