



Guidelines for preparing research budgets

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Context

These guidelines are for use with the ACIAR project budget template and intended for ACIAR Project Teams. The template is formatted as an Excel spreadsheet, that can be obtained from the ACIAR Program Support Officer (PSO) associated with the project. Please contact your Research Program Manager (RPM) if you do not know the contact details of the PSO.

Overview of Excel Project Budget

The complete project budget consists of numerous worksheets, with each explained below. All cells requiring user entry are highlighted in orange. All other cells are driven by formulae and should not be amended, except where specified in the instructions below. We strongly advise that you make a backup copy of the budget first before overwriting any formulae.

ACIAR's project budgets are divided by Financial Year (July-June each year) during their Preliminary phase, then by payments at the Full phase (usually two payments per Financial Year: July-December; January-June). In the Preliminary Project phase, high-level cost estimates and project personnel information are required for ACIAR's In-House Review process. Once a project has progressed to the Full Proposal phase, additional budget information is needed. Requirements for both phases are outlined in these guidelines.

Normally, all ACIAR project funds are disbursed through the Commissioned Organisation, which in turn distributes funds to all partners, including those overseas. Funds are disbursed according to the budget on a six-monthly basis to the Commissioned Organisation. Once the project agreements have been fully executed, the first payment will be paid by ACIAR.

All budget figures should be in Australian dollars (AUD), and prepared exclusive of Goods and Services Tax (GST). However, ACIAR will pay whatever GST is liable on the services it buys, and should be invoiced accordingly.

ACIAR requires accuracy on the budget items for which it is liable. Project proponents should attempt to obtain the exact dollar cost of line items wherever possible, otherwise careful estimates need to be made with as much accuracy as possible. All known cost increases should be included in the initial budget (for example, known salary increments or specified future increases arising from a certified agreement).

Note that an example budget, for your reference and use as a guide, may be found, on the ACIAR website under [Project tools](#):

[Research budget example - Prelim](#)

[Research budget example - Full](#)

Preliminary Proposal – Budget worksheets

ACIAR project budgets are split into multiple worksheets, with explanations below:

1	2	3	4	5		
Project Budget Parameters	PRELIM BUDGET ONLY	All personnel	CommOrg	Collab1	Collab2	Collab3

Project Budget – Parameters (hidden)

This first budget worksheet is usually locked as it contains the basic parameters of the budget that will have been configured already by the ACIAR PSO, including project start and end dates, and key information and multipliers used to drive the population and formulae of the budget. No information should be amended without the prior approval of the ACIAR RPM.

PRELIM BUDGET ONLY

This worksheet is only to be used during the Preliminary Project phase. The PRELIM BUDGET ONLY tab provides an overview of the budget expenditure, split by funding provided to each organisation per financial year and budget explanatory notes. This is then split further to show expenditure against the following five line items:

1. **Personnel**- a dollar amount entry per cell should be provided for the total amount of all Personnel expenses in each financial year for each organisation.
2. **Research Operating**- a dollar amount entry per cell should be provided for the total amount of all Research Operating expenses in each financial year for each organisation. Research Operating expenses can include items such as laboratory and field consumables, materials, minor equipment (value under AU\$2,000) and vehicle expenses for field work. Normal research operating expenses directly related to the project will be met. Research Operating expenses should not include indirect costs such as those specified under *Infrastructure* below.
3. **Travel**- a dollar amount entry per cell should be provided for the total amount of all travel expenses in each financial year for each organisation. This should be inclusive of all related travel expenses, including subsistence.
4. **Infrastructure**- ACIAR may provide a share of the infrastructure (overhead) costs of the Commissioned Organisation and the collaborating organisation(s) if requested and justified. Costs not directly related to the project are included here, such as administrative, computing, secretarial and library/information services.

ACIAR's policy on this is firm, with a limit of 13% for the Commissioned Organisation, 5% for Australian collaborating organisations and 5% for the overseas collaborating organisations. This percentage is applicable and calculated on the total budget approved for Personnel, Research Operating, and Travel, but excludes Capital Items.

