Explaining Your NIH Project Budget: The Budget Justification

Your budget spreadsheet tells your company's story in numbers, but it is only half of the story. The reviewers need to see why you are spending money on the things in your budget and it is your Budget Justification that explains what the numbers *mean*.

Here are the most important things to remember are:

- This is the only place in the proposal that really tells the reviewers who is doing what, and where they are doing it. Your Budget Justification is valuable overview of the way the project is set up. It helps answer many questions reviewers have about your company.
- The Budget Justification is where you explain in narrative detail how you will spend NIH's money. This is *not* where you justify the project and talk about how great it is. Save that for the Research Strategy.
- Every line item (including project personnel) in the project budget should have a subheading and corresponding paragraph in the Budget Justification. Keeping the order, numbering and headings the same as in the budget spreadsheet will help you to do this.
- Include all justification information for all years of a multi-year project in the same document.
- List all company personnel and include the following information in a short paragraph for each:
  - Employment status – Where are they currently employed? Will this change on receipt of award? Will they be hired by the company upon receipt of award?
  - Project role – What will their project role/title be, and what will they do? This is not the place to add background information about the individual and how great they are; that information belongs in the Biosketch.
  - Percent Effort – Express this in terms of calendar months. E.g., 50% effort on a 6-month project = 3 calendar months.
  - Total salary/payment in $
  - No biographical information here, please.
- From the Budget Justification, reviewers should be able to get an overview of the budget without having to refer to the budget spreadsheets.
- If the application includes a subaward/consortium budget, a separate budget and budget justification must be submitted for each subaward.

Making reviewers' jobs easier should be right up there on your list of submission goals. A succinct explanation of your budget in the Budget Justification will be a step in the right direction.