

UNIVERSITY OF ROCHESTER PROPOSAL BUDGETING INFORMATION

DIRECT COSTS: Direct Costs are costs that can be specifically identified with a particular sponsored project. Direct Costs may include salaries, fringe benefits, equipment, travel, subcontracts, tuition, and operations expenses such as materials and supplies, consultants, photocopying/printing, and long distance telephone toll charges.

NOTE: If requesting direct charges for salaries of administrative and clerical staff, office supplies, postage, local telephone costs and memberships, a justification for direct charging (as opposed to indirect charging) should be included with the proposal budget.

Salary: The following information is for budget planning purposes only. The U of R is not required to propose or report salary costs in person-days or man-hours.				
1 work month		4.3 weeks	22 person day	173 hours
Academic Year (AY)	Sept 1 thru May 31	39.0 weeks	195 person days	1560 hours
Fiscal Year (FY)	July 1 thru June 30	52.0 weeks	260 person days	2080 hours
Summer (3 months)*	June 1 thru Aug 31	13.0 weeks	65 person days	520 hours

*NSF budgets for summer salary is limited to 2 months per fiscal year (total).

Budgets for all sponsored projects must be created and routed for approvals in IORA.

- List the amount of time (percent of effort) to be spent by each U of R employee who will work on the project. The institutional base salary is pre-populated in IORA. The salary amount commensurate with the effort indicated will automatically calculate.
- Compensation on sponsored projects must not exceed authorized base rate of pay which is pre-populated in IORA.
- New job classifications and compensation for staff must conform to U of R Human Resources classifications.
- Effective 1/1/2024, the NIH salary cap is \$221,900 for awards issued with FY 2024 funds. The faculty member's institutional base salary should be used when completing cost sharing budgets. **Fringe benefits for cost sharing should be calculated on the authorized base rate of pay, not the capped salary amount.**
- Compensation (wages, fringe benefits and tuition remission) for graduate students paid from NIH funds should normally not exceed the level zero (0) postdoc stipend amount in the table found here: <https://grants.nih.gov/grants/guide/notice-files/NOT-OD-23-076.html>.
- Use an annual escalation factor of 3% for NIH; 3-4% for other sponsors, unless otherwise restricted.
- Budgeting for secretarial/administrative support on projects is appropriate only when effort can be specifically identified with the project. Federal sponsors are now requiring additional justification of the need for these positions.
- Budget undergraduate student employees starting at the New York State minimum per hour: <https://dol.ny.gov/minimum-wage-0>. Increases may be added based on experience and policies of Student Employment.

Fringe Benefits: (FY 2024 Effective 7/1/23) Note: IORA calculates fringe benefit dollars using appropriate rates automatically

Faculty/Academic Professionals - Rate 1	28.6% of direct salary up to \$160,200 Please refer to ORPA Homepage http://rochester.edu/orpa/proposals/fringe/ for rates above \$160,200.	Covers FICA, health insurance, unemployment and worker's compensation retirement, etc.
Professional, Administrators, Supervisory and nonexempt staff - Rate 2	34.4% of direct salary	Covers FICA, health insurance, unemployment and worker's compensation, retirement, etc.
Postdoctoral Associates (0093) - Rate 4	25.7% of direct salary	Covers FICA and health insurance
Faculty Summer Compensation - Rate S	12.2% of direct salary	Covers FICA, health insurance, unemployment and worker's compensation

During the summer, undergraduate and graduate students who are not enrolled on a full-time basis will be charged at 10.6% (Rate 3).

University of Rochester Summary of Benefits for Postdoctoral appointees can be found here:

<https://www.rochester.edu/human-resources/wp-content/uploads/2023/01/PostDoc-Benefits-Summary.pdf>

Capital Equipment: Separately list any capital equipment purchases (defined as having a useful life of more than one year, and an acquisition cost of \$1,000 or more per unit. Effective July 1, 2024 the acquisition cost will increase to \$5,000 or more per unit). Equipment rental should be listed as operational costs. Capital budgets are strengthened by including the basis of the cost of proposed equipment, i.e., telephone quotes, vendor catalog prices or bids.

