



Science and Engineering  
Research Council

# **PREPARING A BUDGET PROPOSAL**

## NOTES ON THE BUDGET PROPOSAL

1 Each proposal must contain a budget for each year of support and a cumulative budget for the duration of the project. Contributions of participating sponsor/s must be detailed and documentary evidence of commitment submitted with the proposal. The budget must identify and itemise direct costs associated with each line item. Expenditures should be budgeted inclusive of any Goods & Services Tax payable.

2 Any direct cost charged to an SERC grant award must be reasonable and directly allocable to the supported activity. The three budget line items are:

### **3 Expenditure on Manpower (EOM)**

3.1. These include the salaries and allowances of research scientists, engineers and graduate research students. Each position for example, postdoctoral associates and research assistants must be clearly identified and budgets must reflect prevailing organisational practices for salaries and allowances.

3.2. The award should not augment the salaries of staff already supported by the employing organisation or other sources of funding. Under no circumstances can salaries for clerical or support staff be allocated under the grant.

3.3. You are advised to budget for annual increments, National Service increments, staff welfare, medical, commuted leave pay and other related manpower costs required for the entire project life. Please consult your employing organisation on the prevailing rates.

3.4. Overseas experts who are invited to the University for 1 month or more as part of the research project's programme are considered as Visiting Professors.

### **4. Equipment**

4.1. Items of need must be individually identified and the cost estimated. For items greater than S\$100,000, one quote from the supplier should be attached for record.

4.2. Allowable items normally encompass equipment and apparatus in conduct of the research and do not cover general purpose items like computers, workstations and printers unless they are exclusively used in conduct of the research.

**4.3. You should conduct a reasonable survey of all existing relevant equipment in your organisation and local research institutions (A\*STAR**

**research institutes, universities, research centres etc.) and make use of them instead of purchasing similar equipment.**

- 4.4. Funds may be allocated for use of workstations and high performance computing resources and services at the Institute of High Performance Computing (IHPC) and/or the SingAREN facility. Funds may be allocated for use of resources from the Synchrotron facility. Proposers are encouraged to contact IHPC/SingAREN/Singapore Synchrotron Light Source for information on costs for usage and other support services.

## **5. Other Operating Expenses (OOE)**

- 5.1. Items under this line must be identified and they include materials, supplies, computer services (use of high performance computer resources and support services), software license, equipment maintenance costs, travel (allowance for airfare is based on a round-trip economy airfare) and conference costs.
- 5.2. The award should not be used to support overheads (e.g. rental, furniture, clerical support, telephone or facsimile expenses, etc.), and patent and publication costs.
- 5.3. Travel must be specified and itemised by destination and cost. Funds may be requested for attendance of meetings and conference.
- 5.4. In order to qualify, the attendance of meetings and conference must enhance the PIs work or provide an opportunity to disseminate the results.
- 5.5. Support for travel should not exceed the standard rate per year of award.

## **6. JUSTIFICATION**

- 6.1. A detailed case for the resources required, showing what alternatives have been considered and rejected, providing a cost-benefit appraisal where appropriate. In particular, justify the following:

### **6.2. Manpower Costs**

- 6.2.1. The type and level of all staff appointments and the duration of employment. Please consult your employing organisation on prevailing terms and conditions.
- 6.2.2. If applicant already has assistants employed for his other research projects, then the PI should explain why the existing assistants cannot be used for the new project.

### **6.3. New Equipment Costs**

- 6.3.1. The need to purchase equipment/facilities.

