

R&R Budget Component

Budget Guidance

Be sure to include all requested funding periods in the Budget Component.

Cost-of-living adjustments (maximum of 3% per year) may be budgeted in out years (year 2, year 3, year 4) of a project for all current VA salaried personnel (this does not include IPAs) to address cost of living increases and personnel actions, and all differences in the operating expenses between years need to be fully justified.

While the dollar fields allow cents to be entered, all dollar fields should be rounded to the nearest whole number. The table below summarizes specific guidance for budget categories.

Table 3. Budget Category Guidance (authorized and unauthorized expenditures)

Personnel	
• Physicians	Salary support is not authorized for any physician (VA or other salaried).
• Nurses or Licensed Medical Professionals	Salary support is not authorized for any Title 38 nurse or licensed medical professional with clinical responsibilities in VA unless a waiver has been granted by the CRADO. If waived, salary support is provided for percent effort on the research project.
• Increases in salary over years to account for cost of living or salary increases (HR actions)	Maximum 3% increase/year may be budgeted for all current VA salaried personnel.
• Clerical support	Clerical support may not be included as study personnel unless the support provided can be justified as necessary to the conduct of the research.
• Summer students	Not authorized
• Graduate students/ Tuition stipends	Not authorized
• IPAs	Costs for IPAs must NOT be listed under B. Other Personnel in Section A or B of the R&R Budget Component. These contractual costs are not salaries and should be identified on lines 8-10 (Other) of Section F. Other Direct Costs. IPAs are not authorized for physicians. Cost-of-living adjustments are not allowed for IPAs.
• Consultant	Limit of \$500 per consultation and \$2,500 per annum. Physicians may not be paid as consultants. Expenses other than professional fee (e.g., travel) should be listed under “All Other”.
Equipment	
• Computers	Computers (and IT expenditures) should not be listed in the “Equipment” section.
• Furniture	Must be justified as necessary for the conduct of this research. Justification must account for disposition of previously purchased furniture for projects that have terminated.

• Medical Equipment	Must be required for the conduct of the research project and not be used as part of routine and customary patient care.
Supplies	
• Postage	Not authorized, unless special circumstances require other than ordinary mail.
• Phone costs	Special 800 lines may be approved with justification.
• Copying	Not authorized
• Construction	Contact ORD for guidance on construction requests.
• Books, journals, or reprints	Not authorized. However, payment for reasonable page/publication costs for research resulting from HSR&D studies may be included up to \$3,000.
• Professional memberships	Not authorized
All Other Expenses	
• General Administrative costs	Not authorized
• Access to Austin or PBM database	Not authorized
• Contract for Services	Service contracts are used to obtain a deliverable/product from a company or an institution, e.g. service contract with the University of California for statistical analysis of data. You may not contract for clinical services or identify the individual (s) who will provide the service. A non-VA physician may only perform non-clinical work. A detailed description of the services being contracted for, along with the name and credentials of the person(s) who may be providing the services, should be included in the budget justification.
• IPAs	IPAs provide for salary and fringe benefit reimbursements; they do not allow for “overhead” costs. IPAs may not be used for physicians. IPAs may not be used for any individual assigned the PD/PI role.
• Monetary incentives to physicians	Monetary incentives to physicians are not authorized.
• Patient Incentives	Small amounts of money can be offered as a reimbursement for time and/or travel to participate in a study. The incentive must not, in and of itself, constitute an incentive and must be consistent with IRB and ethics policies.
• Travel	There are four categories of travel: 1) Travel necessary for the conduct of research. Project related travel expenses must be fully explained and a cogent justification provided. Explain why e-mails, conference calls, or teleconferencing are not sufficient to accomplish the goals of the requested travel. Project travel needs to be requested in the budget using the following format:

Project Travel Table

Traveler	Status (VA or non VA)	Destination	Number of Trips	Year of Trip	Estimated Cost	Purpose

2) Travel to Implement or Disseminate findings. This is not travel to present research findings at national meetings but is the travel necessary to conduct face-to-face meetings or conferences that will facilitate the adoption of the research into practice. An estimated budget should be listed but funds will not be disbursed until study results are available and dissemination/ implementation is warranted. Requests for release of funds need to be submitted through the ACOS/R&D to the assigned Scientific Program Manager at least 3 months prior to the project end date. A justification, not to exceed one page, must accompany the request for release of funds. Any changes to the dissemination and/or implementation plan described in the original proposal must be highlighted.