Travel: Follow UR Business Expense and Travel Reimbursements (BETR) Policies and Procedures found here:

<https://www.rochester.edu/adminfinance/finance/employee-reimbursements/employee-reimbursements-policies-and-procedures/>

Operations: Operations include, but are not limited to:

Expendable materials and supplies	best estimate: check catalogs and historical records
Copy services	best estimate: contact appropriate copy center for current rates per copy
Long distance telephone, fax, network	best estimate: includes installation, long distance,
Postage/express mail	best estimate: use current U.S. Postal Service rates
Office Supplies	best estimate: check catalogs and historical records
Equipment maintenance	best estimate: check historical records or contact Procurement Services (x5-2002) for annual contract rates
Consultants	actual daily rate with proper documentation
Subawards/Subcontracts	Authorized budget or written estimate/quotation on subcontractor's letterhead with subcontractor's authorized signature - refer to sponsor guidelines
Renovation	contact U of R Planning and Construction (x5-4887) for estimate
Lab animal costs	contact Vivarium (x5-2651) for per diem and purchase rates
Data Management and Sharing Costs	Contact the University library for assistance
RSRB Fees – Clinical Research (for industry sponsored proposals, no fee for federal or foundation funded, unfunded or department funded)	http://www.rochester.edu/ohsp/rsrb/policies/feeSchedule.html

Tuition and Fees: for the School of Medicine and Dentistry (medical students and graduate students) visit the following url: <http://www.urmc.rochester.edu/education/bursar/>. For other University of Rochester schools visit the following url: <https://www.rochester.edu/adminfinance/bursar/full-time-tuition-fees-2024-2025/>

Indirect Costs or F&A: Indirect costs are costs that cannot be specifically identified with a sponsored project, but which benefit that project (e.g., purchasing, utilities, payroll, facilities management, department administration).

Indirect Cost (F&A) Calculation: When full F&A are allowable, apply the appropriate F&A rate to the modified total direct costs (MTDC) base. Items included in the MTDC base are:

- Salaries and wages
- Copy services
- Computer software
- Publication/page charges
- Fringe benefits
- Subcontracts (1st \$25,000 only)
- Materials and lab supplies
- Consultant services
- Travel
- Telephone/mailling costs
- Office supplies

Items not in the MTDC base are:

- Tuition remission, scholarships, and fellowships
- Capital equipment (items at least \$1,000, Note: the equipment threshold will increase to \$5,000 on July 1, 2024)
- Subawards/Subcontracts over the first \$25,000
- Patient care costs
- Construction, alteration, and/or renovation
- Rental Cost of Off-Site Facilities

If the rate used is **less than the University's negotiated rate**, F&A may be **calculated on total direct costs**, versus modified total direct costs. Contact your ORPA Research Administrator for assistance.

Indirect Cost Rates: These rates were negotiated with the Department of Health and Human Services (Agreement dated 7/1/2023)

Applicable to	Effective 7/1/23 until Amended
On Campus	54%
*Off Campus	24.0%
*Modified Off Campus	27.0%
OSP (other sponsored projects) on-campus	35.0%
*OSP off-campus	24.0%
*OSP Modified off-campus	25.0%
Industry-sponsored clinical trials	35.0% (on total direct costs)

*"Off-campus" is defined as research that is conducted in space not owned by the University and not otherwise paid for by the University from University funds. See page 5 of the F & A rate agreement here https://rochester.edu/orpa/assets/pdf/prop_FA_FB_RateAgreement.pdf to determine if the Off-Campus or the Modified Off Campus rate applies. The University uses the rate applicable to the location where the preponderance of the time and effort will be expended (e.g., more than 50%). Accordingly, each award is assigned only one indirect cost rate, unless otherwise stated by the sponsor.

Effective 12/26/14, NIH will provide 8% F&A costs (TDC excluding equipment) to foreign and international organizations. NIH will provide 10% of modified total direct costs (MTDC) to domestic organizations that do not have a negotiated F & A rate in place at the time of award. All other federal agencies provide 10% (MTDC) for both domestic and international organizations that do not have a negotiated F & A rate.