- 6.3.2. The choice of equipment. Show that the equipment chosen will give the best value for money.
- 6.3.3. Where there is use of major equipment / expensive instrument, please provide:
- Explicit statements on existence of similar equipment elsewhere and its availability;
  - Commitment from other potential users;
  - Justification of usage level;
  - Provision for maintenance;
  - Details of other intended uses upon project completion.
- 6.3.4. If the overall proposed equipment budget exceeds **50% of total project** value, and/or consists of a **single piece of equipment costing ≥\$70,000, detailed justification must be provided**. The justification must clearly explain why equipment time cannot be purchased in other local laboratories that have similar equipment. Non-justification of such purchase may lead to the equipment item being deducted from the Equipment budget.
- 6.3.5. You must justify that it is not found **in your organization, A\*STAR research institutes, universities, research centres etc. and if exist** (person, lab, organization – be specific of equipments' location) **that you cannot make use of them instead of purchasing similar equipment**.
- 6.3.6. Append a list of existing equipment (if any) that the project will be using. Equipment descriptions, costs and quotations must be provided.

#### **6.4. Materials and Consumables**

- 6.4.1. The need for consumables. Consumables requested must be items that can be uniquely and unambiguously identified with the research project.
- 6.4.2. The number, type and source of supply of animals to be used in the research. Show that the number of animals to be used is the minimum required to produce valid results.

#### **6.5. Overseas Travel**

- 6.5.1. The need for any travel, detail the places and/or countries to be visited, the purpose, duration and persons travelling, and emphasize any proposed international collaborations.
- 6.5.2. All travel requests made on proposals should be evaluated against IT alternatives such as e-mail and video conferencing, and cogent reasons must be given for not using IT.

6.5.3. A breakdown of the travel budget into airfare and allowance for board and lodging is advised. Pls are advised to only provide fair and reasonable estimates for travel expense.

## **7. FUNDABLE / NON-FUNDABLE DIRECT COSTS**

The following provide a guideline of the fundable/non-fundable direct costs for your project. You should check with your office of research/finance office for further details.

### **7.1.1 EOM Related Expenses**

Type of Expenses	Description
Salaries, CPF and fringe benefits including medical, dental, contribution to welfare fund, etc.	<p>Allowable as part of overall compensation to employees provided such costs are incurred under formal established and consistently applied policies of the host institution.</p> <p>The salaries offered to staffs should be reasonable, in line with local market benchmarks and comply with formal established pay scale of the host institution that is consistently applied regardless of the source of funds.</p>
Bonus / Incentive payments	Allowable as part of a total compensation package, provided such payments are reasonable and are made according to a formal policy of the host institution that is consistently applied regardless of the source of funds.
Overtime	Not allowable.
Annual leave	Allowable for employees. The number of days of leave accorded to staff must be in accordance with formal policies of the host institution that is consistently applied regardless of the source of funds.
Staff recruitment and related cost	<p>Not allowable. Examples of such costs are advertisement and recruitment agency cost.</p> <p>Staff relocation, settling-in allowances, housing allowances, etc, are not allowable unless specifically provided for in the grant and approved by the Council.</p>

Type of Expenses	Description
PI's & Co-Investigators' EOM cost	Not allowable.
Staff insurance	A*STAR will only fund premiums for such plans if they are incurred under an established and consistently applied policy of the host institution. Host institution may be requested to certify that such payments are in accordance with its established policy or on the same terms as the other staff.
Visiting Professors	Not allowable unless specifically provided for in the grant and approved by the Council.

### 7.1.2 OOE Related Expenses

Type of Expenses	Description
Audit fees	Not allowable. This includes both internal and external audit fees.
Bank charges	Allowable as long as it is specifically related to the payments for consumables and equipment used in the project.
Books and specialised journals relevant to the research	All host institutions have a library. Books and journals should be obtained from the library and PI should refrain from purchasing the same books or subscribing to such journals. The funding for journal subscription would be restricted to the duration of the project.
Customs and import duties	Allowable as long as it is specifically related to importation of consumables and equipment used in the project.
Entertainment & Refreshment	Not allowable.
Equipment usage charges	Only allowable for external (inter-institution) equipment usage charges.  Not allowable for internal (intra-institution) equipment usage charges.
Fines and penalties	Not allowable.