3) Travel to present research findings at professional meetings. HSR&D will consider requests to travel to present study findings on a case-by-case basis. Requests for travel funds including an estimate of travel expenses and a justification must be submitted to HSR&D at least two months in advance of the meeting.

4) Professional development travel. HSR&D will automatically distribute \$1,200 per year to each funded PD/PI to allow participation of the PD/PI or project staff in scientific meetings/professional development activities. The maximum in professional development travel funds that will be distributed to a PD/PI is \$1,200, irrespective of the number of projects awarded to the PD/PI. The PD/PI for Pilot Projects will not receive professional development travel funds. Professional development funds do not need to be requested in the project budget.

• Information Technology

List all computer requests; unusual requests should be accompanied by a vendor quote and a strong justification. Shared network charges are not authorized. Planned IT expenditures need to be itemized using the following format:

Planned IT Expenditures Table

Category	Type	Amount	Amount	Amount
		Year 1	Year 2	Year 3
Hardware	Purchased			
	Leased			
	Services			

	Software	Purchased			
		Leased			
		Services			
	Telecommunications	Purchased			
		Leased			
		Services			
	IT Supplies and Materials	Purchased			
		Leased			
		Services			
	IT Personnel (personnel on a 2210 Position Description)				
		TOTAL			

Personnel (Sections A and B): Starting with the Contact PD/PI, list all personnel involved in the project. In the appropriate columns list their names, role in the research proposed, the calendar months effort each will devote to the project, and whether or not salaries are requested. Salaries are to include actual fringe benefits for all current VA salaried personnel and no more than 30% fringe benefits for all “to be determined positions” to be paid from HSR&D funds. Secretarial salaries are not allowed. Physicians and dentists and, in most cases, nurses may not receive salaries from the medical research appropriation. Physicians and dentists who are not licensed to practice in the United States may request salary, but they must be clearly identified as such in the budget justification section. PDs/PIs cannot be paid through Inter-agency Personnel Act (IPA) agreements.

To request salary support for a VA employee on the Research and Related budget pages you must base your request on the individual’s **VA salary (commensurate with their appointment)** and the time that is spent on the project. This is also true when requesting salary support for an individual who has a joint appointment-**only** their VA salary (commensurate with the VA appointment) and time spent on the project factor into the request for salary support. It does not matter how many calendar months they work elsewhere.

HSR&D will pay salary only for the actual time the PI or other VA paid study personnel spend on the project. One of the major differences between how BLR&D and HSR&D operates is that BLR&D will pay “up to the entire” **VA Salary of a PI** on a project, regardless of his/her effort on the project.

- 1) To calculate calendar months for **VA paid employees or employees with a joint appointment** (use only VA hours worked and VA time spent on project):

- a) First, calculate the number of calendar months which will be spent on the project. Use the Table below to convert hours worked/work week to calendar months. Only calendar months should be used in Section A of a VA budget. This calculation is based on a standard VA 40 hour work week. Overtime and compensatory time are not factored into this calculation – just regular work hours.

Hours per 40 hour work week spent on the project	Calendar Months Effort	Percent Effort (Based on 40 hour work week)
1	0.3	2.5
5	1.5	12.5
10	3.0	25.0
15	4.5	37.5
20	6.0	50.0
25	7.5	62.5
30	9.0	75.0
35	10.5	87.5
40	12	100.0

- b) Second, calculate the “requested salary” in section A of the Research and Related budget page. Take “% of hours worked” from the last column in the Table above and multiply by the full VA salary.

NOTE: For individuals with joint appointments, signature by the institutional official on the applications certifies that: 1) the individual is applying as part of a joint appointment specified by a formal Memorandum of Understanding between the University and VA; 2) there is no possibility of dual compensation for the same work; and 3) there is no possibility of an actual or apparent conflict of interest regarding such work.

- 2) The request for calendar months effort for **non-VA individuals** is to quantify the non-VA person’s time commitment to the project. No salary should be requested in section A of the Research and Related budget page. For the purpose of the “Other Support” section, an individual with multiple appointments may have more than 12 calendar months total effort. However, for the budget page base the calculation of calendar months on the hours worked at a single (non-VA) institution. To calculate the calendar months:
- a) Determine the number of hours of a regular work week at the institution, e.g. 35 hours or 37.5 hours. Divide the number of hours worked at that institution by the number of hours in the work week and multiply by 12.

For example: an individual works 20 hours a week and the normal University work week is 35 hours, you would divide 20/35 (0.57) and multiply by 12 to determine the calendar hours worked = 6.86 calendar months.

