

Estimated Budget Distribution of Project Funds

(Time Period Covered by the Budget)

Description	FTE	Amount
<u>Personnel Costs</u>		
Professional Staff		
Support Staff (Para-professional, Secretarial, Graduate Asst., Technician)		
Fringe Benefits		
Total Personnel Costs		
Travel		
Materials Production, Reproduction & Distribution		
General Supplies, Materials & Utilities		
Equipment & Other Capital (Cost/Item \$ \$1,000)		
Contractual Services		
Other Costs		
Total Direct Costs		
Facilities & Administration Costs (26%)		
Total Project Costs		

Funding will be provided as follows (Front Money, Installment, etc.):

Memorandum of Agreement and Understanding (CG2) Instructions

The Memorandum of Agreement and Understanding is a formal agreement document used when the Sponsor wishes to place specific budgetary restrictions on the use of project funds and/or when the Sponsor wishes to specify performance results and/or reporting requirements for completion of the project. Other provisions and instructions relating to this form and administration of sponsored agreements may be found in TAMUS Regulation 15.01.01, Agency Rule 15.01.01.A01/X01 and Agency Guideline 15.01.01.A01/X01.02.

Following is a brief explanation of some components required for completion of the form:

A space is provided to specify the recipient agency and the Sponsor name.

Paragraph 1 provides space for and requires input of the total funds, the amount of the direct costs, the amount of the facilities and administration (indirect) costs (amounts must correspond to the attached budget), the project title, and the name, title and agency unit affiliation of the primary PI (a secondary PI may also be listed; however, all records and reports will be sent only to the primary PI), and instruction for payment of project funds.

Paragraph 2 instructs the PI to prepare and attach a plan of work and a budget for the project as Exhibit A & B respectively. If a proposal initiated the MOA, the proposal may be used for Exhibit A (make certain that any budget submitted with a proposal agrees with the budget estimate; otherwise, the proposal budget should be excluded or marked as revised in the agreement document).

Paragraph 7 provides space to input the project term or beginning and ending dates.

Paragraph 8 provides space for other provisions or revisions to previously listed provisions as required by the Sponsor.

Routing and approval requirements are included after Paragraph 8. All applicable signatures must have been obtained prior to submission to the recipient Director's office for approval and submission to the Sponsor.

The third page contains a format for the estimated project budget. This budget form provides the PI with a format to estimate the way in which grant funds will be expended and should be prepared so that the PI may adhere to the budget as closely as possible during performance of the project. Only expenditures in categories contained in the budget may be charged to the grant account.

This budget form makes no provision for cost sharing. Cost sharing requirements are at the discretion of the Sponsor; however, cost sharing should only be included as a part of a MOA when specifically requested or recommended by the Sponsor as a provision for consideration of funding.

Personnel Costs

This section of the budget should correspond to the personnel required for performance of the project, the FTE (full time equivalent, the annualized amount of time required for participating personnel to complete the project expressed as a fractional portion of a full year; i.e. if the project will take a specific employee 65 work days to complete, the FTE will be 65/260 or 0.25), and the corresponding dollar amounts for salary/wages for the required personnel. The Agency Human Resources Office should be consulted with questions about appropriate position level(s) for personnel needed to perform specific tasks and the appropriate salary amounts or wage levels for position(s) recommended.

If salaries and wages are included as budgeted expenditures, fringe benefits must also be included. **By State of Texas statute, fringe benefits must be paid proportionally from the corresponding source from which salaries and/or wages are paid; i.e. if the grant is to pay salaries and/or wages, it must also pay the proportionally corresponding fringe benefits; the fringe benefits for salaries and/or wages paid from grant funds may not be paid from any other source and are not available to be considered part of cost sharing requirements.** Fringe benefits rates change as federal and state government regulations change; however, the general rules are:

1. **Salary and Hourly Employees** - full benefits; generally eligible for full State mandated fringe benefits package including retirement and group medical insurance premiums. The exceptions to eligibility for full benefits are employees with a total TAMUS appointment (regardless of source of funds) of less than 50% and/or

a total TAMUS appointment of less than 4½ months. The group medical insurance premium is a four-tiered system selected by the employee based on the number of dependents; for budget estimation purposes an assumption is made of Employee and Spouse coverage at \$280/month or \$3,360/year for simplification (the actual cost for GIP for each participating employee should be used if known). The Agency Human Resources Office may be consulted for assistance in determining if full benefits should be estimated for a budgeted position.