Type of Expenses	Description
GST	Allowable for expenses incurred for the project.
Insurance premiums	<p>Not allowable. This includes insurance premiums for equipment, workmen compensation and professional indemnity of researchers funded from A*STAR grants.</p> <p>The host institution is responsible for the insurance of the equipment, relevant workmen compensation and professional indemnity insurance which are in line with the host institution's risk policies.</p> <p>However, personal travel insurance for approved overseas trips is claimable.</p>
Laundry	Not allowable. This includes clean-room attire and footwear.
Lab Coat	Not allowable.
Local & international students' fees or other stipends or awards to students	Not allowable.
Legal fees	Not allowable.
License Fees	Not allowable. (e.g. radiation licence from HSA)
Local & Overseas conferences	<p>Allowable, if conference is directly relevant to the research area or necessary to accomplish the project objectives for PI, co-investigators, co-applicants, researchers and lab technicians funded under the project grant.</p> <p>Generally, sending of attachment students for conference is not allowable. If the PI wishes to send approved attachment students for conference, please <u>write to A*STAR's Council with the appropriate justifications to seek approval prior to commencement of the conference.</u></p> <p>If the conferences are conducted overseas, the travel policy of the host institution must be consistently adhered to.</p>

Type of Expenses	Description
Overhead expenses	<p>Not allowable.</p> <p>This includes rental, utilities, facilities management, telephone charges, internet charges, etc.</p>
Patent application	<p>Not allowable.</p> <p>This includes patent application filing, maintenance and other related cost.</p>
Professional fees (including fees to consultants)	Not allowable.
Professional membership fees	Not allowable. This applies to PI and Co-PIs as well as all research staff funded from the grant.
Publications	<p>Allowable.</p> <p>Page charges for publication of manuscript in professional journals are allowable. The costs of reprints and publishing in other media, such as books, monographs and pamphlets are <b>not</b> allowable unless specific approval has been obtained from the Council.</p>
Purchase of lab supplies, consumables, animals, use of services or lab spaces within the host institution's central facilities	<p>Allowable.</p> <p>The cost for the use of the services and central facilities owned by the host institution such as animal holding units, central laboratory services are allowable and must be based on host institution's fee schedules which are consistently applied regardless of source of funds.</p> <p>Host institution may be requested to certify that the fee structure is applied consistently.</p>
Repairs and maintenance of equipment	<p>Not allowable unless specifically provided for in the grant and approved by the Council.</p> <p>The period of maintenance funded from the research grant, if approved, should be restricted to the duration of the project.</p>
Staff retreat	Not allowable.



Type of Expenses	Description
Stationery and printer consumables	Not allowable unless specifically provided for in the grant and approved by the Council. This includes printing and photocopying charges.
Training	Not allowable unless specifically provided for in the grant and approved by the Council.
Transportation, postage & courier services	<p>Not allowable for general transport, postage &amp; courier charges.</p> <p>Only allowable for postage, courier and freight charges for bringing in equipment and specialised research consumables.</p> <p>Rental of vehicles (land/sea/air) not allowed unless specifically provided for in the grant and approved by the Council.</p>
Vaccinations	Not allowable for routine health vaccinations. Only allowed when working with micro-organisms carrying infectious diseases.
Volunteers and research patients	Allowable for payment to volunteers and research patients provided this is the scope of the research and has been provided for in the grant and approved by the Council.

### 7.1.3 Equipment Related Expenses

Type of Expenses	Description
General policy	There shall be no purchase of equipment <u>6 months before the completion date of the project</u> . The completion date of the project refers to latest approved completion date.
IT equipment	<p>Not allowable.</p> <p>Purchase of computer equipment and printers are generally not allowed <u>unless specifically provided for in the grant and approved by the Council</u>.</p> <p>Purchase of IT equipment must be in accordance with the IT policy of the host institution regardless of source of funds.</p>

Type of Expenses	Description
Purchase of PDAs, handphones, etc	Not allowable unless specifically provided for in the grant and approved by the Council.
Office equipment	Not allowable unless specifically provided for in the grant and approved by the Council.
Office furniture & fittings	Not allowable unless specifically provided for in the grant and approved by the Council.
Cost of capital works and general infrastructure (including the costs associated with the establishment and running of the Grant Administration Office)	Not allowable unless specifically provided for in the grant and approved by the Council.

