INSTRUCTIONS FOR PREPARING THE HSC INTERNAL BUDGET WORKSHEET

OVERVIEW

A new Internal Budget Worksheet (IBW) should be downloaded from the PreAward Administration website each time it is filled out to insure use of the most current version available.   A copy should be downloaded to the hard drive of your computer before entering data into the spreadsheet.

Upon opening the IBW, be sure to elect "Enable Macros" when prompted. The IBW will not function properly unless the macros are enabled. If you are using Excel 2007, a Security Warning will appear that tells you that macros have been disabled on a "ribbon" above the spreadsheet. Next to it is an "Options" button that you can click on to enable macros for this session.

The IBW consists of six interactive Excel spreadsheets: 1) "Salary Detail", 2) "UH Employees", 3) "Personnel Summary", 4) "Patient Care", 5) "Subcontracts", and, 6) "Budget Summary". Each spreadsheet is accessible by clicking the appropriate tab at the bottom of the screen.

The individual spreadsheets are password protected, to prevent corruption of the embedded formulas.   Except for the shaded areas, that accept data entry, all cells are locked. If you require access to locked cells, you may obtain the password by calling the Pre-Award Administration office.

CALCULATING SALARIES and FRINGE BENEFITS

 Begin by filling in the shaded areas of the "Salary Detail" spreadsheet (yellow tab), which automatically displays when the worksheet opens. Fill out the top of the spreadsheet with the requested information: "Principal Investigator", "Department", "Project Title" and "Funding Agency". The data you enter on the "Salary Detail" will populate fields and formulas throughout the worksheet.

Tab to the next shaded area and fill in the "Duration of Project", calculated in months. For example, if it is a two year proposal or award, put "24" in the shaded area.

Next, fill in the shaded area marked "First Year of Initial Period Starts:" with the start date of the project. Now, fill in the line below it "First Year of Initial Period Ends:" with the end date of the first budget period. This date is usually one year from the start date of the project, however, this may vary if the entire project is for less than one year or if the initial period is shortened under the terms and conditions of the proposal or award.

If the F&A rate is for a continuation year on an existing contract or grant, or at a rate that is not covered by UNM's standard F&A rates as stated in the current, federally-negotiated F&A cost rate agreement, enter the appropriate percentage in the cell designated for "Non-Competing Cont. or Other Rate" and **do not place an "X"** in the any of the boxes asking where the activity will take place of the type of activity (B15, B17, B18 B19 or D15) . If using UNM's standard F&A rates do not enter a percent in cell marked "Non-Competing Cont. or Other Rate" and proceed to next paragraph.

Tab to the section marked "ATTENTION! Specify LOCATION and TYPE of Activity." First, place an "X" in the appropriate box to indicate whether the proposed activity is going to take place in an ON campus or OFF campus facility. If you are not certain about which "location" applies to the proposed activity, please contact PreAward Services for guidance. Secondly, designate whether the activity is "Research," "Non-Research" or funded by the Department of Defense ("DOD Contract"), by placing and "X" in one of the shaded cells provided for these categories (check only one). The spreadsheet will automatically apply the appropriate F&A rates for these categories.

Tab to the next shaded box and place an "X" in this box if the funding originates from NIH or SAMHSA, if not, leave blank. If you place an "X" signifying that this is an NIH or SAMHSA funded proposal or award, then an "X" will appear in the box marked "Place 'X' Here ☐ If Project is Federally Funded." If not, and the funding

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for this proposal or award originates from a Federal agency other than NIH or SAMSHA, or from Federal flow-through funds provided by city, state, private, or non-profit entities, place an "X" in the box. Otherwise, leave these boxes blank.

Tab to the "Employee's Name" shaded area and fill in the first employee's name. Enter that employee's corresponding UNM FTE (using 1.0 for full-time employees or appropriate decimal for part-time employees).

Enter the number of months of the employee's appointment, 12, 9, or 3 (for a faculty members working under a summer contract) in the "Appt. Mos." column of the spreadsheet. Tab and enter the employee's "Annualized Salary", converting part-time or nine-month actual salaries where necessary and appropriate. PreAward can provide annualized salary information to you or you can download and use the "Annualized Payrate Conversion" table on the PreAward website.

Now tab to the "Level of Effort" field. Level of effort represents that portion of the employee's time that will be devoted to the project. For example, if a none-month employee is devoting 50% effort to the project, or a student (who is designated by our payroll system as a .50 UNM FTE) is devoting 50% of their time, you need not convert to hours or months to enter the appropriate full-time equivalent (a percentage of the 2,080 hours that make up a full-time equivalent per UNM policy). The spreadsheet is designed to make this conversion for you based on the actual percent of that individual's time. Enter the employee's level of effort as a decimal (i.e., 50% = .50).

Now tab to the "Fringe Benefits Type" column and fill in the code (single letter only) that is appropriate for that employee (see table in upper right-hand corner for the appropriate Fringe Benefit code). Please note that fringe benefits are calculated using "Method 2" of UNM's policy on "Fringe Benefit Rates on Proposals" memo issued by HSC's Senior Associate Dean for Research. There is an 8% per year inflation rate calculated for fringe benefits in subsequent budget periods.

Continue entering employee data until you have filled in information on each person working on the project. If you have an employee who will not be working the first year of a proposal or award, but will work in one or more subsequent years, be sure to fill in all the basic information for this employee and then put a "0" for "Level of Effort" in the initial budget period and enter the percentage of effort in the subsequent year(s) as necessary.