- b) Multiply the per cent effort spent on the project by the calendar months worked by the individual.

Equipment Description (Section C): Only major equipment is included in this section. Major equipment is defined as an individual item of property that has an acquisition cost of \$5,000 or more. Such equipment consists of relatively permanent, fixed assets that are essential to the completion of the proposed research. Expendable items and small (<\$5,000) equipment items are to be requested as Materials and Supplies under Other Direct Costs. When feasible, equipment is to be purchased in the first year of the project. Only under unusual circumstances and if properly justified will HSR&D Service consider equipment requests in years 2–4.

Other Direct Costs (Section F): List service contracts for equipment utilized only for the proposed research. If the equipment is used by multiple research projects, request a proportionate amount of the service contract. List costs for any personnel to be paid through an IPA.

Consultant Services (Section F, Line 3): A consultant may not receive more than \$2,500 per year. MD consultants may not receive salary compensation.

Budget Justification (Section K)

All items in the budget (budget categories, budget years, and performance sites) must be clearly justified in a single narrative and in the Summary Budget Table and attached to Section K of the Research and Related Budget. This is a required attachment to the application. When research is to be performed at multiple VA medical centers, the submitting VA is considered to be the primary performance site. A separate budget(s) for the additional VA medical center(s) must be submitted on a separate budget page(s) using the SF424 (R&R) Subaward Budget Attachment form. Justification of all items in the subaward(s) budget(s) must be included in the justification document for the primary performance site. (See example below).

Begin the justification narrative by summarizing all expenditures using the **Summary Budget Table – this is a required attachment to the HSR&D application (in addition to the budget justification narrative)**.

An example of a properly completed Summary Budget Table can be viewed at <http://www.hsr.d.research.va.gov/funding/default.cfm> under “How to Apply”.

Personnel: Fully explain the role and calendar months effort of the PD/PI and all personnel listed under personnel. An investigator profile (Page 18) including the Commons ID, must be completed in ePromise for all personnel assigned the PD/PI role. If the PD/PI is a non-clinician scientist paid by the research appropriation, fully describe the basis for any difference in the calendar months effort for the work proposed and total VA effort (salary support). Submission of the application signifies facility agreement to have the non-clinician PD/PI perform the work described to justify salary. Physicians and dentists who are not licensed to practice in the United

States and are requesting salary must be clearly identified as such and justified in this section. If the project has more than one site, identify the personnel by site, for example:

Washington, DC Personnel

Justification narrative

Boston, MA Personnel

Justification narrative

Note: DO NOT LIST IPAs UNDER B. OTHER PERSONNEL IN SECTION A OR B.

Equipment: For each item, justification should include a discussion of why the equipment is needed and why similar existing equipment (if any)—whether at the applicant VAMC or in a nearby research space, common resource equipment, borrowed or on loan—cannot be used. Include the cost of maintenance. Patient care equipment purchased for use in the research study must be equipment that is not provided in the customary care of patients. If the project has more than one site, identify and justify the equipment needed by site, for example:

Washington, DC Equipment

Justification narrative

Boston, MA Equipment

Justification narrative

Travel: Travel costs for the conduct of research should be clearly justified in the budget justification section using the Project Travel Table format in [Table 3](#).

Materials and Supplies: Itemize expendable supplies in separate categories. Explain how the costs for each category of supplies were derived (e.g., based on the PD/PI's expense history in performing similar research). Small (<\$5,000) equipment must be justified. If the project has more than one site, identify the materials and supplies needed by site, for example:

Washington, DC Materials and Supplies

Justification narrative

Boston, MA Materials and Supplies

Justification narrative

Consultant Services: Clearly explain the expertise and involvement of each consultant with regard to the proposed research, the nature of the service to be provided, the number of consultations, and professional status (PhD, RN, etc.). If the project has more than one site, identify the consultants needed by site, for example:

Washington, DC Consultants

Justification narrative

Boston, MA Consultants

Justification narrative

ADP/Computer Services: Do not include IT costs in the Merit Review Budget.

However, a separate table listing all IT items that must be purchased for the proposed research and their cost (per item and total) must be itemized in the Budget Justification (and budget summary table) attachment in “Section K. Budget Justification” of the SF424 R&R Budget Component using the Planned IT Expenditures Table format in [Table 3](#).

Other Costs: Justify the costs of any items listed under this budget category. If the project has more than one site, identify the other expenditures by site, for example:

Washington, DC Other

Justification narrative

Boston, MA Other

Justification narrative