

Guidelines for Internal Budgets

NIH Modular Grant Application

The **modular grant application** format is an effort by the National Institutes of Health (NIH) to streamline the process and focus attention on the science of a project rather than budget details. The budget for a modular grant is requested in \$25,000 modules up to \$250,000 per year direct costs. A typical modular grant application will request the same number of modules in each year. There will be no future year escalations. The budget justification addresses all personnel, including names, percent of effort and roles on the project. An additional narrative budget is needed to justify any variation in the number of modules requested.

UTHSC-H supports the modular budget format with the preparation of a minimal **categorical internal budget**. (*Any form or format may be used for the internal categorical budget.*) The purpose of the categorical budget is to provide the investigator with a **tool** to determine the real costs associated with the project, and to see if the project is eligible for the modular format, i.e., \$250,000 or less to determine the base used to calculate indirect costs.

Categories to be included on the internal budget are:

- 1) **Personnel**
List name, % effort, base salary, salary requested, and fringe benefits to arrive at the total *personnel* costs. (The NIH salary limitation in effect at the time of submission should be used.)
- 2) **Items to be excluded from indirect costs**
Itemize *equipment* \$5,000 and greater, *tuition & fees* for all students listed under personnel, and *consortium/contractual costs* for each collaborating institution. Detail *patient care costs and renovations*.
- 3) **Other**
Estimate the total of all other costs (travel, supplies, small equipment items, animals/animal care costs, publication costs, etc.) necessary to support the project and record this amount as '*Other*'.

Total all categories and round up to the nearest \$25,000. If that total does not exceed \$250,000 then the modular format should be used. If those costs exceed \$250,000 the modular format is not applicable and a detailed budget should be prepared.

Categorical budgets are required for all years IF 1) the number of modules requested will change or 2) there are exclusions from the indirect costs calculations in subsequent years.