5. **Capital**- this category relates to the costs pertaining to items over AU\$2,000 which are necessary to the project.

Budget Explanatory Notes

The budget explanatory notes are a space that can be used to provide an explanation for the budget. Including in-kind contributions, the magnitude of the travel budget, an explanation of the need for capital items and an allocation for outreach activities. Explain how much funding will be allocated to communications, project findings dissemination and monitoring and evaluation activities

All Personnel tab

This worksheet does not require any data entry. Instead all personnel details listed in each individual personnel tab will flow through to this worksheet.

Personnel Expenditure Tables – Commissioned Organisation, Australian/IARC collaborators and Overseas collaborating organisations

These worksheets are titled as the abbreviation of the name of each organisation.

Each organisation should complete the cells highlighted in orange, for each individual proposed to be working on the project, whether paid by ACIAR, the organisation, or a combination of the two. Please note that sub-contractors should be entered in the bottom section (rows 46-85) of the worksheet, as they are not usually subject to the same standard on-costs afforded to individuals employed directly by the agency.

The fields to be entered are, in order from left to right:

- **Name**
Name of the individual, or “TBC” if not yet known. The expectation is that key contracted personnel are named as early as possible in the project budget
- **Gender**
M, F or U = Male/Female/Unspecified
- **Organisation**
This is prefilled and should not be amended. If the individual is not employed by the organisation they should instead be entered in the sub-contractor section of this worksheet
- **Position at Organisation**
The role the individual holds within their own organisation
- **Discipline**
The individual’s branch of knowledge that relates directly to the project role and its responsibilities.
- **Role & responsibilities in project**
The role proposed for the individual in the project; the responsibilities proposed for this individual.
- **Project time input (%)**
The total percentage of the individual’s time that is proposed to be spent on the project
- **Funding source (of time input)**
The amount of the individual’s **Project time input** it is proposed that ACIAR pays. For example, if an individual will work 50% of their time on a project and ACIAR will fund half of this time, you would enter 25%.
- **Sub-contractors**
It is not always necessary to create a new budget worksheet for each individual working for a different organisation in a project. In some cases, the only involvement of an organisation in a project may be through an individual researcher. In such cases capturing these individuals as subcontractors to one of the other organisational partners will simplify the budget.

Please note on-costs (cell B88) and Annual salary uplift (cell B89) are not required to be completed for Prelim Budget.

Full Proposal - Budget worksheets

At the Full Proposal phase, project payments are split into two payments per Financial Year: July-December; January-June). In addition, more detailed budget information is required. The ACIAR Project Support Officer will update your budget and unhide new worksheets and columns for data entry. Key changes from the Preliminary phase are as follows:

- **Salary information (Annual salary, salary uplift % and oncost %)** should now be entered into the Personnel tabs. Six monthly salary amounts will populate across the payment periods and feed into the Personnel totals in the Full Budget Expenditure tab.
- Six-monthly totals for **Research Operating, Travel** and **Capital** expenditure should be added manually to the Full Budget Expenditure tab.
- The **Cost Calculator** worksheet should be used to breakdown the Research Operating, Travel and Capital totals.

ACIAR project budgets are split into multiple worksheets, with explanations below:

1	2	3	4	5	6					
Project Budget Parameters	Payment Schedule	Prepayment	Country split & INCOME	Full budget EXPENDITURE	Costs Calculator	CommOrg	Collab1	Collab2	Collab3	

Project Budget – Parameters

This first budget worksheet is usually locked as it contains the basic parameters of the budget that will have been configured already by the ACIAR Program Support Officer, including project start and end dates, and key information and multipliers used to drive the population and formulae of the budget. No information should be amended without the prior approval of the ACIAR RPM.

Payment Schedule- (hidden until Full Proposal)

This budget worksheet is usually hidden until Full Proposal. It shows the total proposed dollar amount to be paid to the Commissioned Organisation in each pay of the project, and is referenced in the project contract (Letter of Agreement). This worksheet is always kept locked as is driven by other formulae.