Keep in mind that the decimal you enter for "Level of Effort" is proportional to an employee's UNM FTE. If an employee is part-time, whatever percentage that employee works on the project will be multiplied by their available UNM FTE. For example, a .50 level of effort for a ¾ time employee (.75 UNM FTE) will result in a .375 FTE on the project and should be stated so on the proposal budget. You will find this calculated for you in the column with the heading "% FTE Year 1" (displayed in red).

The employee's name and "Level of Effort" will automatically fill in subsequent years from the information you entered in Year 1, but you can alter or overwrite the "Level of Effort" in each budget period as needed.

If you have a graduate research assistant who will be working on the project .25 FTE or more (displayed in red), be sure to include the appropriate amount of health insurance for the initial budget period in the last entry column of the spreadsheet. The cost of health insurance is included in the "Fringe Benefit Rates on Proposals" memo issued by HSC's Senior Associate Dean for Research. The amount of insurance in subsequent years is calculated automatically, at a 5% per year inflation rate.

A summary of salary and fringe benefit information that you have entered on the Salary Detail spreadsheet will pre-populate these budget line items on the "Budget Summary" spreadsheet (pink tab).

If University Hospital employees are participating in the project, add them using the "UH Employee" salary spreadsheet (green tab). Entering UH employee data in the shaded areas is similar to the technique you used on the "Salary Detail" spreadsheet... Since "Appt. Mos." is always twelve (12) for hospital employees, this entry field/column has been omitted.

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Please note that "Fringe Benefits" for UH employees are automatically calculated at a flat rate per UH policy.

The total for these employees will appear on the "Budget Summary" spreadsheet under "UH Contractual." Subtotals for UNM personnel and totals for salaries and fringe benefits for all years of the project or award will automatically populate the "Budget Summary" spreadsheet (pink tab).

NOTE: All salaries are adjusted at the beginning of each new fiscal year by an inflation factor calculated by the HSC Budget Office and incorporated into the spreadsheet formulas. The "Personnel Summary" spreadsheet (grey tab) is informational only; you will not be able to enter data into this spreadsheet.

CALCULATING PATIENT CARE COSTS

The "Patient Care" spreadsheet (cyan or blue tab) is an optional spreadsheet for calculating patient care costs over a specified performance period.

Begin by filling in the "Protocol Number" and number of patients involved in the study.
Next, indicate, with an "x", whether the cost will be an "In-patient" or "Out-patient" expense.

Tab to the next shaded area and enter the type of procedure to be performed ("Procedures"), and the number of procedures to be done ("Frequency per Procedure").

Repeat for all procedures to be performed and then tab to the next table, titled "Estimated Percent of Total Patient Care Costs per Year." Estimate and enter for each year of the project a percentage of the total cost.

The totals from this table will automatically populate the "Patient Care Costs" line item in the "Budget Summary" spreadsheet. If you decide that you do not want to use the "Patient Care" spreadsheet, patient care costs can be entered directly into the "Budget Summary" spreadsheet.

ENTERING SUBAWARD/CONSORTIUM COSTS

If you have subcontractors working with you on the proposal or award, you will want to complete the "Subcontracts" spreadsheet (purple tab).

Begin by filling in the subawardee's name in the column titled "Subawardee", and then tab to the appropriate year and enter the proposed budget for the subcontractor (please note that direct and indirect costs are entered separately) for each year of the project.

This spreadsheet is designed to automatically stop calculating UNM's F&A costs when a subaward reaches the $25,000. This is a limit on subaward costs negotiated by UNM on its F&A cost rate agreement.

If this spreadsheet is being used for a non-competing year of an award, you will want to enter the cumulative total of subawardee costs from previous years in the table in the lower right-hand corner of the spreadsheet, "Amount Awarded to Subawardee in Previous Year(s)". This will allow the spreadsheet to calculate the correct amount of F&A costs applicable to that individual subaward for a non-competing year.

Enter all budget information for each subawardee who will be working on the proposal/award. The IBW will transfer all subaward costs from this spreadsheet into the totals on the "Budget Summary" spreadsheet.

ENTERING EXPENSES and OTHER PROJECT COSTS

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The "Budget Summary" spreadsheet (pink tab) is used for projecting all other expenses and calculating the F&A costs for each year of the project.

An increase of 3% for inflation is automatically added to all expenses in subsequent years when using the "Budget Summary" to calculate expenses. This inflation rate can be overwritten to reflect any percentage or as needed to comply with grant/contract guidelines. This spreadsheet pre-populates all years of the proposal/award period at the specified inflation rate. However, these amounts are user accessible and the escalation formula in each cell can be over-written by simply entering a new amount.

The "Budget Summary" spreadsheet is designed to give subtotals on all expenses by year and budget category. The spreadsheet also subtotals direct costs without the F&A costs of subawards (if applicable), calculates UNM's "Modified Direct Costs" and "F&A Costs" and gives the "Total Costs" for all years of the proposal or award.

MODULAR BUDGETS:

Conversion to a Modular Budget Format is simple. Place an "X" in the box for "MODULAR Budgets" in the upper, right-hand corner of the Budget Summary spreadsheet. The table in the lower left-hand corner of the spread sheet will convert actual expenses from the main table into modules and recalculate Modified Direct Costs, F&A Costs, and Total Costs in accordance with NIH's policy.

The IBW is designed to "straight-line" the modular budget by projecting the same amount for direct costs in all years. However, if you desire to change the modules in any given year or in all years, you can enter a new modular direct cost total (in increments of $25,000) in the "Table for Adjusting Number of Modules" which appears below the printable area of the spreadsheet (use line 65 to enter the new amounts). The "Simplified Table" on the Budget Summary will adjust for any changes you make in this adjustment table.