

Approved Budget Categories & Allowable Costs

Budget Category	Description
Salaries	Includes personnel costs (wages) for organization's employees who will be paid directly from the award for work on the proposed project. Include base salary and FTE
Benefits	Includes associated benefits (fringe and health, if applicable) paid on behalf of organization's employees paid directly from the proposed project.
Subawards	<p>This category accounts for funds that will go to collaborators on your project who are not at your institution/organization. Subaward recipients are named institutions and shall have a Principle Investigator. Characteristics whose presence supports the classification of an entity as a subrecipient are when the entity receiving funds under the award:</p> <ul style="list-style-type: none"> • Determines who is eligible to receive what Federal assistance; • Has its performance measured in relation to whether objectives of a Federal program were met; • Has responsibility for programmatic decision making; • Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and • In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity
Contracted Services	<p>Includes paying an organization/business or individual for goods, services and/or consulting; fee-for-service work, honoraria.</p> <p>Characteristics of Contractors include:</p> <ul style="list-style-type: none"> • Provides the goods or services within normal business operations; • Provides similar goods or services to many different purchasers; • Operates in a competitive environment; • Provides goods or services that are ancillary to the operation of the research project, and • Is not subject to monitoring or reporting requirements of the prime award. <p>Characteristics of Consultants include:</p> <ul style="list-style-type: none"> • A company or an individual who is clearly a bona fide consultant (expert advisor) who pursues this line of business for him/herself. • Are paid for their time at a daily or hourly fixed rate. • A consultant is considered a "work for hire" thus all intellectual property and copyrightable information is assigned to Montana State University. <p>This budget category also includes paying individuals for participating in activities and/or providing services related to your project, e.g., collecting and providing samples, etc.</p>

Supplies	Includes basic supplies and materials needed to carry out the project. Examples include: agricultural supplies (fencing, seeds, plants, fertilizer), field and lab supplies, minor equipment and tools (individual items that cost less than \$5,000), paper/envelopes, in-house photocopying of materials for workshops/meetings, software, books, shipping materials. Any shipping costs associated with the purchase of supplies/materials should be included as supply costs. The purchase of food/refreshments for meetings/field days (must be necessary to maintain meeting continuity) is also considered a supply cost.
Communication	This budget category accounts for postage and mailing expenses (including shipping samples for analysis), printed materials (flyers, brochures, posters). This category also includes expenses for publishing articles in a scientific journals or other types of field/program publications, or for commercial photocopying (note: in-house photocopying falls under supplies)
Travel	<p>Travel must be directly related to the project and includes: mileage reimbursement, airfare, lodging, meal per diem; car rentals, taxi, bus, shuttle expenses and parking; conference fees and registrations. [Please note, travel per diems and mileage need to correlate with your organization's approved rates. If no rate is available, please use the Federal Government rate listed on the U.S. General Services Administration website: http://www.gsa.gov/portal/content/101518]</p> <p><u>Special Note on Foreign/International Travel:</u> foreign travel is typically NOT allowed under the SARE program except in cases where sufficient justification has been provided and it must be pre-approved by WSARE. To justify foreign travel, WSARE grant applicants/recipients need to demonstrate the travel is 1) directly related to the project, 2) essential for project completion, and 3) well justified (<i>i.e., provide explanation for why the activity cannot be done in the USA, detail relevance to Western agriculture sustainability, and provide foreign institution and colleagues' qualifications, etc.</i>). If approved, the PI of the WSARE-funded grant is required to travel via an U.S. flag air carrier (<i>i.e., any U.S.-based airline operating internationally that holds a certificate under Section 401 of the Federal Aviation Act of 1958</i>).</p>
Rent	Includes the rental of equipment, land, facilities (e.g., meeting rooms, lab space) and user fees.
Repair & Maintenance	Not allowed under the SARE program.
Awards	<p><u>Please note:</u> awards in this context ONLY include tuition remission; only WSARE <u>Research and Education grant</u> applicants/recipients may request support for tuition remission. Tuition remission and other forms of reasonable support that are associated with student status and provided to individuals participating in the necessary work of a sponsored agreement are allowable provided that:</p> <ol style="list-style-type: none"> (1) The individual is conducting activities necessary to the sponsored agreement; (2) Tuition remission and other support are provided in accordance with established educational institutional policy and consistently provided in a like manner to students in return for similar activities conducted in non-sponsored as well as sponsored activities; (3) During the academic period, the student is enrolled in an <u>advanced degree program</u> (<i>i.e., graduate degree program</i>) at a grantee or affiliated institution and the activities of the student in relation to the federally-sponsored research project are related to the degree program.