Full Budget – Expenditure (hidden until Full Proposal)

This worksheet provides an overview of the budget expenditure, split by funding provided to each organisation per payment period and Budget explanatory notes. This is then split further to show expenditure against the following five line items:

1. **Personnel**- these figures are now automatically derived from each organisation's individual worksheet (worksheets are named after their organisation's abbreviation) and the cells should not be amended here;
2. **Research Operating**- a dollar amount entry per cell should be provided for the total amount of all Research Operating expenses in each payment period for each organisation. Research Operating expenses can include items such as laboratory and field consumables, materials, minor equipment (value under AU\$2,000) and vehicle expenses for field work. Normal research operating expenses directly related to the project will be met. Research Operating expenses should not include indirect costs such as those specified under *Infrastructure* below. An itemisation of the Research Operating costs should be provided via the **Costs Calculator** worksheet.
3. **Travel**- a dollar amount entry per cell should be provided for the total amount of all travel expenses in each payment period for each organisation. This should be inclusive of all related travel expenses, including subsistence. An itemisation of the travel should be

provided via the **Costs Calculator** worksheet; a summary of travel days in each country will be captured in the Personnel Expenditure Tables of the Commissioned Organisation and all Australian/IARC partners.

4. **Infrastructure**- ACIAR may provide a share of the infrastructure (overhead) costs of the Commissioned Organisation and the collaborating organisation(s) if requested and justified. Costs not directly related to the project are included here, such as administrative, computing, secretarial and library/information services.

ACIAR's policy on this is firm, with a limit of 13% for the Commissioned Organisation, 5% for Australian collaborating organisations and 5% for the overseas collaborating organisations. This percentage is applicable and calculated on the total budget approved for Personnel, Research Operating, and Travel, but excludes Capital Items.

Although these standard percentages are built into the budget template, they may be reduced by changing the value of the cell. If the full amount of infrastructure is not being taken, the balance should be shown in the in-kind infrastructure for that organisation. If any infrastructure amounts are to be waived, please confirm in writing to the project's RPM by the necessary signatory at the organisation waiving the funds.

5. **Capital**- this category relates to the costs pertaining to items over AU\$2,000 which are necessary to the project. Itemisation of capital costs over \$2,000 should be provided in the **Costs Calculator** worksheet of the budget (see section below).

For Australian research providers and IARCs, ACIAR will normally fund the depreciation cost of equipment assets for the period that they are used by the ACIAR-funded project work. If the assets are used for work other than ACIAR-funded work, then ACIAR will fund only that proportion of depreciation equivalent to the assets' use on ACIAR-funded work as a proportion of total use. In cases where the equipment is specialised and a use for the equipment other than or beyond the ACIAR-funded work cannot be envisaged, then ACIAR will fund either the cost of leasing the equipment or the purchase cost less the estimated post-project resale value.

Individual assets (normally laboratory and field equipment) should be itemised and justified via the **Costs Calculator** worksheet. Many Memoranda of Understanding with partner countries require a detailed list of equipment to be imported into a country under the project, to avoid customs delays or imposition of duties. Requests for major construction or major equipment purchases for Australian organisations will not normally be supported. Conditions relating to Capital Items are specified in ACIAR's Project Standard Conditions.

Where equipment is wholly funded by ACIAR, safeguarding arrangements to ensure that the equipment remains available for unrestricted use of the project at the relevant research institute are built into agreements that ACIAR will have covering the ACIAR's operation in each country. ACIAR's main concern is to ensure that equipment supplied for a project is appropriate and essential, and that it will be available for unrestricted use by the project where the equipment is wholly funded by ACIAR.

For overseas collaborating organisations, a vehicle may only be purchased for the project when it is considered essential for the project. In most other countries, vehicles have to be registered and insured in the name of the local institute or organisation participating in the project. Generally, vehicles cannot be registered in the name of an Australian Embassy or

High Commission. For Australian research providers, vehicle costs would be expected to be included under **Research Operating** expenses.