2. Graduate Assistants - full benefits except for retirement contribution. The exceptions to eligibility for full graduate assistant benefits for EGA's are employees with a total TAMUS appointment (regardless of source of funds) of less than 50% and/or a total TAMUS appointment of less than 4½ months. Group medical insurance rates may be estimated similarly to Salary and Hourly Employees above.
3. Student Worker Wage and Part-Time (employees with a total TAMUS appointment (regardless of source of funds) of less than 50% or a total TAMUS appointment of less than 4½ months) - project funds will be assessed the minimum required fringe benefits rates listed below.

Description	Full Benefits *	EGA Benefits *	Minimum Benefits
FICA (Social Security)	7.65%	7.65%	7.65%
Retirement	6.00%	0.00%	0.00%
Unemployment Compensation Insurance	0.10%	0.10%	0.10%
Workers' Compensation Insurance	0.50%	1.40%	1.40%
Total Base Rate (excluding GIP)	14.25%	8.25%	8.25%

****Plus a proportionate share of the corresponding group medical insurance premium (if applicable).***

Travel

Estimates for the cost of travel should be made using a detailed worksheet for each trip anticipated that includes expected cost of airfare, lodging, ground transportation including car rental, taxi fare, and/or personal auto usage, meals, parking fees, and any other expected travel costs. The MOA budget line should be a summary of the detail for all anticipated trips (the components should not be itemized on the MOA budget attachments unless specifically requested by the prospective Sponsor).

Materials Production, Reproduction and Distribution

Estimates for costs of materials production, reproduction and distribution should be made using a detailed worksheet that includes all anticipated costs that may be incurred in the creation of videos, publication/educational materials, slide sets, display boards, etc., required to successfully complete the subject project. The MOA budget line should be a summary of the detail for all anticipated materials (the components should not be itemized on the MOA budget attachments unless specifically requested by the prospective Sponsor).

General Office Supplies, Materials & Utilities

For the costs of general office supplies, materials and utilities, similar to travel and materials costs, a detail worksheet of the items required should be prepared and summarized on the appropriate line of the MOA budget.

Equipment & Other Capital

A detailed listing of all items included as equipment and other capital should be prepared and the costs of those items obtained. Only include items in this category with a cost, including freight, of \$1,000 or more. Items with a cost of less than \$1,000 should be included under the category of general office supplies, materials and utilities.

Contractual Services

For each incidence of contractual services anticipated, a concise, accurate description of the services required should be prepared along with an estimate of the number of hours/days required and an approximate hourly/daily rate expected for the performance of those services. The MOA budget line should be a summary of the detail for

the anticipated contractual services.

Other Costs

Any other costs expected to be incurred in the performance of the provision of the MOA should be detailed on a worksheet and summarized on the MOA budget line for "Other Costs."

Total Direct Costs

A summation of the Personnel Cost, Travel, Materials, General Office, Equipment and Furnishings, Contractual Services and Other Costs estimated to successfully fulfill the requirements of the MOA.

Facilities and Administration (F&A) Costs

The Agency is a part of a Negotiated Indirect Cost Rate Agreement between the U.S. Department of Health and Human Services and The Texas A&M University System. F&A costs are an integral component of an MOA budget, and, unless a documented justification is presented by the Sponsor (i.e. a copy of the Sponsor's Articles of Incorporation prohibiting them from payment of F&A costs) and waiver of F&A costs is specifically allowed by the Agency Director, F&A costs must be included at the negotiated agreement rate. The F&A costs are assessed to recover costs for facilities and services provided by the Agency that benefit the Sponsor but are not paid for directly from project funds (e.g. computer equipment and software, other office and field equipment, accounting and support staff costs, etc.) The F&A costs should be calculated as a percent of the Total Modified Direct Costs (Total Direct Costs less Equipment and Furnishings).

Total Project Costs

A summation of Total Direct Costs and F&A Costs.

A brief budget narrative, by budget category, should be attached to the MOA budget that contains a concise, accurate, non-monetary explanation of budgeted costs and the relevance of those costs to performance of the project requirements (i.e. who will be paid and what is their part in the performance of the project, where and when will travel take place and how is it relevant to the project, what types of materials, equipment and services will be purchased and how do they contribute to the completion of the project, etc.).

The "Funding" footnote on the budget page is provided for the PI to include, as a part of the formal agreement, that the grant will be funded as front money, reimbursable (including frequency), installment (including frequency), end of project, or other funding scheme.

Submit the MOA form with Exhibit A attached in duplicate for original signatures through the appropriate review and approval protocol to the recipient Director's office for submission to the Sponsor.