Participant / Trainee Support	Participant Support costs are associated with conference, workshop, or symposium attendees <u>who are NOT employees of the applicant/subrecipient</u> . Similarly, Trainee Support costs are associated with educational projects that support trainees <u>who are NOT employees of the applicant/subrecipient</u> . Participants/Trainees receive a set amount for participation in the above stated functions. If participant/trainee travel expenses will be itemized (not a lump sum payment) please include those expenses in the Travel budget category.
Capital Equipment	Purchases of Capital Equipment (defined as a single, autonomous piece of equipment that costs \$5,000 or more and has a useful life of more than one year) are generally not allowed under the SARE program. Equipment expenses beyond \$5,000 may be leveraged by non-Western SARE funds. Purchasing components of equipment that individually cost under \$5K in an attempt to circumvent the \$5,000 cap is not allowed. Minor equipment under \$5,000 is allowed. Please include minor equipment and/or leveraged capital equipment purchases in the Supplies budget category.
Major Renovations	Not allowed under the SARE program.
Facilities & Administrative Costs (Indirect Costs)	<p>Under the SARE program, there are three possibilities/four scenarios:</p> <ol style="list-style-type: none"> (1) Organizations that have a Federally Negotiated Indirect Cost Rate (NICRA): IDCs are calculated at a rate of 11.111% of Total Direct Costs (TDC). This is equivalent to 10% of Total Federal Funds Awarded (TFFA) and is the maximum indirect cost recovery allowed under the SARE program per USDA/NIFA. (2) Organizations that do not have a federally negotiated rate for indirect costs, and never had one previously: May claim up to 10% of modified total direct costs (MTDC) as de minimis to cover overhead. MTDC includes all direct costs except for the following: the amount of each subaward that exceeds \$25,000, trainee/participant support costs, awards (tuition remission), (3) If your organization previously had a federally negotiated rate but it is no longer in effect, your organization may not use the previous rate and may not request the de minimis rate. Your organization is not eligible for indirect funds. (4) If none of the above, and your organization does not want to claim the de minimis, you are not required to budget for and charge IDCs. <p>Please note: <u>Farmer/Rancher</u> Grant applicants should not budget for Facilities & Administrative (F&A) costs; this is because all funds go directly to the producer and therefore are not eligible to receive F&A.</p>

Notes

Please do not categorize proposed expenses as “other” as MSU OSP will not accept this. Each project expense must fall into one of the categories listed above. For assistance with categorizing expenditures that do not seem to fall within the above referenced categories, please contact Jen von Sehlen, Western SARE Fiscal Manager: jennifer.vonsehlen@montana.edu or (406) 994-4786

Matching funds are not required or requested of Western SARE grant recipients. Please do not include matching funds in the budget.

Unallowable Costs – All Western SARE Grant Programs

Per the *NIFA Federal Assistance Policy Guide* published October 5, 2018, below is a list of unallowable costs. Budgets that include any of the following will not be approved or will be asked to re-budget. Please note: this list is not exhaustive; budgets/expenses are reviewed for allowability/allocability in relation to the planned project activities.

Cost	NIFA Description
Entertainment	Costs of entertainment, including amusement, diversion, and social activities and any associated costs
Equipment (Capital)	See Capital Equipment section above for more details.
Fixed Equipment & Acquisition or Construction of Real Property	The purchase or installation of fixed equipment in such spaces; or for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.
Incentives	Cash or cash value items (i.e., gift cards) provided to individuals to incentivize behavior
Lobbying	Any actions designed to influence the obtaining of grants or influence or give special consideration to action on an award or regulatory matter.
Meals/Food	Business meals may not be charged as project costs when individuals decide to go to breakfast, lunch, or dinner together when no need exists for continuity of a meeting. Such activity is considered an entertainment cost. However, meals that are part of the costs of meetings and conferences, the primary purpose of which is the dissemination of technical information, are allowable as are costs of transportation, rental of facilities, speakers' fees, and other items incidental to such meetings or conferences. Note: Meals consumed while in official travel status do not fall in this category. They are considered per diem expenses and should be reimbursed in accordance with the organization's established travel policies subject to statutory limitations.
Memberships (Lobbying)	Costs of membership in organization whose primary purpose is lobbying
Promotional Items	Items purchased to give-away: conference giveaways; t-shirts; bags, pens, pencils, mugs, bottles, etc.
Renovation or Refurbishment of Research Spaces	Renovation or refurbishment of laboratories or other research spaces
T-shirts, Clothes	For project staff or participants, or so personnel can be identified as working on the project, or as giveaways/promotion of the program

Additionally, Western SARE funds may NOT be used for the following purposes:

- Starting or expanding a farm or farm operation
- Testing of commercial products