Adding itemisation for budget figures

The Full Budget Expenditure sheet includes subtotals for expenditure on: (i) Research Operating; (ii) Travel and; (iii) Capital. Although ACIAR's RPM of the project may be aware of cost itemisation behind each of these subtotals, the **Budget Explanatory Notes** should be updated if necessary and the **Costs Calculator** worksheet (see below) is required to be completed for the project's In-house Review (IHR).

Budget Explanatory Notes

The budget explanatory notes are a space that can be used to provide an explanation for the budget. Including in-kind contributions, the magnitude of the travel budget, an explanation of the need for capital items and an allocation for outreach activities. Explain how much funding will be allocated to communications, project findings dissemination and monitoring and evaluation activities

Costs calculator

The total costs for each organisation under Research Operating, Travel and Capital are pushed into the **Costs Calculator** worksheet. This sheet has been designed to allow Project Teams to provide a greater level of itemisation. Organisation 1's abbreviation is shown in cell A3, together with their project total for:

- Research Operating costs- cell C5
- Travel costs- cell G5
- Capital costs- cell K5

All costs are initially labelled "Unspecified costs", but the user can reduce the unspecified amount by entering a dollar amount in row 8 (cells C8, G8, K8 for each type of costs). For each significant cost, the user should specify in the **Description** column, the item description and its period of expenditure (if relevant), e.g. "Project vehicle for Pakistan, to be procured in year 1".

The user should continue itemising each proposed cost for each organisation, "unhiding" (**right click** on row number, then **unhide**) extra item rows if required, ensuring that costs do not exceed overall line total on the **Full Budget Expenditure** tab. This should be obvious on the Costs Calculator worksheet as the "Unspecified costs" will become a negative, in which case item costs should be reduced or line items should be increased on **Full Budget Expenditure** worksheet.

Note that a level of detail is required for estimated Travel Costs, particularly for costs in the first year for Inception workshops etc. An example budget can be downloaded from ACIAR's website <https://aciar.gov.au/project-tools>

All Personnel tab

This worksheet does not require any data entry. Instead all personnel details listed in each individual personnel tab will flow through to this worksheet. Once the budget is complete, this information should be merged into table 5.1 of the Full Proposal document.

Personnel Expenditure Table – Commissioned Organisation or Australian/IARC collaborators

These worksheets are titled as the abbreviation of the name of the organisation, and the totals in each payment period automatically complete the **Personnel** line for each organisation in the **Full Budget-Expenditure** worksheet.

Each organisation should complete the cells highlighted in orange, for each individual proposed to be working on the project, whether paid by ACIAR, the organisation, or a combination of the two. Please note that sub-contractors should be entered in the bottom section (rows 46-85) of the worksheet, as they are not usually subject to the same standard on-costs afforded to individuals employed directly by the organisation.

The fields to be entered are, in order from left to right:

- **Name**
Name of the individual, or “TBC” if not yet known. The expectation is that key contracted personnel are named as early as possible in the project budget
- **Gender**
M, F or U = Male/Female/Unspecified
- **Organisation**
This is prefilled and should not be amended. If the individual is not employed by the organisation they should instead be entered in the sub-contractor section of this worksheet
- **Position at Organisation**
The role the individual holds within their own organisation
- **Discipline**
The individual’s branch of knowledge that relates directly to the project role and its responsibilities.
- **Role & responsibilities in project**
The role proposed for the individual in the project; the responsibilities proposed for this individual.
- **Annual salary (AUD)**
The individual’s annual salary, exclusive of on-costs. This is the base salary in year one of the project. If the person is not full time, then enter the pro rata annual salary.
- **Annual salary uplift (%)**
Incremental salary increases can be added to all staff within an organisation via the **Annual salary uplift** cell in B89. It can then be changed for each individual as necessary by editing the percentage in column G. Financial estimates should be expressed in current year terms and no allowances are permitted to be made for inflation or possible future wage rises. However, known salary increments or salary changes arising from finalised workplace agreements should normally be allowed. Salary costs claimed should equate to the actual salary of the appointee rather than the maximum step of the classification. Personnel appointment expenses related to recruitment advertising and appointment costs must not be shown in the base salary costs of appointees and should instead be added to Research Operating costs. Please note that any proposed uplift of more than 2% requires written evidence of the reason for the amount from the Project Leader to RPM.
- **Project time input (%)**
The total percentage of the individual’s time that is proposed to be spent on the project
- **Funding source (of time input)**
The amount of the individual’s **Project time input** it is proposed that ACIAR pays. For example, if an individual will work 50% of their time on a project and ACIAR will fund half of this time, you would enter 25%.
- The in-kind percentage is then calculated automatically by the worksheet, together with the dollar amount of ACIAR and in-kind contribution to the individual’s salary in each period. If