## **8. INDIRECT COSTS**

- 8.1 Grants awarded by A\*STAR on or after 1 December 2007 are eligible for indirect costs funding. The eligibility of the Institutions to receive this support is at the absolute discretion of A\*STAR.
- 8.2 Funds approved under indirect costs shall not be used for patent costs, commercialisation expenses, fines and penalties, and any other activity not related to the Research.

**STANDARD RATES FOR PROJECT COSTING****(Please read in conjunction with "Glossary of Terms")**

<b>MANPOWER</b>	<b>1<sup>st</sup> Year</b>	<b>2<sup>nd</sup> Year</b>	<b>3<sup>rd</sup> Year</b>	<b>Total</b>
<b>Research Fellow (PhD Degree)</b>				
Monthly Salary (all-inclusive)	\$4,225	\$4,550	\$4,875	-
<i>Total Cost Per Annum</i>	\$78,910	\$87,035	\$97,045	\$262,990
<b>Research Assistant (Masters Degree)</b>				
Monthly Salary (all-inclusive)	\$3,120	\$3,280	\$3,440	-
<i>Total Cost Per Annum</i>	\$58,350	\$62,850	\$68,650	\$189,850
<b>Research Assistant (Hons)</b>				
Monthly Salary (all-inclusive)	\$2,640	\$2,800	\$2,960	-
<i>Total Cost Per Annum</i>	\$49,700	\$54,000	\$59,400	\$163,100
<b>TRAVEL</b>	\$6,000	\$6,000	\$6,000	\$18,000

**GLOSSARY OF TERMS**

- Principal Applicant* - An individual who is the main intellectual and organisational driver of the proposed research and who has primary responsibility over the proposal. His/Her employing organisation would be the direct recipient of grant award and will abide by terms and conditions of the accepted grant.
- Co-Principal Applicant* - An individual who participates actively in the proposed research and who will be named in the Letter of Award as a "Co- Investigator" for the Research.
- Collaborator* - Any company, institution, incorporated body or other industry or academic collaborator which is not an Institution or an Investigator but is to be engaged in the Research in collaboration with the Institutions or any of them.
- For avoidance of doubt, collaborators are not entitled to receive (directly or indirectly) any portion of the Funds.**
- Total Project Value* - Sum of directs costs. This does not include in-kind contributions, building costs, and existing manpower

and equipment.

<i>Direct Costs -</i>	The additional costs required to undertake a project. This excludes in-kind contributions from industry/employing organisation/other organisations, existing equipment, manpower, materials and supplies.
<i>Line Items -</i>	Budgeted items listed under the EOM, Equipment and OOE votes.
<i>Employing organisation -</i>	Refers to the participating organisation's Office of Research/Principal's Office/ Agency Head Quarters.
<i>Research Fellow/ Postdoctoral Fellow -</i>	An individual employed in a research capacity and must at least have a Ph.D degree.
<i>Research Assistant -</i>	An individual employed in a research capacity and must at least have a Bachelor degree.
<i>Visiting Professor -</i>	Overseas experts who are invited to the University for 1 month or more as part of the research project's programme.
<i>Laboratory Technician -</i>	An individual who has a technical certificate, diploma or has relevant technical experience.
<i>Reviewer -</i>	An international researcher of repute capable of providing fair and impartial assessment of the technical merits of the proposal.
<i>Approval Authority -</i>	Delegated authority to the employing organisation to decide on matters relating to virement and variations.
<i>Award -</i>	Approved and committed grant support by the Agency Science, Technology for the duration of the project (normally not exceeding 3 years).
<i>Deliverables -</i>	Expected specific results and outcomes arising from the research as a consequence of undertaking the study.