**Budget Justification**

*In accordance with 2 CFR 220 (OMB Circular A-21), Cost Principles for Educational Institutions, Purdue University tracks and reports its professional personnel on a percent of effort and not on an hourly basis. Salaries are adjusted by standard University inflation rates each fiscal year (July 1): 3% for faculty, 2.5% for professional/technical assistants, and 2% for post docs, graduate/undergraduate students and service staff.*

**Personnel $XXX,XXX**

[key personnel name] describe this persons’ budgeted effort and role on the project. Annual base salary used for calculations is $XX,XXX, which was effective July 1, 20X.

[key personnel name] describe this persons’ budgeted effort and role on the project. Annual base salary used for calculations is $XX,XXX, which was effective July 1, 20X.

[Other Personnel] describe this persons’ budgeted effort and role on the project

[Other Personnel] describe this persons’ budgeted effort and role on the project

**Fringe Benefits**

Fringe benefits are budgeted in accordance with university policy outlined in a memorandum dated March 8, 2013. Rates are as follows:

Faculty 28.3%

Post-Doc 33.4%

Professional 35.8%

Op Tech 54.6%

Grad Student 8.5%

Undergrad 9.3%

Technician 54.6%

Clerical 59.9%

Service 56.8%

**Travel $X,XXX**

Describe Travel (location, types of expenses, purpose of travel)

**Other Direct Costs $XX,XXX**

1. **1st Other Cost - $**

Describe other cost and dollar amount

1. **2nd Other Cost - $**

Describe other cost and dollar amount

1. **3rd Other Cost - $**

Describe other cost and dollar amount

1. **Publication - $**

Describe publication charges and dollar amount

1. **Grad Fee Remissions - $**

Grad fee remissions are granted to graduate student employees of the university as a form of compensation paid as salaries, or in lieu of salaries, to graduate student that have a salaried appointment at the university.

**Indirect Costs $XXX,XXX**

*(Research rate)*

Indirect costs are budgeted at the negotiated indirect cost rate of 55% of the modified total direct costs. This rate was approved on 02/07/2014 by the Department of Health and Human Services. The rate used for this proposal yields less indirect cost than the restricted rate of 30% of total federal funds outlined in the RFP.

<or>

*(OSP Rate)*

Indirect costs are budgeted at the negotiated indirect cost rate of 38% of the modified total direct costs. This rate was approved on 02/07/2014 by the Department of Health and Human Services. The rate used for this proposal yields less indirect cost than the restricted rate of 30% of total federal funds outlined in the RFP.

<or>

*(if subs and you only charge on first $25k)*

Indirect costs are budgeted at 42.85% of modified total direct costs. Purdue University has a federally negotiated rate of 55% of modified total direct costs for research approved by the Department of Health and Human Services on 02/07/2014. The rate used in this proposal yields less indirect costs than our negotiated indirect cost rate.

<or>

*(if no subs and everything is in the base)*

Indirect costs are budgeted at 42.85% of total direct costs. Purdue University has a federally negotiated rate of 55% of modified total direct costs for research approved by the Department of Health and Human Services on 02/07/2014. The rate used in this proposal yields less indirect costs than our negotiated indirect cost rate.