organisation at the conclusion of the ACIAR project, AND this results in a net cost increase for the project after all cost savings have also been accounted for

- The basis for calculation of living and other allowances for Australian personnel who will be resident outside Australia for project work should be indicated

Personnel Expenditure Table – Overseas collaborating organisations

As per Commissioned Organisation or Australian/IARC collaborators worksheet instructions above, with the following amendments:

- ACIAR is prepared to meet some salary costs (including on-costs in this case) of developing country personnel who are hired specifically for the project. As part of ACIAR's partnership model, we expect salary contributions to be made by the partner country organisations, however the standards for this vary country to country. To ensure consistency in managing in-country salary costs, project teams should consult with the relevant ACIAR country office. Funds for an element of on-the-job training of developing country scientists may be provided. Such training would be associated only with an individual's participation in an ACIAR project, but would not involve stipends for formal degree-related training. This item does not include the salary earned by Australians while in other countries on short-term visits (that is, less than 28 days per trip)

Notes on partner contributions

Accurate documentation of the financial value of the contribution made by the partners to the project is important for ACIAR to document the value of its partnership model. It covers direct and indirect costs of doing the research, less the contribution from ACIAR and other funding sources.

It is important to remember that contributions for utilities have in many cases already been funded by ACIAR through the cash contribution to infrastructure costs and should not be entered as a partner contribution.

ACIAR encourages co-funding contributions from other agencies in Australia, private sector organisations or overseas donors. Co-funding means an agreed sharing of costs between ACIAR and another donor agency to meet common objectives. However, if the agency is participating in the project they are classified as a "collaborator" rather than a "co-funder", and should therefore have their own worksheet in the budget.

Note, in the International Agreements (MOU, MSA or Deed of Agreement) that ACIAR, the Commissioned Organisation and Collaborators sign the version of Budget provided as part of the Project Document will contain only Personnel Expenditure sheets relating to the signatories of the International Agreement. Personnel Expenditure sheets for other countries or International Agreements within the same country have not been provided for privacy reasons.

Country split & Income (not to be edited by Project Leader)

The worksheet presents the percentages of the total value of the project that can be attributed to each country. It is estimated by the RPM and is important for ACIAR's annual reporting. It should not be edited by the project team.

Project Prepayment (formerly entitled “Part H”)- hidden until required at Full Proposal

In most cases following the final approval (sign-off) of a project by ACIAR, time is required before the project can proceed to enable commissioned and collaborating organisations to develop the project infrastructure. In this period, ACIAR has to prepare, negotiate and finalise the project documentation, including the Project Agreements and Memoranda of Understanding (MOU), or similar documents.

The time required for this preparatory phase would vary depending on the ease with which ACIAR can formalise the necessary project documentation with partner countries (as an example, it is easier to finalise documentation with a country where ACIAR has an ‘umbrella’ MOU). A typical time required for documentation completion is three to six months, with the project agreement with the Commissioned Organisation usually put in place while the MOUs with the partner countries are being negotiated. However, the project arrangement is subject to the signing of such MOUs.

Project prepayments may be considered for certain establishment activities that are required before formal and complete project approval, and only for bilateral projects (i.e. those where the Commissioned Organisation is not an IARC). Prepayments can only be allocated against the first payment amount due to the Commissioned Organisation, and do not represent extra funds but a prepayment from this first scheduled payment. Prepayment funds require justification and are subject to approval of ACIAR’s CEO under a formal Letter of Intent between ACIAR and the Commissioned Organisation.

IARC projects operate under pre-existing agreements between the IARC and the participating country, and generally start with minimal delays once the project documentation is finalised. Therefore, a prepayment should not be requested in these instances.

Examples of costs that **may** be considered for a prepayment include:

- salary component of key staff needed to oversee project preparatory activities
- essential travel to prepare for project implementation and inception meetings
- costs relating to the appointment of the initial project research team at the Commissioned Organisation
- essential equipment and materials required (in Australia) before project can commence

Note that the funds included in the prepayment are only to cover the establishment costs in Australia. Examples of costs that **may not** be considered for a prepayment include:

- funds to be sent overseas
- funds allocated to purchase equipment that will be sent overseas
- funds allocated for the purpose of travel from the overseas country to Australia

Any requests for a project prepayment should be made to the Research Program Manager as soon as possible during the full proposal phase of the project. This should then be captured in the **Prepayment** worksheet. Please let the appropriate Project Support Officer know where a prepayment is requested if this worksheet is hidden in the budget template.

Annex A: Checklist for Project Leader (for Preliminary Budgets)

1. An Excel budget, preconfigured for the research activity by the Program Support Officer (PSO), with correct organisations and start & end dates in the **Project Budget Parameters** worksheet. If any of this information is incorrect, please check with the PSO before making any changes
2. Ensure formulae are updating. If not, go into **File>Options>Formulas**, then ensure Automatic is selected
3. Completed **worksheet for each organisation**, including the **cells marked in orange** for each individual working on the project:
 - i. Name (if known, otherwise “TBC” – use pull-down menu to ensure unique TBCs are used)
 - ii. Gender
 - iii. Organisation (pre-filled)
 - iv. Position at organisation
 - v. Discipline
 - vi. Role and Responsibilities in project
 - vii. Project time input
 - viii. Funding Source (of time input)
4. Completed orange highlighted cells in **PRELIM BUDGET ONLY** tab for each organisation for each year/milestone of the project (Personnel, Research Operating, Travel, Capital), then check and update (where necessary) infrastructure % for each organisation in column Q
5. Complete **Budget Explanatory Notes** for each organisation in column S
6. Ensure that planned project expenditure is approximately in line with the Pipeline Budget in the last row of the **PRELIM BUDGET ONLY** tab
7. When complete, please email your completed budget to the RPM & PSO for review

Annex B: Checklist for Project Leader (for Full Proposal Budgets)

8. An Excel budget, preconfigured for the research activity by the Program Support Officer (PSO), with correct organisations and start & end dates in the **Project Budget Parameters** worksheet. If any of this information is incorrect, please check with the PSO before making any changes
9. Ensure formulae are updating. If not, go into **File>Options>Formulas**, then ensure Automatic is selected
10. Completed **worksheet for each organisation**, including the **cells marked in orange** for each individual working on the project:
 - i. Name (if known, otherwise “TBC” – use pull-down menu to ensure unique TBCs are used)
 - ii. Gender
 - iii. Organisation (pre-filled)
 - iv. Position at organisation
 - v. Discipline
 - vi. Role and Responsibilities in project
 - vii. Annual salary
 - viii. Project time input
 - ix. Funding Source (of time input)
 - x. Days in country (Commissioned Organisation, CG Centres & Australian partners only)
 - xi. Organisation on-costs
 - xii. Annual salary uplift
11. Completed orange highlighted cells in **Full Budget Expenditure** tab for each organisation for each year/milestone of the project (Research Operating, Travel, Capital), then check and update (where necessary) infrastructure % for each organisation in column Q
12. Complete **Budget Explanatory Notes** for each organisation in column S
13. Ensure that planned project expenditure is approximately in line with the Pipeline Budget in the last row of the **Full Budget Expenditure** tab
14. Complete the **Costs Calculator** (check with RPM if you are unsure about the level of detail required)
15. When complete, please email your completed budget to the RPM & PSO for review

[Link to completed example budget \(for guidance only\)](#)

An example budget may be downloaded from the following ACIAR website page:

<https://aciarcg.gov.au/sites/default/files/2020-08/aciarcg-research-budget-example-full.pdf>